

State Board of Land Commissioners Open Meeting Checklist

Meeting Date: September 17, 2024

Regular Meetings

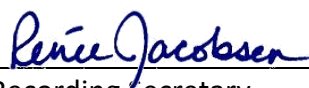
Date	Action
9/5/2024	Meeting Notice posted in prominent place in IDL's Boise Director's office five (5) or more calendar days before meeting.
9/5/2024	Meeting Notice posted in prominent place in IDL's Coeur d'Alene staff office five (5) or more calendar days before meeting.
9/5/2024	Meeting Notice posted in prominent place at meeting location five (5) or more calendar days before meeting.
9/5/2024	Meeting Notice posted electronically on IDL's public website https://www.idl.idaho.gov five (5) or more calendar days before meeting.
9/5/2024	Meeting Notice published on Townhall Idaho website https://townhall.idaho.gov five (5) or more calendar days before meeting.
9/12/2024	Agenda posted in prominent place in IDL's Boise Director's office forty-eight (48) hours before meeting.
9/12/2024	Agenda posted in prominent place in IDL's Coeur d'Alene staff office forty-eight (48) hours before meeting.
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9/12/2024	Agenda published on Townhall Idaho website https://townhall.idaho.gov forty-eight (48) hours before meeting.
6/14/2024	Land Board annual meeting schedule posted – Boise Director's office, Coeur d'Alene staff office, and IDL's public website https://www.idl.idaho.gov .

Special Meetings

Date	Action
	Meeting Notice and Agenda posted in a prominent place in IDL's Boise Director's office twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted in a prominent place in IDL's Coeur d'Alene staff office twenty-four (24) hours before meeting.
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	Meeting Notice and Agenda published on Townhall Idaho website https://townhall.idaho.gov twenty-four (24) hours before meeting.
	Emergency situation exists – no advance Meeting Notice or Agenda needed. "Emergency" defined in Idaho Code § 74-204(2).

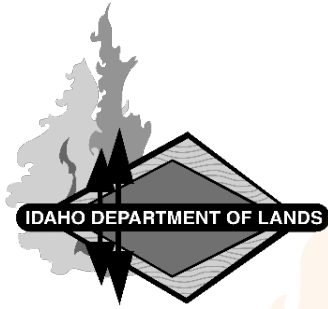
Executive Sessions

Date	Action
	Meeting Notice and Agenda posted in IDL's Boise Director's office twenty-four (24) hours before meeting.
	Meeting Notice and Agenda posted in IDL's Coeur d'Alene staff office twenty-four (24) hours before meeting.
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	Meeting Notice and Agenda published on Townhall Idaho website https://townhall.idaho.gov twenty-four (24) hours before meeting.
	Notice contains reason for the executive session and the applicable provision of Idaho Code § 74-206 that authorizes the executive session.


Recording Secretary

September 12, 2024

Date



Idaho State Board of Land Commissioners

Brad Little, Governor and President of the Board

Phil McGrane, Secretary of State

Raúl R. Labrador, Attorney General

Brandon D Woolf, State Controller

Debbie Critchfield, Superintendent of Public Instruction

Dustin T. Miller, Secretary to the Board

NOTICE OF PUBLIC MEETING SEPTEMBER 2024

The Idaho State Board of Land Commissioners will hold a Regular Meeting on Tuesday, September 17, 2024 in the **State Capitol, Lincoln Auditorium (WW02)**, Lower Level, West Wing, 700 W. Jefferson St., Boise. The meeting is scheduled to begin at 9:00 AM (Mountain).

Please note meeting location.

The State Board of Land Commissioners will conduct this meeting in person and by virtual means. This meeting is open to the public. No public comment will be taken.

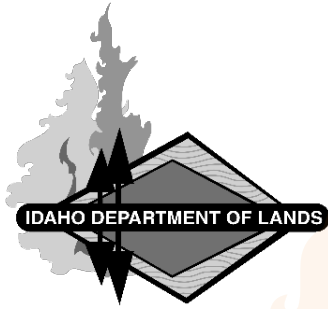
Meeting will be streamed live via IPTV: <https://www.idahoptv.org/shows/idahoinsession/>

Members of the public may register to attend the Zoom webinar through this link:
https://idl.zoom.us/webinar/register/WN_NSCvdnRAS5GGpN99kaly8A

First Notice Posted: 9/5/2024-IDL Boise; 9/5/2024-IDL CDA

This notice is published pursuant to Idaho Code § 74-204. For additional information regarding Idaho's open Meeting law, please see Idaho Code §§ 74-201 through 74-208.

Idaho Department of Lands, 300 N 6th Street, Suite 103, Boise ID 83702, 208.334.0200



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State Board of Land Commissioners Regular Meeting

September 17, 2024 – 9:00 AM (MT)

Final Agenda

Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 W. Jefferson St., Boise, Idaho

Please note meeting location.

The State Board of Land Commissioners will conduct this meeting in person and by virtual means.

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https://idl.zoom.us/webinar/register/WN_NSCvdnRAS5GGpN99kaly8A

Reports

1. **Department Report** – *Presented by Dustin Miller, Director*
 - A. Timber Sales Revenue – August 2024
 - B. Leases/Permits Transactions and Revenue – August 2024
 - C. Fire Season Report
2. **Endowment Fund Investment Board** – *Presented by Chris Anton, EFIB Manager of Investments*
 - A. Manager's Report
 - B. Investment Report

Consent—Action Item(s)

3. **Energy Lease M600099** – *Presented by Jason Laney, Section Manager-Endowment Leasing*
4. **Approval of Draft Minutes** – August 20, 2024 Regular Meeting (Boise)

Regular—Action Item(s)

5. **FY2026 Department of Lands Budget** – *Presented by Dustin Miller, Director*

Information

6. **Idaho Career Ready Students: Forestry** – *Presented by Superintendent Debbie Critchfield*

7. **Energy Lease M800070** – *Presented by Jason Laney, Section Manager-Endowment Leasing*
8. **Memorandum of Agreement with Department of Parks and Recreation** – *Presented by Dustin Miller, Director*

Executive Session

None

This agenda is published pursuant to Idaho Code § 74-204. The agenda is subject to change by the Land Board. To arrange auxiliary aides or services for persons with disabilities, please contact Department of Lands at (208) 334-0200. Accommodation requests for auxiliary aides or services must be made no less than five working days in advance of the meeting. Agenda materials are available online at <https://www.idl.idaho.gov/>.



IDAHO DEPARTMENT OF LANDS



Idaho Statutes

Idaho Statutes are updated to the website July 1 following the legislative session.

TITLE 74
TRANSPARENT AND ETHICAL GOVERNMENT
CHAPTER 2
OPEN MEETINGS LAW

74-206. EXECUTIVE SESSIONS - WHEN AUTHORIZED. (1) An executive session at which members of the public are excluded may be held, but only for the purposes and only in the manner set forth in this section. The motion to go into executive session shall identify the specific subsections of this section that authorize the executive session. There shall be a roll call vote on the motion and the vote shall be recorded in the minutes. An executive session shall be authorized by a two-thirds (2/3) vote of the governing body. An executive session may be held:

(a) To consider hiring a public officer, employee, staff member or individual agent, wherein the respective qualities of individuals are to be evaluated in order to fill a particular vacancy or need. This paragraph does not apply to filling a vacancy in an elective office or deliberations about staffing needs in general;

(b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student;

(c) To acquire an interest in real property not owned by a public agency;

(d) To consider records that are exempt from disclosure as provided in chapter 1, title 74, Idaho Code;

(e) To consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations;

(f) To communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. The mere presence of legal counsel at an executive session does not satisfy this requirement;

(g) By the commission of pardons and parole, as provided by law;

(h) By the custody review board of the Idaho department of juvenile corrections, as provided by law;

(i) To engage in communications with a representative of the public agency's risk manager or insurance provider to discuss the adjustment of a pending claim or prevention of a claim imminently likely to be filed. The mere presence of a representative of the public agency's risk manager or insurance provider at an executive session does not satisfy this requirement; or

(j) To consider labor contract matters authorized under section 74-206A (1) (a) and (b), Idaho Code.

(2) The exceptions to the general policy in favor of open meetings stated in this section shall be narrowly construed. It shall be a violation of this chapter to change the subject within the executive session to one not identified within the motion to enter the executive session or to any topic for which an executive session is not provided.

(3) No executive session may be held for the purpose of taking any final action or making any final decision.

(4) If the governing board of a public school district, charter district, or public charter school has vacancies such that fewer than two-thirds (2/3) of board members have been seated, then the board may enter into executive session on a simple roll call majority vote.

History:

[74-206, added 2015, ch. 140, sec. 5, p. 371; am. 2015, ch. 271, sec. 1, p. 1125; am. 2018, ch. 169, sec. 25, p. 377; am. 2019, ch. 114, sec. 1, p. 439.]

STATE BOARD OF LAND COMMISSIONERS

September 17, 2024

Trust Land Revenue

Timber Sales

During August 2024, the Department of Lands sold two endowment timber sales at auction. One sale had competitive bidding. The net sale value represents an 18% up bid over the appraised value. Two endowment timber sales did not sell at auction. Good Neighbor Authority (GNA) sold one sale with competitive bidding. The net sale value represents a 74% up bid over the appraised value.

TIMBER SALE AUCTIONS								
Sale Name	Area	Sawlog MBF	Cedar Prod MBF	Pulp MBF	Appraised Net Value	Sale Net Value	Net \$/MBF	Purchaser
Round Ferry Ton	PAY	4,420			\$ 408,885.03	\$ 408,885.03	\$92.51	Woodgrain Inc
Johnson Road	CLW	6,325			\$ 888,448.50	\$1,115,595.00	\$176.38	IFG Timber LLC
Endowment		10,745	0	0	\$1,297,333.53	\$1,524,480.03	\$141.88	
Stinky Skunk GNA Ton	BNF	1,405			\$ 31,983.00	\$ 55,741.80	\$39.67	Jantz Logging
Non-Endowment		1,405	0	0	\$ 31,983.00	\$ 55,741.80	\$39.67	

PROPOSED TIMBER SALES FOR AUCTION				
Sale Name	Volume MBF	Advertised Net Value	Area	Estimated Auction Date
North Operations				
West Latour	6,190	\$ 1,024,004.00	Mica	9/3/2024
Burnt Rose	4,005	\$ 510,515.00	Ponderosa	9/10/2024
Lively Alderann Cedar	3,665	\$ 613,911.00	St. Joe	9/19/2024
Finns Elk	10,150	\$ 1,349,452.00	St. Joe	9/19/2024
Roman Beak Ton	4,820	\$ 1,039,573.27	Pend Oreille	9/25/2024
Long Mountain GNA Ton	10,500	\$ 1,560,073.60	IPNF-POL	9/17/2024
Fan Bit GNA Ton	430	\$ 4,776.00	NezClear NF-GNA	9/12/2024
Totals	39,760	\$ 6,102,304.87		
South Operations				
Nelson Cranberry Cedar	1,600	\$ 570,623.00	Clearwater	9/5/2024
Dog Shorts Ton	3,200	\$ 284,201.40	Payette Lakes	9/9/2024
Thorn GNA Ton	5,830	\$ 327,142.89	Payette NF -GNA	9/26/2024
Lovin Lacey Cedar	3,995	\$ 1,602,907.50	Maggie Creek	9/16/2024
Gulch Island Cedar	1,925	\$ 316,221.00	Maggie Creek	9/16/2024
Totals	16,550	\$ 3,101,095.79		

VOLUME UNDER CONTRACT as of August 31, 2024				
	Public School	Pooled	Total	3 Year Avg.
Active Contracts			163	181
Total Residual MBF Equivalent	342,417	156,840	499,257	527,794
Estimated residual value	\$93,685,997	\$42,988,092	\$136,674,089	\$148,982,169
Residual Value (\$/MBF)	\$273.60	\$274.09	\$273.75	\$282.27

	TIMBER HARVEST RECEIPTS				
	August		FY to date	September Projected	
	Stumpage	Interest	Harvest Receipts	Stumpage	Interest
Public School	\$ 5,833,853.40	\$ 735,746.09	\$ 12,575,402.07	\$ 6,462,283.94	\$ 691,869.62
Pooled	\$ 5,362,187.01	\$ 819,594.26	\$ 11,495,538.65	\$ 2,491,972.34	\$ 320,726.41
General Fund	\$ 277.69	\$ 14.12	\$ 380.50	\$ 1,254.75	\$ 70.29
Totals	\$ 11,196,318.10	\$ 1,555,354.47	\$ 24,071,321.22	\$ 8,955,511.03	\$ 1,012,666.32

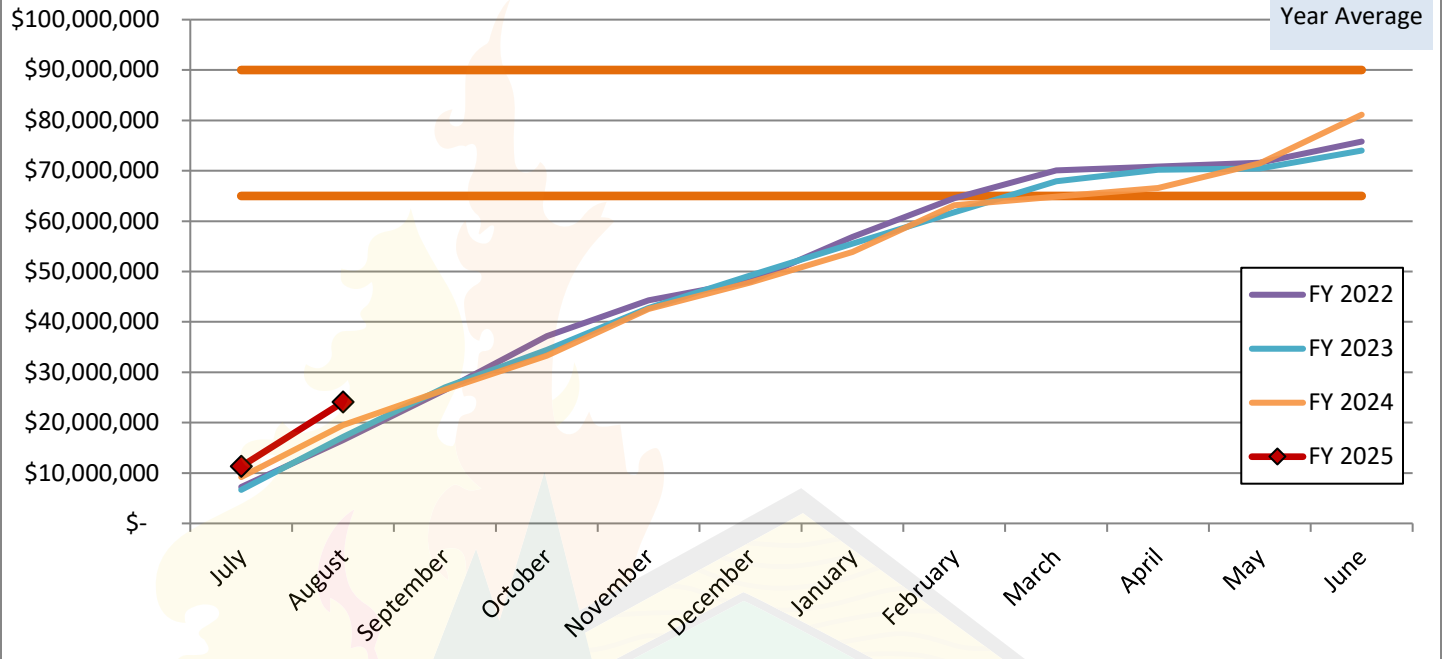
	Status of FY2024 Timber Sale Program					
	MBF Sawlog			Number Poles		
	Public School	Pooled	All Endowments	Public School	Pooled	All Endowments
Sold as of August 31, 2024	198,605	89,388	287,993	18,955	7,531	26,486
Currently Advertised	10,288	7,257	17,545	100	400	500
In Review	4,736	364	5,100	0	0	0
Did Not Sell*	27,615	0	27,615	2,200	0	2,200
TOTALS	241,244	97,009	338,253	21,255	7,931	29,186
FY2024 Sales Plan			328,000			20,000
Percent to Date			103%			146%

* After three attempts at auction.

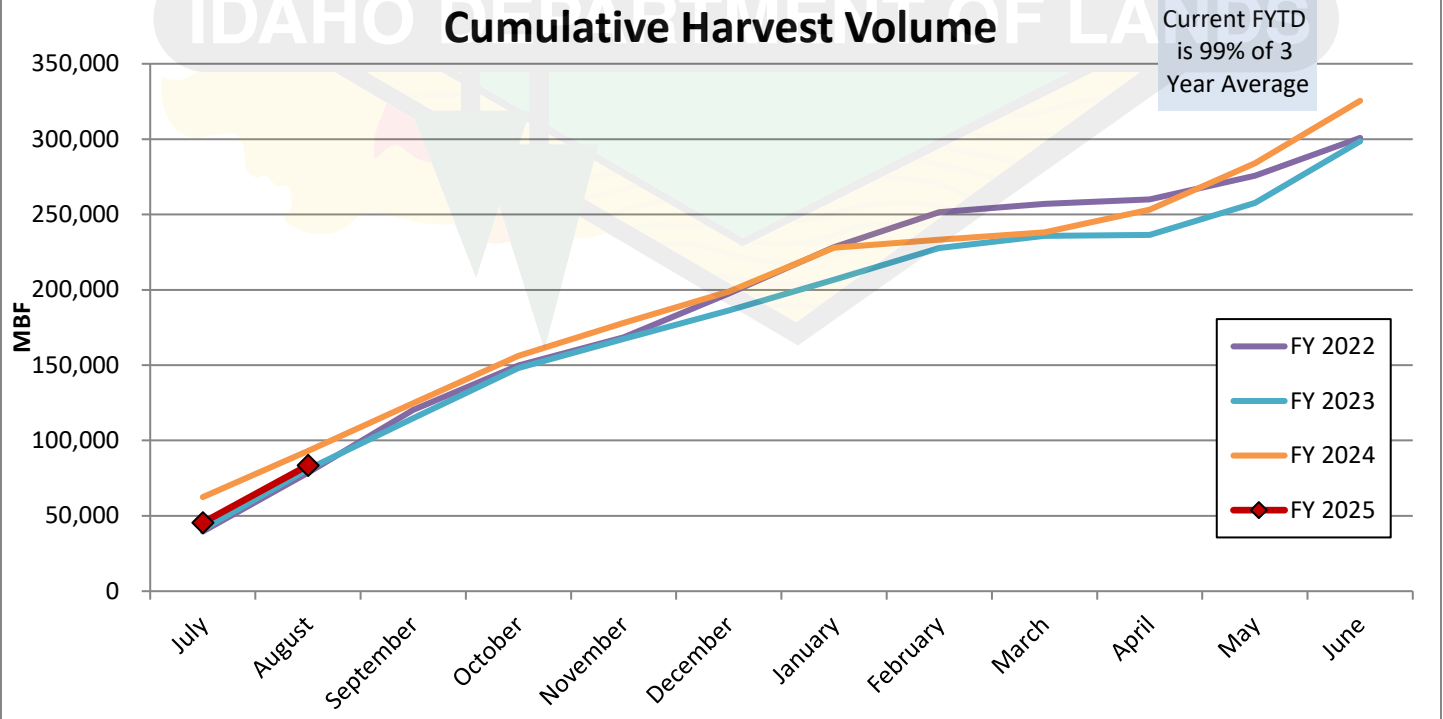
	Status of FY2025 Timber Sale Program					
	MBF Sawlog			Number Poles		
	Public School	Pooled	All Endowments	Public School	Pooled	All Endowments
Sold as of August 31, 2024	5,365	21,469	26,834	352	2,373	2,725
Currently Advertised	4,921	8,999	13,920	0	0	0
In Review	16,412	7,053	23,465	2,196	2,379	4,575
Did Not Sell*	0	0	0	0	0	0
TOTALS	26,698	37,521	64,219	2,548	4,752	7,300
FY2024 Sales Plan			328,000			20,000
Percent to Date			20%			37%

* After three attempts at auction.

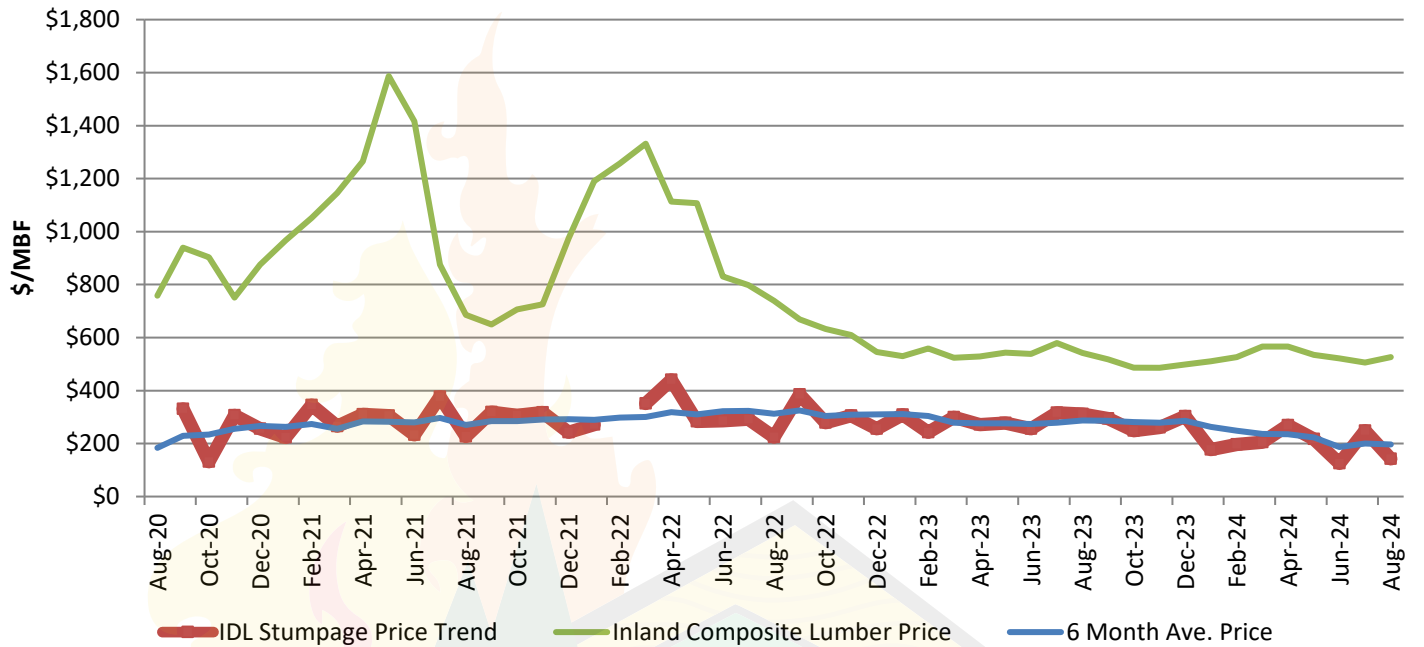
Cumulative Harvest Receipts



Cumulative Harvest Volume



Monthly Lumber and Stumpage Price



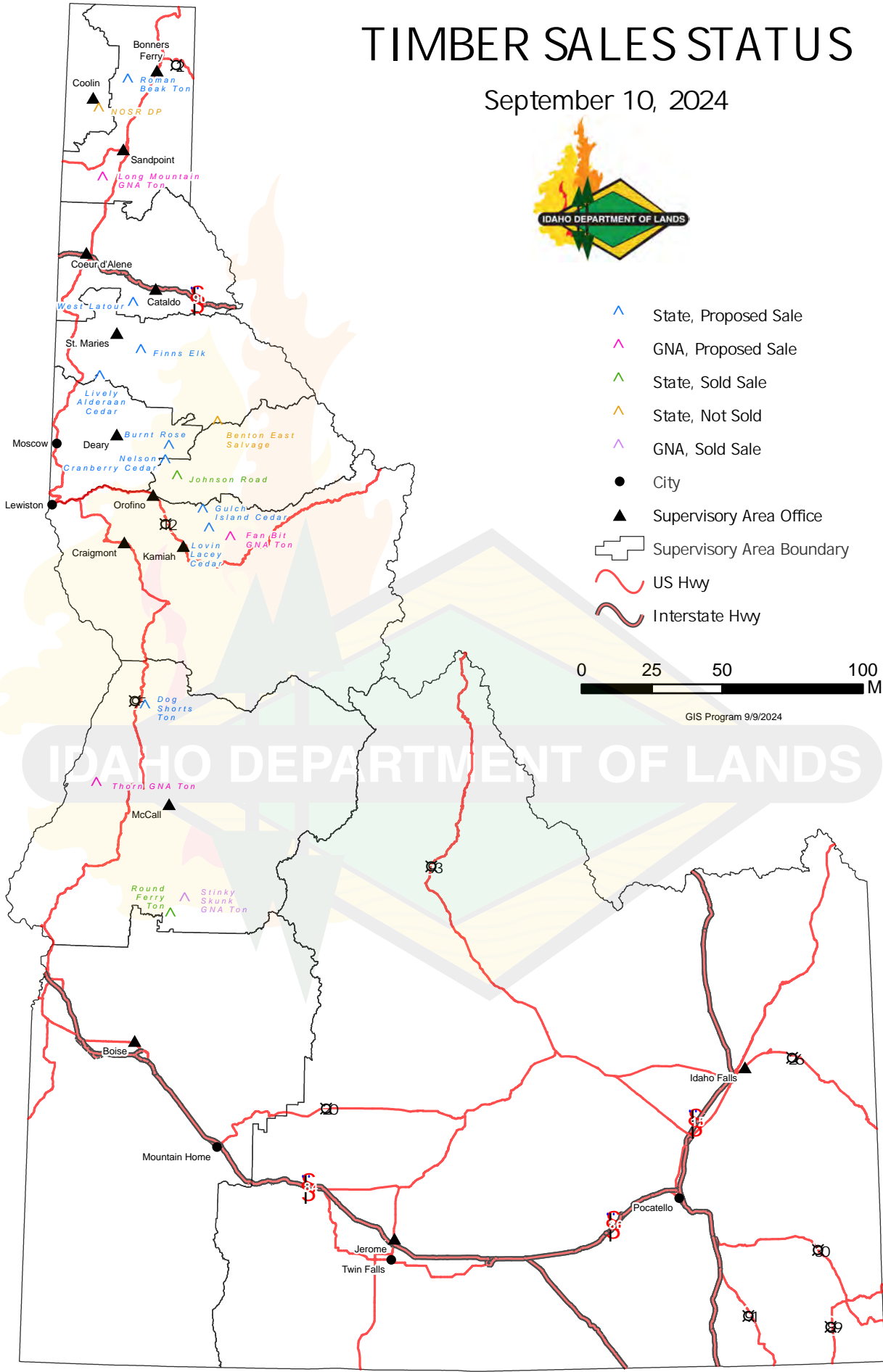
August 2024 6-month average price is \$196.11.

August 2023 6-month average price was \$286.85.

IDAHO DEPARTMENT OF LANDS

TIMBER SALES STATUS

September 10, 2024



STATE BOARD OF LAND COMMISSIONERS

September 17, 2024
Endowment Transactions

Leases and Permits

FISCAL YEAR 2025 – LEASING & PERMITTING TRANSACTIONS BY MONTH through August 31, 2024													
ACTIVITY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
SURFACE													
Agriculture	-	-	-	-	-	-	-	-	-	-	-	-	0
Assignments	-	-	-	-	-	-	-	-	-	-	-	-	0
Communication Sites	1	-	-	-	-	-	-	-	-	-	-	-	1
Assignments	-	4	-	-	-	-	-	-	-	-	-	-	4
Grazing	-	3	-	-	-	-	-	-	-	-	-	-	3
Assignments	4	2	-	-	-	-	-	-	-	-	-	-	6
Residential	-	9	-	-	-	-	-	-	-	-	-	-	9
Assignments	-	2	-	-	-	-	-	-	-	-	-	-	2
COMMERCIAL													
Alternative Energy	-	-	-	-	-	-	-	-	-	-	-	-	0
Industrial	-	-	-	-	-	-	-	-	-	-	-	-	0
Military	-	-	-	-	-	-	-	-	-	-	-	-	0
Office/Retail	-	-	-	-	-	-	-	-	-	-	-	-	0
Recreation	-	-	-	-	-	-	-	-	-	-	-	-	0
Assignments	1	-	-	-	-	-	-	-	-	-	-	-	1
OTHER													
Conservation	-	-	-	-	-	-	-	-	-	-	-	-	0
Geothermal	-	-	-	-	-	-	-	-	-	-	-	-	0
Minerals	2	-	-	-	-	-	-	-	-	-	-	-	2
Assignments	-	-	-	-	-	-	-	-	-	-	-	-	0
Non-Comm Recreation	-	-	-	-	-	-	-	-	-	-	-	-	0
Oil & Gas	-	-	-	-	-	-	-	-	-	-	-	-	0
PERMITS													
Land Use Permits	9	11	-	-	-	-	-	-	-	-	-	-	20
TOTAL INSTRUMENTS	17	31	0	0	0	0	0	0	0	0	0	0	48

Real Estate

FISCAL YEAR 2025 – REAL ESTATE TRANSACTIONS BY MONTH – through August 31, 2024													
ACTIVITY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
Deeds Acquired	-	1	-	-	-	-	-	-	-	-	-	-	1
Deeds Granted	-	-	-	-	-	-	-	-	-	-	-	-	0
Deeds Granted - Surplus	-	1	-	-	-	-	-	-	-	-	-	-	1
Easements Acquired	-	-	-	-	-	-	-	-	-	-	-	-	0
Easements Granted	-	-	-	-	-	-	-	-	-	-	-	-	0
Notes: Clark Fork Hatchery Surplus Property Sale Sales price = \$435,994.05 1) Acquisition Deed - Dept of Fish and Game to State Board of Land Commissioners. 2) Deed Surplus Property Sale - State Board of Land Commissioners to John S. Meadows and Sherry L. Meadows, husband and wife as community property with right of survivorship; and David D. Meadows and Colleen M. Meadows, husband and wife, as community property with right of survivorship.													

TRUST LAND MANAGEMENT DIVISION
FY2025 GROSS REVENUE (non-timber) - ACTUAL AND FORECASTED
through August 31, 2024

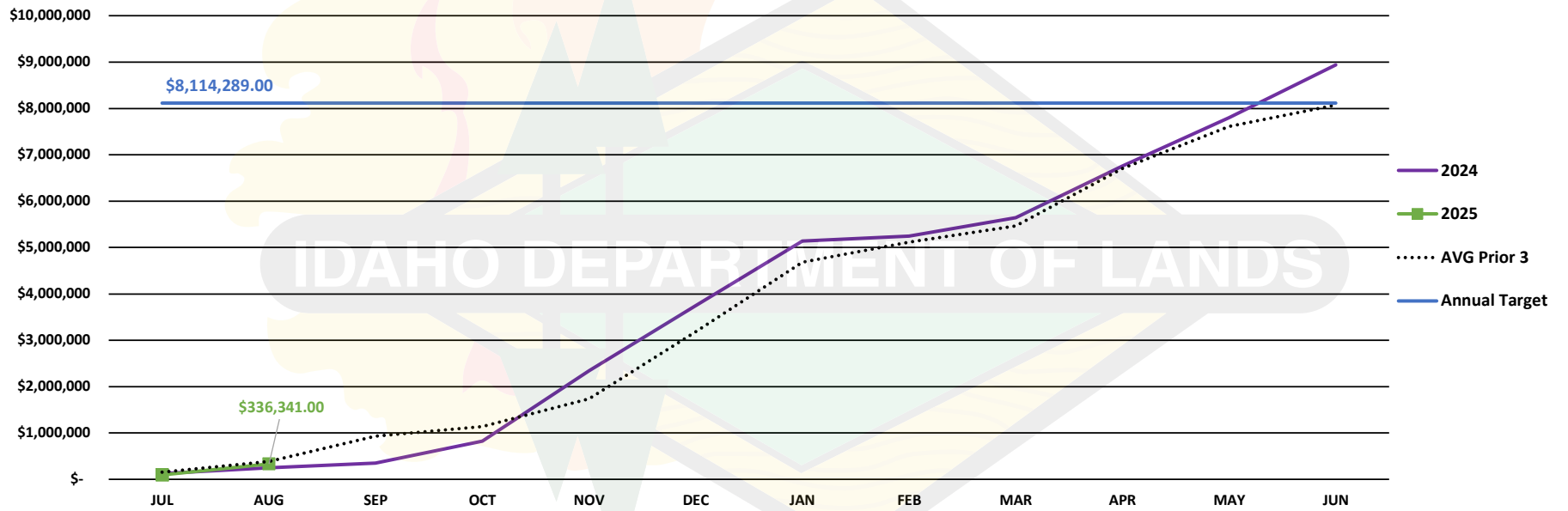
	REVENUE YTD AS OF 08.31.2024	REVENUE EXPECTED BY 08.31.2024*	REVENUE EXPECTED BY 06.30.2025
SURFACE			
AGRICULTURE	\$ 600	\$ -	\$ 678,710
COMMUNICATION SITES	\$ 1,899	\$ -	\$ 1,100,000
GRAZING	\$ 77,188	\$ 11,000	\$ 2,089,000
RESIDENTIAL LEASES	\$ 9,081	\$ -	\$ 1,557,115
COMMERCIAL			
COMMERCIAL ENERGY RESOURCES	\$ 1,250	\$ -	\$ 117,340
COMMERCIAL INDUSTRIAL	\$ 29,001	\$ -	\$ 130,000
COMMERCIAL MILITARY FACILITIES	\$ 68,682	\$ -	\$ 150,000
COMMERCIAL OFFICE/RETAIL LEASES	\$ 64,611	\$ 40,000	\$ 950,000
COMMERCIAL RECREATION	\$ 39,038	\$ 15,000	\$ 1,150,000
OTHER			
CONSERVATION LEASES	\$ -	\$ -	\$ 73,595
GEOTHERMAL	\$ -	\$ 5,006	\$ 5,006
MINERAL LEASES	\$ 44,943	\$ -	\$ 110,494
OIL AND GAS LEASES	\$ 48	\$ -	\$ 3,029
Sub Total	\$ 336,341	\$ 71,006	\$ 8,114,289
REAL ESTATE SERVICES (ER)	\$ -	**	
Grand Total - Earnings Reserve	\$ 336,341		
PERMANENT FUND REVENUE			
MINERALS (PF)	\$ 442,072	***	

*These figures are based on historic timing of revenue/billing as well as estimates of upcoming lease and permit revenue.

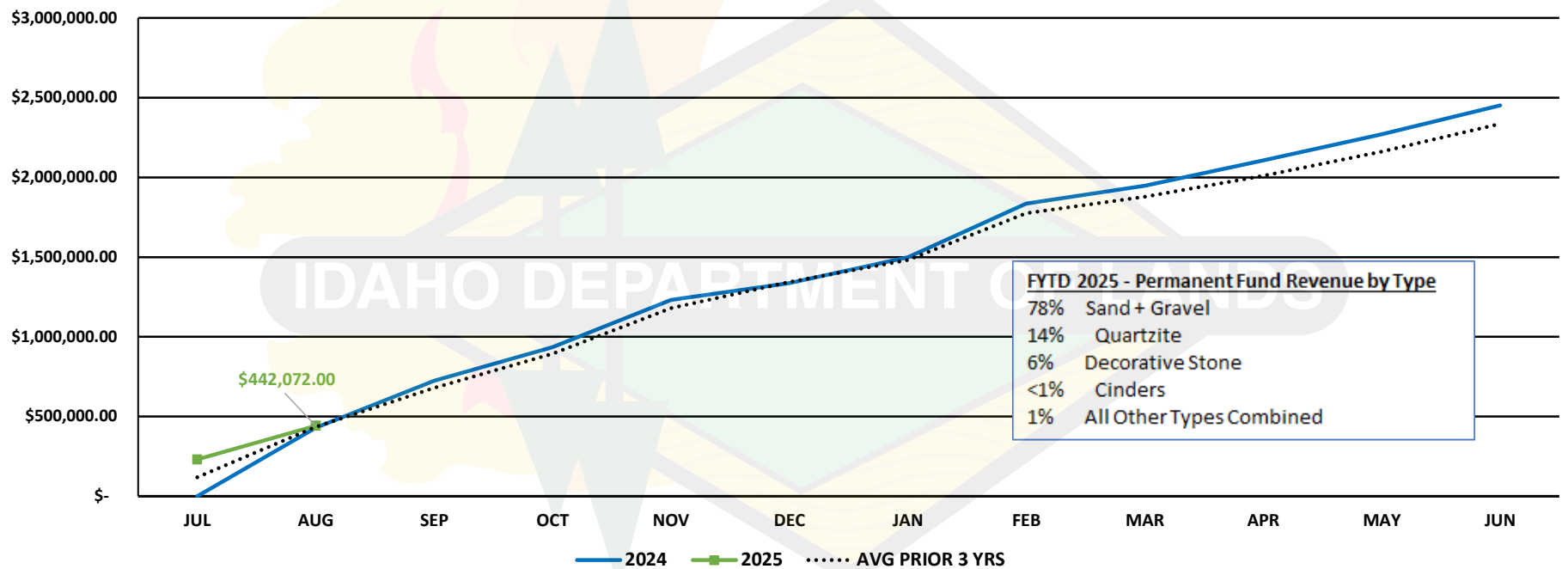
** This category is not included in the annual forecast.

***This category is not included in the annual forecast and represents minerals revenue to the permanent fund.

**Cumulative Trust Land Program Receipts
Earnings Reserve - All Programs Excluding Timber
FYTD 2025**



Trust Land Permanent Fund Revenue & Royalties (Excluding Land Bank and Timber Program) FYTD 2025



STATE BOARD OF LAND COMMISSIONERS

September 17, 2024

Department Report

Subject

Fire Season Update

Background

As of September 13, Emergency Fire Suppression expenditures are estimated to be \$51,132,500. The suppression account will recover an estimated \$5,154,000 of reimbursable costs, for a net obligation of \$45,798,500. The total obligation includes the 2024 contracted aircraft costs and prepositioned contract engines to assist with a lack of qualified engine bosses. These engines will be assigned across the state to boost initial attack resources.

Discussion

On September 2, the Chimney Fire was reported 9 miles northwest of Fairfield. The fire has burned 6,475 acres and is 10 percent contained. The fire is burning on mixed ownership of IDL, BLM, and USFS. The fire is being suppressed by a Complex Incident Management Team (CIMT).

On August 5, the Flat Fire was reported eleven miles north of Idaho City. The fire has burned 3,734 acres and is 100 percent contained. The fire was suppressed by a Great Basin Complex Incident Management Team (CIMT).

On August 31, the County Line fire broke out near Plummer, ID. The fire required immediate evacuation notices and quickly grew to 150 acres. It was 80 percent contained by the next day, and now 100 percent contained.

Fire Season Comparison to Date

Number and Size of Fires (Year to Date)				
Year	Human	Lightning	Total	Acres
2020	173	49	222	4,853
2021	227	154	381	141,883
2022	111	133	244	3,887
2023*	195	76	271	2,577
2024*	180	112	292	48,336
20 Yr. Average (2002-2022)			271	24,567

*2024 and 2023 fires are calculated using the protection boundaries of the new Idaho Master Agreement which has increased the area in which IDL is the protecting agency. Therefore, there is an inconsistency between 2023/2024 numbers and 20-year averages.

The first part of September has been much warmer and drier than average. Idaho has recently received a significant amount of rain throughout the state. Due to the number of large fires and variations in rainfall amounts, fire will continue to be a lingering problem, but the risk is reduced as compared with a few weeks ago.

Restrictions are present in central and southern Idaho, as shown on the attached map.

Significant Fires Outside of IDL Protection

Lava Fire

Agency/Management: Boise National Forest (USFS)
General Location: 12 miles southwest of Cascade, ID
Acres burned: 94,589 acres, 6 percent contained

Wapiti Fire

Agency/Management: Boise National Forest (USFS)
General Location: 14 miles west of Stanley, ID
Acres burned: 125,429 acres, 12 percent contained

Middle Fork Complex (2 fires)

Agency/Management: Boise National Forest (USFS)
General Location: 9 miles east of Garden Valley, ID
Acres burned: 61,159 acres, 32 percent contained

Snag Fire

Agency/Management: Boise National Forest (USFS)
General Location: 18 miles northeast of Cascade, ID
Acres burned: 33,244 acres, 15 percent completion

Total Acres Burned by Ownership 9/13/2024	
Surface Owner	Acres
Bureau of Land Management	233,269
Other Federal	8,764
Other State	2,937
Private	120,448
State Endowment	33,027
Tribal	935
U.S. Forest Service	402,662
Other	1,024
Total Acres	803,066

Only fires with perimeters in the Fire Enterprise Geospatial Portal have been included in the analysis.

Fire Deficiency Warrant Spending - 2024 Fire Season YTD		
Category	Estimated Costs	Notes
Aviation Resources	\$3,500,000	4 SEATS, 4 Single Engine Water Scooper (Fire Boss), 1 Type 1 UH-60 Blackhawk
Prepositioned Engines	\$787,500	5 Type 6 Exclusive Use Contract Engines
IDL Non-Team Fires	\$7,451,000	IDL/Assn fires including pre-positioning. Based on Estimates and actuals.
IDL Team Fires	\$29,920,000	Billy Creek (CIMT-CMS), Texas (CIMT-PDS), Cherry (IDL T3-CMS), Steelhead (IDL T3-CMS), Rock Creek (CIMT-CMS), Flat (CIMT-SWS), Chimney (CIMT-EIS)
Other Suppression Non-reimbursable	\$4,320,000	Coeur d'Alene Cache, Dispatch- Estimate includes expenditures from 1/1/2024-7/1/2024
Other Suppression Reimbursable	\$5,154,000	Reimbursable (IDL and Fire Department resources supporting non-IDL fires). Based on LUMA Actuals- estimates not used.
Total Estimate YTD	\$51,132,500	Does not include Cost Share Fires which will be reported in October

Attachments

1. Map—Significant Fires
2. Map—Fire Restrictions

2024 Wildland Fires in Idaho

9/13/2024

Fire Perimeter Categories

- Current Month
- Last Month
- Two Months Ago
- Three Months and Older

Surface Management Categories

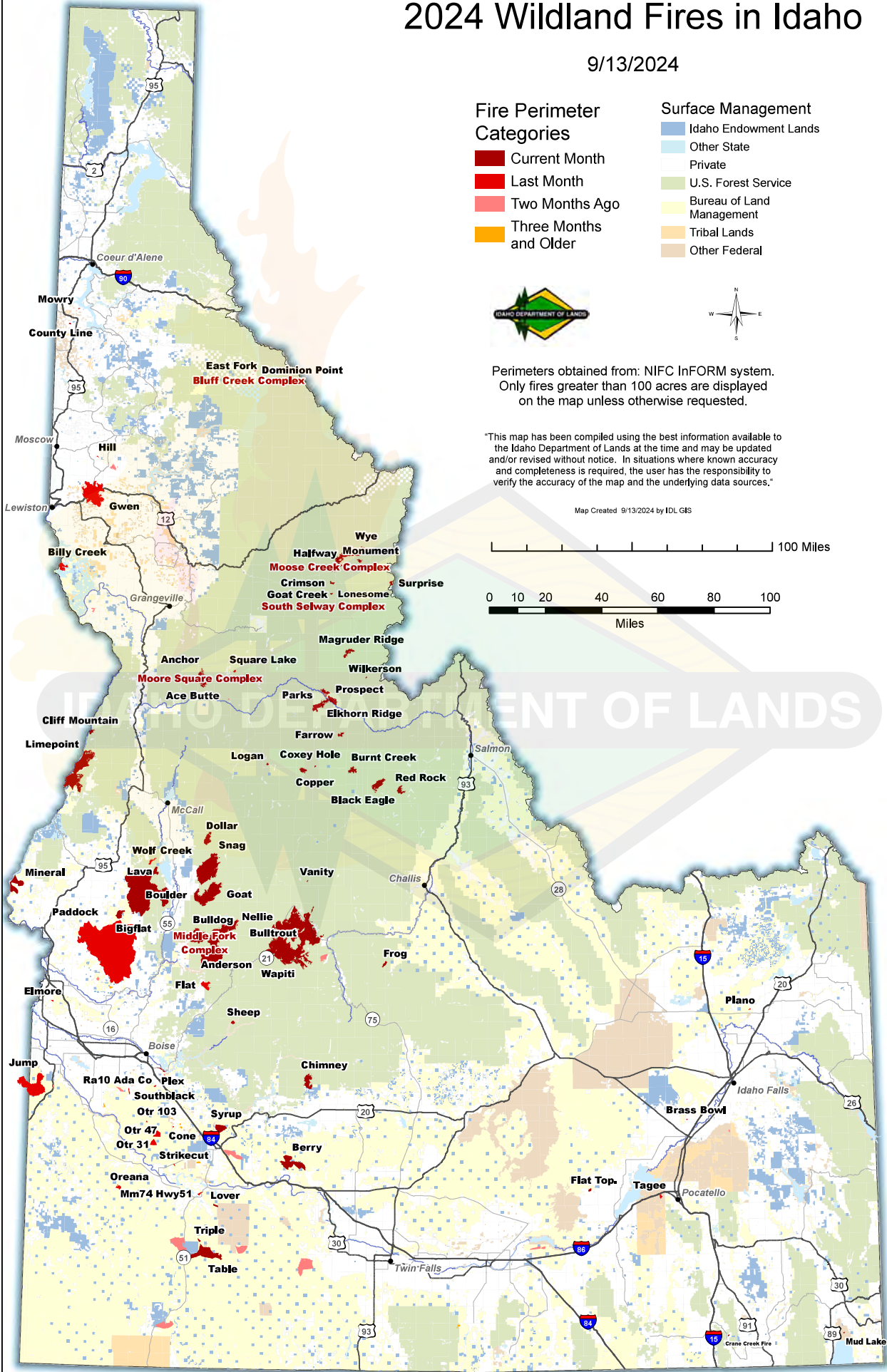
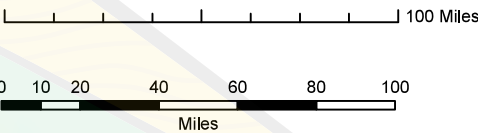
- Idaho Endowment Lands
- Other State
- Private
- U.S. Forest Service
- Bureau of Land Management
- Tribal Lands
- Other Federal



Perimeters obtained from: NIFC InFORM system.
Only fires greater than 100 acres are displayed on the map unless otherwise requested.

"This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources."

Map Created 9/13/2024 by IDL GIS



Idaho Fire Restrictions

9/13/2024

Restriction Stage

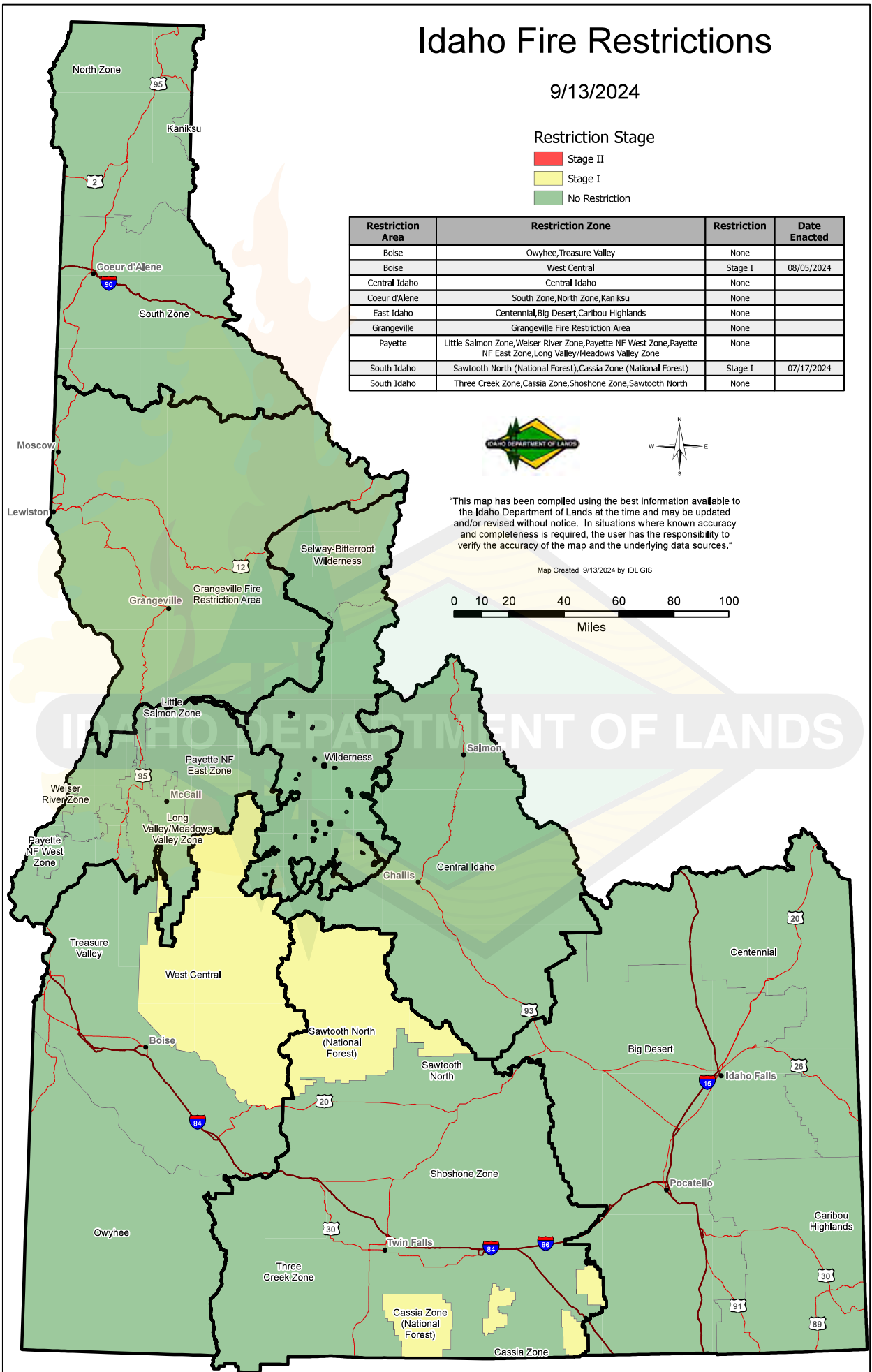
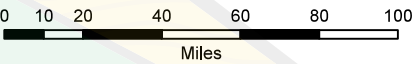
- Stage II
- Stage I
- No Restriction

Restriction Area	Restriction Zone	Restriction	Date Enacted
Boise	Owyhee,Treasure Valley	None	
Boise	West Central	Stage I	08/05/2024
Central Idaho	Central Idaho	None	
Coeur d'Alene	South Zone,North Zone,Kaniksu	None	
East Idaho	Centennial,Big Desert,Caribou Highlands	None	
Grangeville	Grangeville Fire Restriction Area	None	
Payette	Little Salmon Zone,Weiser River Zone,Payette NF West Zone,Payette NF East Zone,Long Valley/Meadows Valley Zone	None	
South Idaho	Sawtooth North (National Forest),Cassia Zone (National Forest)	Stage I	07/17/2024
South Idaho	Three Creek Zone,Cassia Zone,Shoshone Zone,Sawtooth North	None	



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Map Created 9/13/2024 by IDL GIS





Thomas J. Wilford :: Chairman
Jerry F. Aldape Mary Pat Thompson
Robert M. Donaldson Chuck Winder
Joseph Forney Kenny Wroten
Irving Littman Brian Yeargain
Chris J. Anton :: Manager of Investments

Monthly Report to the Board of Land Commissioners

Investment performance through August 31, 2024

Month: 1.9% **Fiscal year: 3.8%**

Stocks sold off in early August as labor market data revealed that hiring slowed substantially in July. The unemployment rate increased from 4.1% to 4.3% and the Bureau of Labor Statistics revised its estimate of the number of jobs created over the prior twelve months downward by 818,000. CPI rose at a year-over-year pace of 2.9% in July, while core PCE, the Fed's preferred inflation measure posted a modest increase of 2.6%. Growing weakness in labor markets combined with continued progress on the inflation front provided the Fed with data that suggests it is time to consider adopting a more accommodative monetary policy. On August 23rd, at the Jackson Hole Economic Symposium, Fed Chair Jerome Powell gave his strongest signal yet of a September interest rate cut, stating "the time has come for policy to adjust." The prospect of Fed interest rate cuts bolstered financial markets in late August.

Status of endowment fund reserves

Distributions for FY2025 and FY2026 are well secured.

Significant actions of the Endowment Fund Investment Board

None

Compliance/legal issues, areas of concern

Material deviations from Investment Policy: None

Material legal issues: None

Changes in board membership or agency staffing: None

Upcoming issues/events

Board Meeting – November 19, 2024

Preliminary Report (Land Grant Fund)

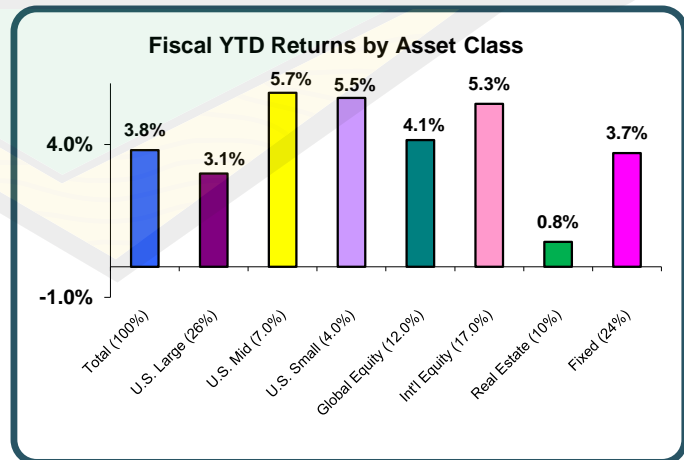
August 31, 2024

	<u>Month</u>	<u>FYTD</u>
Beginning Value of Fund	3,295,823,681	\$ 3,254,002,699
Distributions to Beneficiaries	(8,851,800)	(17,703,600)
Land Revenue net of IDL Expenses	12,333,174	14,260,972
Change in Market Value net of Investment Mgt. Expenses	60,414,760	109,159,744
Current Value of Fund	\$ 3,359,719,815	\$ 3,359,719,815

<u>Gross Returns</u>	<u>Current Month</u>	<u>Calendar Y-T-D</u>	<u>Fiscal Y-T-D</u>	<u>One Year</u>	<u>Three Year</u>	<u>Five Year</u>	<u>Ten Year</u>
Total Fund	1.9%	10.8%	3.8%	16.3%	2.9%	9.0%	7.6%
Total Fund Benchmark*	1.9%	10.3%	3.8%	15.7%	3.7%	8.6%	7.3%
Total Fixed	1.4%	3.4%	3.7%	7.7%	-1.9%	0.3%	1.8%
BBG U.S. Agg. (Ag)	1.4%	3.1%	3.8%	7.3%	-1.9%	0.3%	1.7%
Total Equity	2.4%	15.9%	4.3%	23.3%	5.0%	13.2%	10.1%
56% R3 25.8% Ax 18.2% AC	2.4%	16.0%	4.4%	23.6%	6.0%	12.6%	9.8%
Domestic Equity	1.7%	16.8%	3.8%	24.8%	6.2%	14.7%	11.8%
Russell 3000 (R3)	2.2%	18.2%	4.1%	26.1%	7.9%	15.2%	12.4%
Global Equity	2.6%	14.3%	4.1%	20.6%	4.8%	12.9%	8.6%
MSCI ACWI (AC)	2.5%	16.0%	4.2%	23.4%	5.8%	12.1%	8.8%
Int'l. Equity	3.9%	15.1%	5.3%	21.8%	2.7%	10.6%	6.9%
MSCI ACWI ex-US (Ax)	2.8%	11.2%	5.2%	18.2%	2.1%	7.6%	4.4%
Real Estate			0.8%	-8.3%	0.8%	2.5%	
NCREIF ODCE Index			-4.9%	-12.9%	6.1%	4.7%	

* Benchmark: 37% Russell 3000 17% ACWI ex-US 12% AC 24% BB Agg. 10% OD

	<u>Mkt Value</u>	<u>Allocation</u>
Domestic Equity	\$ 1,241.2	36.9%
Large Cap	869.2	25.9%
Mid Cap	235.3	7.0%
Small Cap	136.8	4.1%
Global Equity	411.8	12.3%
Int'l Equity	576.4	17.2%
Fixed Income	791.8	23.6%
Real Estate	322.9	9.6%
Cash	15.7	0.5%
Total Fund	\$ 3,359.7	100.0%



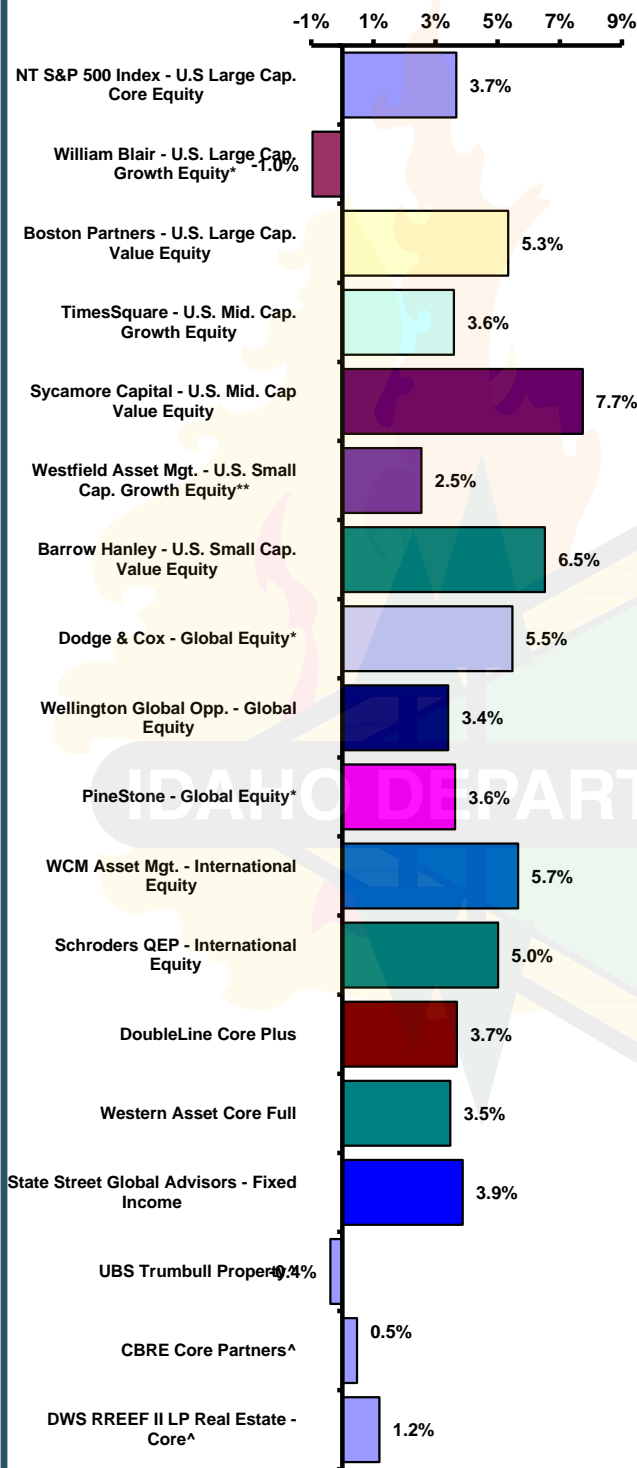
Endowment Fund Staff Comments:

Stocks sold off in early August as labor market data revealed that hiring slowed substantially in July. The unemployment rate increased from 4.1% to 4.3% and the Bureau of Labor Statistics revised its estimate of the number of jobs created over the prior twelve months downward by 818,000. CPI rose at a year-over-year pace of 2.9% in July, while core PCE, the Fed's preferred inflation measure posted a modest increase of 2.6%. Growing weakness in labor markets combined with continued progress on the inflation front provided the Fed with data that suggests it is time to consider adopting a more accommodative monetary policy. On August 23rd, at the Jackson Hole Economic Symposium, Fed Chair Jerome Powell gave his strongest signal yet of a September interest rate cut, stating "the time has come for policy to adjust." The prospect of Fed interest rate cuts bolstered financial markets in late August.

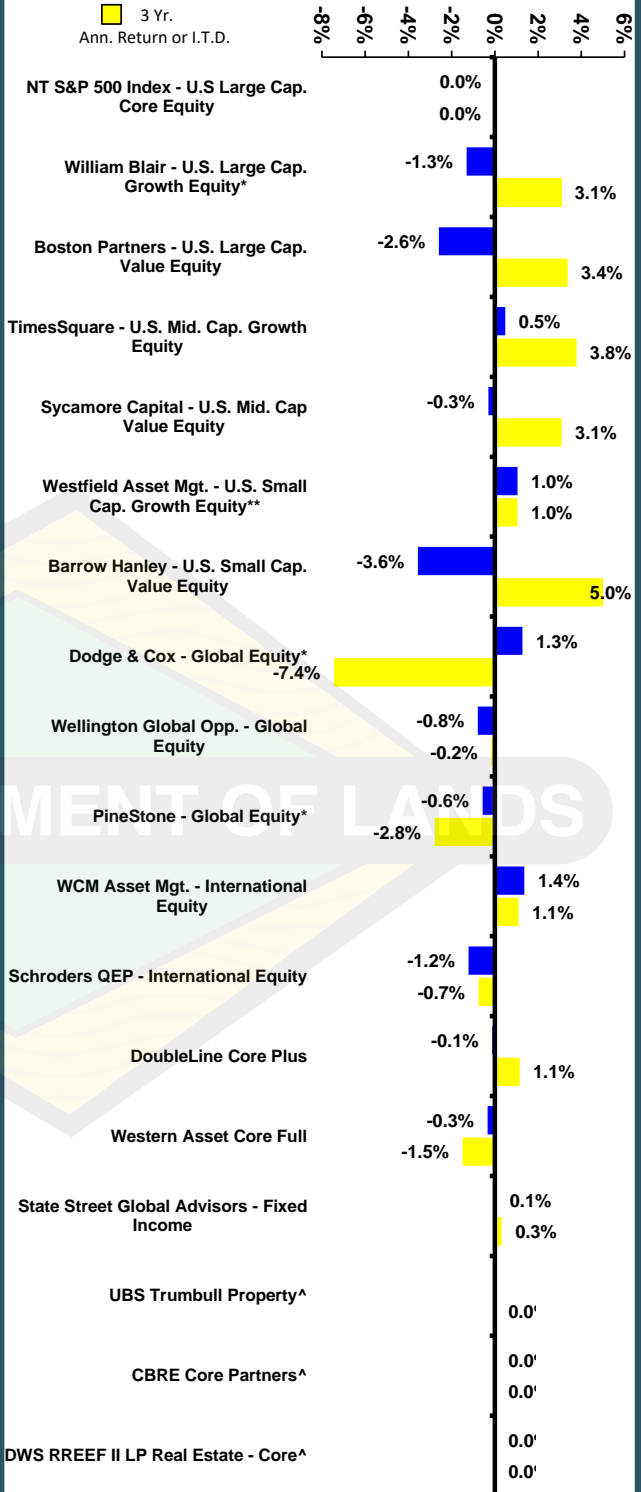
August 31, 2024

INVESTMENT REPORT

FYTD Manager Returns*



Manager Relative Returns Fiscal YTD and 3-Yr Ave*



** Westfield Start Date July 19, 2024

^ Most recent valuation. * I-T-D if no FYTD or 3-yr. history

STATE BOARD OF LAND COMMISSIONERS

September 17, 2024

Consent Agenda

Subject

Appaloosa #2 Energy Lease Approval

Question Presented

Shall the Land Board direct the Department to move forward with the final steps of executing the Appaloosa #2 lease?

Background

In 2019, NorthRenew applied to lease endowment land in Elmore County for an energy project known as Appaloosa Wind and Solar. Since that time, the Idaho Department of Lands (Department) has worked with NorthRenew to develop two energy leases. The first lease associated with this project (M600089) was executed on November 15, 2022, prior to the State Board of Land Commissioners (Land Board) adoption of the Energy Leasing Policy. Appaloosa #2 (M600099) is the second lease associated with this project and is ready for lease execution, pending updates to the lease template per the recently approved Energy Leasing Policy.

Discussion

M600099 is an "add-on" to the first Appaloosa lease, and is a 280-acre lease in Elmore County with a term of 49 years. It is expected that between 1-2 turbines will be constructed on the leased premises within 3-5 years of execution. Lease development, advertisement, and auction processes have been completed in accordance with established leasing policy and procedure. Lease development included a consultation with Elmore County Commissioners, a public meeting, and establishment of a comment period, due to the lease term being over 20 years in length. No public comments were received, and no significant concerns were raised by the County or public. A majority of this project is located on adjacent private property. The lease was ready for execution by the Land Board in August of 2023, but energy leasing activities were paused to develop the Energy Leasing Policy, adopted on June 18, 2024.

The wind energy lease template is currently being updated to reflect the changes required by the Energy Leasing Policy. Once updated and reviewed by the lessee, the lease will be ready for execution by both the lessee and the Land Board.

Maps of lease M600099 are provided as Attachments 1 and 2. Basic information regarding the Appaloosa Wind and Solar Project on endowment lands is listed below.

Appaloosa Lease #1 (Executed)

Developer	NorthRenew
Location	Elmore County, SE of Mountain Home
Type	Wind Turbines (10-11)
Acres	1,080

Estimated Annual Revenue

Phase 1	\$27,000
Phase 2	\$33,000
Phase 3	\$132,000

Appaloosa Lease #2 (Pending)

Developer	NorthRenew
Location	Elmore County, SE of Mountain Home
Type	Wind Turbines (1-2)
Acres	280

Estimated Annual Revenue

Phase 1	\$7,000
Phase 2	\$6,000
Phase 3	\$24,000

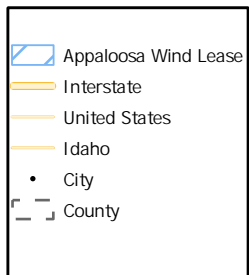
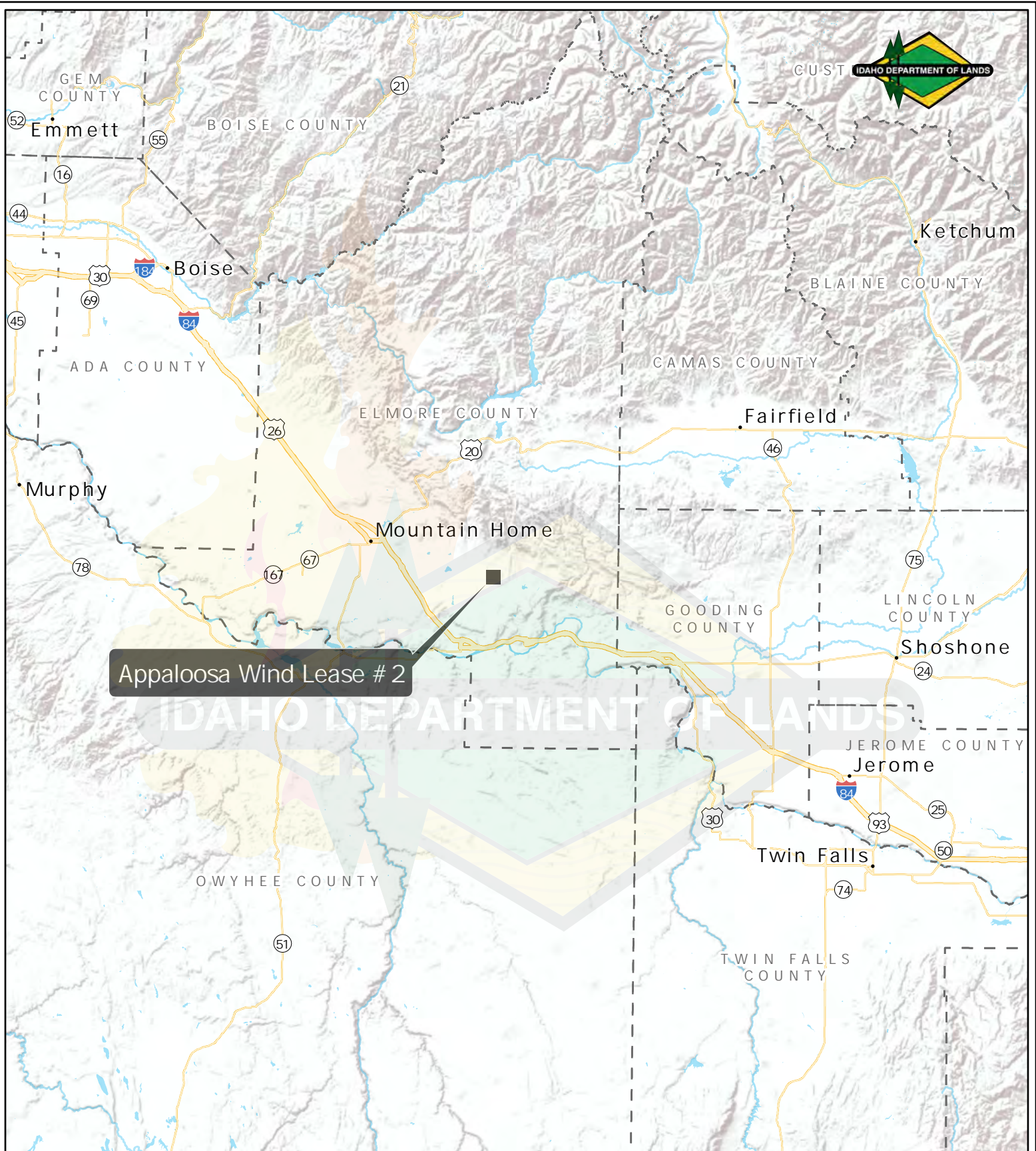
Recommendation

Direct the Department to move forward with lease execution, pending update of the energy lease template.

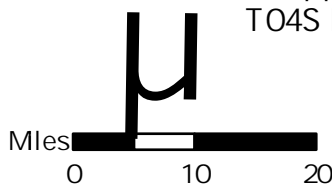
Board Action

Attachments

1. Vicinity Map
2. Detail Map

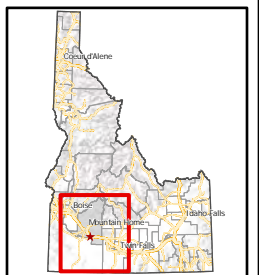


Idaho Department of Lands
 Southwest Area
 Elmore County
 9/15/2022



Appaloosa Wind Lease #2
 T04S R09E - Sec. 16 - SW¼,
 NESE, SWSE, SESE
 Acreage = 280
 Scale: 1:1,000,000

Disclaimer: This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.



IDAHO DEPARTMENT OF LANDS

08

09

10

SE Ross Rd.

Cold Springs Ck.

17

16

15

N. Walker Rd.

M600099

20

21

22

IDAHO DEPARTMENT OF LANDS

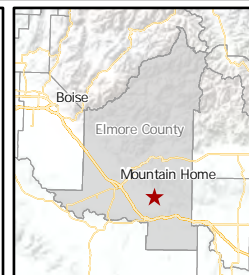
- Appaloosa Wind Lease
- Main Road
- Streams
- BLM
- Private
- State

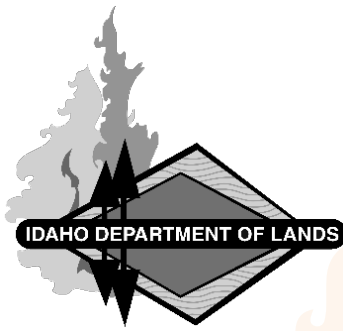
Idaho Department of Lands
Southwest Area/District
Elmore County, Idaho
9/15/2022

Appaloosa Wind Lease #2
T04S R09E - Sec. 16 - SW¼,
NESE, SWSE, SESE
Acreage = 280
Scale: 1: 20,000

Miles 0 0.25 0.5

Disclaimer: This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.





Idaho State Board of Land Commissioners
Brad Little, Governor and President of the Board
Phil McGrane, Secretary of State
Raúl R. Labrador, Attorney General
Brandon D Woolf, State Controller
Debbie Critchfield, Superintendent of Public Instruction
Dustin T. Miller, Secretary to the Board

Be it remembered that the following proceedings were had and done by the State Board of Land Commissioners of the State of Idaho, created by Section Seven (7) of Article Nine (IX) of the Constitution.

Draft Minutes
State Board of Land Commissioners Regular Meeting
August 20, 2024

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, August 20, 2024 at the State Capitol, Senate Hearing Room WW55, Lower Level, West Wing, 700 W. Jefferson Street, Boise, Idaho, and via webinar. The meeting began at 9:00 a.m. The Honorable Governor Brad Little presided. The following members were in attendance:

Honorable Governor Brad Little
Honorable Secretary of State Phil McGrane
Honorable Attorney General Raúl Labrador
Honorable State Controller Brandon Woolf
Honorable Superintendent of Public Instruction Debbie Critchfield

All Land Board members were present. Governor Little, Secretary of State McGrane, Attorney General Labrador, and Superintendent Critchfield attended at the physical location. Controller Woolf attended via Zoom webinar.

Reports

1. Department Report – Presented by Dustin Miller, Director

Trust Land Revenue

- A. Timber Sales – July 2024
- B. Leases and Permits – July 2024

Discussion: None.

Status Updates

- C. Fire Season Report
- D. Land Revenue Forecast
- E. Resource Protection and Assistance Report

Discussion: Governor Little asked if the transfer of navigable waterways dedicated funds is automatic or does it require action. Mr. Chollett replied that everything over \$2 million automatically transfers to the waterways improvement fund at the end of the fiscal year.

[Editor's note: the Discussion portions, if any, for agenda items may be written in first-person format. This is not a verbatim transcript.]

Consent—Action Item(s)

2. Payette Readiness Center Surplus Property (Idaho Military Division) – Presented by Zane Lathim, Section Manager-Real Estate

Recommendation: Direct the Department to offer the Property for disposition in accordance with the Surplus Property Act, Idaho Code §§ 58-331–335; and, if public auction is ultimately necessary, authorize the Department to offer the Property at public auction in Payette or Ada County.

Discussion: Secretary of State McGrane acknowledged that Payette County has interest in the property and asked if any state agencies have expressed interest. Mr. Lathim said he is not aware of any at this time. Superintendent Critchfield was curious why this facility will not be utilized anymore. Mr. Lathim answered the Readiness Center Transformation Master Plan calls for consolidating smaller centers into 9 larger regional centers and the Payette center will no longer be necessary. Superintendent Critchfield wondered how many other centers the Department will bring to the Land Board in the future. Bryant Adelson, Real Property Manager for the Idaho Army National Guard, answered there were around 28 originally, now down to about 21, and the goal is to consolidate to 9. A directive came from the Department of Defense to implement the Readiness Center Transformation Master Plan. In order to secure federal funds for future large construction, progress must be made on this plan. Consolidation reduces operations and maintenance costs and provides a more efficient and better training environment for soldiers. Mr. Adelson remarked the City of Payette, and the mayor, have been very supportive of the military. Governor Little asked if those soldiers would go to a center in Caldwell or Nampa. Mr. Adelson said that is correct.

3. Approval of Draft Minutes – July 16, 2024 Regular Meeting (Boise)

Consent Agenda Board Action: A motion was made by Superintendent Critchfield that the Land Board approve the Consent Agenda. Secretary of State McGrane seconded the motion. The motion carried on a vote of 5-0.

Regular—Action Item(s)

4. Endowment Fund Investment Board Report – Presented by Chris Anton, EFIB Manager of Investments

- A. Manager's Report
- B. Investment Report
- C. FY2026 Beneficiary Distributions and Transfers

Recommendation: The Endowment Fund Investment Board recommends that the State Board of Land Commissioners (Land Board) approve FY2026 beneficiary distributions of \$110,371,200 and transfers to the Permanent Fund of \$134,270,000. The transfers to the Permanent Fund will not be included in the Gain Benchmark.

Discussion: Mr. Anton stated the portfolio started off strong during the new fiscal year. The fund was up 1.8% during the month of July, and after volatile times in early August, it recovered and is now up 3% for the fiscal year through yesterday [August 19]. Mr. Anton remarked one driving factor is good progress on inflation. At one point CPI inflation reached 9.1%; it is down to 2.9%. The Federal Reserve uses PCE inflation [Personal Consumption Expenditures] which is down to 2.6%. Taking out price increases related to real property and housing, it is drawing close to the Federal Reserve's 2% target. The Federal Reserve has an impetus to begin to reduce rates with the labor market starting to soften. The U.S. was at 3.7% unemployment, now up to 4.3%. The focus will shift from inflation to employment to begin to reduce rates, and that has the financial markets excited; it has helped boost up bond prices and improve equity markets. Markets anticipate the beginning of rate cuts in September. Mr. Anton then went through the presentation and recommended action for the FY2026 Beneficiary Distributions and Transfers.

Governor Little inquired why the transfer of \$134 million to the permanent fund is not included in the gain benchmark; adding to the permanent fund results in a larger number to determine payout. Mr. Anton explained the transfer will become part of the permanent fund and will be included in the distribution calculation. Governor Little asked what is the difference between the permanent fund and the gain benchmark. Mr. Anton described that the gain benchmark is a technical calculation that adds deposits to the permanent fund and inflation every year, and it cumulatively grows over time. If this transfer is made part of the gain benchmark, when there are periods of volatility, any excess money could not be moved into the earnings reserve funds. For example, three years ago the fund was up 30% and the Land Board moved \$350 million to the permanent fund. The next year the market backed off, down 14%. If the \$350 million had been made part of the gain benchmark, the next year when the fund was down, it would have taken years to fill that hole back up, and by statute the permanent fund must be made whole. Mr. Anton noted that the permanent fund must be consistent with the gain benchmark. The Land Board cannot distribute if the permanent fund drops below the gain benchmark. That does not mean distributions will not grow, but they cannot if the permanent fund drops below the gain benchmark. It is a way of preserving flexibility. Mr. Anton said he does not see any downside risk, and it is consistent with supporting the endowment beneficiaries. Governor Little asked if the Investment Board was in total agreement with the two recommendations. Mr. Anton answered yes, the Investment Board reviewed the recommendations last Thursday [August 15] and approved presenting them to the Land Board.

Board Action: A motion was made by Superintendent Critchfield that the Land Board approve FY2026 beneficiary distributions of \$110,371,200 and transfers to the Permanent Fund of \$134,270,000. The transfers to the Permanent Fund will not be included in the Gain Benchmark. Secretary of State McGrane seconded the motion. The motion carried on a vote of 5-0.

5. FY2026 Department of Lands Budget Enhancements – Presented by Dustin Miller, Director

Recommendation: Direct the Department to include the enhancement requests as outlined in Attachment 1 in the Fiscal Year 2026 budget proposal due on August 30, 2024.

Discussion:

Governor Little: How does that cost share work with the BLM and the Forest Service?

Director Miller: I do not know exactly, but we do cooperate and coordinate on who is putting cameras where and it is our intent to continue to build upon the success we have had with this program.

Secretary of State McGrane: Line item 15 is the timber protective associations. That is an enhancement, but that will cover the full anticipated costs related to our partnership with the TPAs?

Director Miller: The TPAs collect their assessments just like we do. Those assessments have exceeded the annual appropriation; we are just asking for the increase in the trustee and benefits category to cover those actual assessments.

Controller Woolf: Last year the TPAs budgets were not included with the Department's budget, where they had always been in the past. How can we make sure the TPAs actual budgets are not forgotten through the whole budget process? What can we do to help going forward.

Director Miller: We have had ongoing conversations with the TPAs, with the Governor's office, and with industry partners on how we can do this differently moving forward in the budget process. There are not significant line-item requests for the TPAs this year, mostly inflationary adjustments as well as CEC. If they are not included in our budget, we continue to advocate for the TPAs and their line-item requests. Without the TPAs, those are districts that IDL would have to stand up, we would have to provide the resources, do the assessments and cover those districts. The TPAs are not forgotten at all in their budgeting processes; we are working through all of that right now.

Governor Little: When you come back in September, this item and the rest of those line items, describe what the consequences are of the pending federal action which is going to raise wildland fire fighter pay by \$20,000 a pop. What that will do to both our TPAs and your program.

Director Miller: Absolutely, Governor, we can take a look at that and provide an update.

Secretary of State McGrane: I want to clarify the payments for the TPAs. It is not a question of actually making the distribution to the TPAs, it is the assurances when they see it in the budget books that it is going to be covered. It is making sure the record reflects it, not an actual allocation of funding, if I follow it correctly.

Director Miller: One thing that we are looking at and working with the Associated Logging Contractors is possible legislation being driven by the Associated Logging Contractors to ensure that the TPAs line items are included in our budget. We are having those conversation, having conversation with the Governor's staff, too, about that particular piece of legislation and does that resolve any issues and any concern about the TPAs budgets being handled separately than the Department's budget.

Board Action: A motion was made by Superintendent Critchfield that the Land Board direct the Department to include the enhancement requests as outlined in Attachment 1 in the Fiscal Year 2026 budget proposal due on August 30, 2024. Secretary of State McGrane seconded the motion. For the record, Governor Little abstained from voting. The motion carried on a vote of 4-0.

6. 2024 Forest Asset Management Plan – Presented by David Greenwood, Bureau Chief-Forest Management

Recommendation: Adopt annual average harvest levels of 329 MMBF statewide with an annual allowance of plus or minus 5 percent for fiscal years 2026 through 2030.

Discussion:

Superintendent Critchfield: First a comment and then a question. I appreciate Jim and others coming and spending time with me and other Board members to give time to really get into this. I am assuming this does not lock us into something. Should new information or conditions or the market, whatever it is that presents itself, we could say that was then, but this is what makes sense now.

Mr. Greenwood: Appreciate the question. No, it does not lock us into any specific plan; as you said, it changes. This is our projected harvest level for the next five years. It is important to look at that, but also look long term, too. The next five years we are looking at revenue projections, as Jim presented early on. When we are looking at net revenue, what is that? We have almost half a billion board feet under contract at \$160 million, but what does that look like. It is important to show that we are expecting a drop. We will continue to refine our plans and models as we go forward, but be transparent with the Land Board that timber revenue is expected to drop and is there alternative revenue generation from lands, or what do we expect that to be in the future. It can change; we bring our annual sales plan to the Board in April and if there was damage or different market conditions, at that time we would present something to you.

Secretary of State McGrane: One of the assumptions built into this is keeping the valuation flat over the 5 years, and that perplexes me, because we know we are going to harvest timber. In addition to market conditions, we are going to also cut down trees and therefore we will not have the value of those trees. Can you walk me through again why we keep that flat versus making some assumptions.

Mr. Greenwood: With our harvest analysis that Jim presented last month, we looked at the maximum net present value, that is what we always do on these models, and then the model we choose and what is the opportunity cost to lower it from that net present value. There is no way to harvest as much as we can right now, what net present value tells us, because it would tell us to cut everything right now and put it in the bank. What we are doing with this flat level here is saying that over the next 10 years we would maintain that cash flow for the beneficiaries and then it would go down. But as you go in the future you see some of the investments that we are making on our property, when we are getting plantations up with good stocking levels, and those investments gives a return to that asset.

Secretary of State McGrane: You are assuming that they offset each other.

Mr. Greenwood: I think you are running it against the discount rate of 4% and saying do these investments in herbicide prep spray and plantations offset that. We did that with the model and when we look at our projections of whether they do offset, then you are going to make that decision if it is a positive value per acre. Maybe Jim has something to add.

Jim Elbin: The valuation side gets revisited every 3 years, and we are due to do that now. To David's point, when I do the revenue projection, it does smooth out, but we run 500 simulations per year, and we have max/mins in there. I could show you the simulator and what it does every time, and it bounces all over the place. We try to show something that we are comfortable with where it falls within. If you look way back in the past on that first graph, we have hit the bottom a couple of times. We are aware that variability is there, but we have also had pretty good success long term in staying within those bounds. It is not that we hold it steady, it is just stumpage, interest rate, and all those kinds of things are not as volatile as other parts of the market.

Governor Little: The exercise shows the biggest decrease in the Ponderosa field office, and I just flew over a lot of black timber in the Ponderosa field office, quite a bit of it is private. The mills are probably getting calls from those landowners right now wanting to preserve that value in those no so pretty trees that are out there today.

Mr. Greenwood: Every time we have a burn we try to harvest as quickly as possible. There was minimal impact on endowment ground, I believe it was mostly from the Texas Fire. The Ponderosa area is Deary, and that goes out to Elk River, Bovill, and up towards that Harvard and Princeton area. Their harvest increased the highest back in 2009 by 33% and that is why you are seeing them get back down to a harvest level that we expected them to get to 5 years ago, but we were able to extend it a little longer.

Controller Woolf: I do not think anyone on the Board and anyone in the room wants to see a reduction and that is our vision or hope. At what interval of time over the next 5 years will we know the confidence level of having to do a reduction in the harvest and volume.

Mr. Greenwood: Based upon the data that we have today, that is what it is showing us. That is why it is important to revisit it every 5 years to see exactly what it does. We will continue to collect data, and that growth is going to be a big thing, and also what we are selling. We are constantly looking at this and we will be in communication with the Board as we go through this.

Controller Woolf: You said every 5 years, but I am sure you are checking this every year, and if you had more and more data, would that be beneficial to give more confidence of knowing exactly where we are going to target for the future?

Mr. Greenwood: Yes, more data is better. We are moving to more remote sensing data, which is going to be full coverage for our ownership. That is going to help a lot. A big thing that contributes to this is the growth and what is your forest growing. Those older stands that we are targeting right now have either a minimal growth per acre, or a negative because they are dying and falling apart. As we move into that and we start getting these faster growing stands, again that will hopefully trail into more harvest levels in these earlier periods. Every year we check what our standing volume inventory number is and what has changed from the previous year.

Mr. Elbin: Remember that this model says we want to hold at our current volume for as long as we can; we did the 10- and 20-year, and then it says we do not ever want to see the harvest go down below a certain point. Depending on growth and yield going forward there are other model scenarios we could run that could lessen that effect. I will say it on the record, I am pretty confident that number is low. Where it is being very conservative, and as we fine tune this, if we

run a model that is consistent with how we are modeling now, that drop is not going to be as low. I would guess harvest levels will be over 250, probably around 270.

Secretary of State McGrane: The forces that are playing into this, how much of that is the market forces and concerns of demand, some of the discussions that we have had, versus what you said in terms of the old growth timber, the stands and the health of what we have.

Mr. Greenwood: It is a little bit of both. We want to harvest as much as we can right now and put that money in the bank, that is where that maximum net present value comes in, but you also want to take those older decadent stands and convert them to higher faster growing stands. Another important consideration when we look in the future, 5, 10 years out, you have seen what our neighboring states' milling has done, there have been mills shut down in Oregon and Montana. We have to look at what that does for us and where do we want to be, besides what the forest is doing, but what are those mills capable of, how many are there, things like that.

Secretary of State McGrane: I recognize we have some older timber, and looking at everything you just said, but also those market conditions is obviously a big factor that impacts all of us.

Public Comment:

Tom Schultz: Governor, members of the Board, Tom Schultz, VP of Resources for Idaho Forest Group. I am here to offer support and also offer some thoughts on what the impact would mean. IFG supports IDL's sustainability goals as outlined in the FAMP to right size with milling infrastructure, reduce holding and biological risks, and diversify revenue streams. This volume that we are talking about is roughly 30% of the total volume harvested in IFG's wood basket. IDL volume that is harvested has replaced the diminishing harvest from private lands post-recession. If you go back 20, 25 years, private lands, the non-industrial private lands, were contributing between 35-40% of the harvest and at that time the state lands were contributing somewhere between 15-20%, so there has been a complete flip in terms of where the harvest comes from, with the state being somewhere between 30-35% statewide and the non-industrial lands have dropped to that 20% range. IDL is critical to the forest products manufacturing infrastructure, the woods contractors, and vast related service industries. The 2009 FAMP predicted harvest level at 247 million feet by 2013 with a desired standing volume of 5 billion board feet. You heard testimony today that the standing volume is still in excess of 7 billion board feet. The FAMP in 2009 projected an increase to 260 million feet in 2019, an increase to 271 million in 2020. The Department has done exactly what they said they would do. The 2019 FAMP cycle increased harvest levels to 328 million feet by 2024 with a desired standing volume of 4.5-5 billion board feet. So again, bringing down that overall level to that amount, 4.5-5 billion. In 2019, the FAMP said that the growth yield model predicts that the new annual sale volume is sustainable for about 20 years given the excess inventory available for harvest. The plan before you today proposes to maintain harvest levels at 328 million, plus or minus 5% of that number, for the next 10 years. After approximately 10 years the harvest level will drop back to pre-2009 levels of 230 million feet for roughly 30 years. While we support and understand the need to manage these lands sustainably, it is important the Land Board understand how a 100 million feet drop in harvest would impact the industry. A 30% drop in IDL's harvest level equates to 170 million feet of lost lumber production. For reference, that is roughly the production forecast for IFG's mill in Grangeville in 2025. Unless the Forest Service and the GNA program steps up to fill the gap, that reduction would most likely mean curtailing a mill in Idaho. According to the University of Idaho,

for every million board feet of harvest, that provides direct and indirect jobs of about 30. A reduction of 100 million feet would equate to a loss of about 3,000 jobs, mostly in small rural communities. Specific to the Board, the modeled 100 million feet reduction at \$200 stumpage would mean \$20 million in lost revenue for the endowments. That is 20% of the current distributions to the endowments from all sources, and 27% from the annual timber revenue. As stated in the 2024 FAMP materials, the endowments do benefit from a strong forest products industry and local economies. Without a robust industry, not only will IDL's timber revenue decrease, but the value of its land asset is significantly diminished. The manufacturing base cannot be immediately turned on and off; once it is gone, it is unlikely to come back. We would highly recommend that the Land Board and IDL continue to refine its inventories and use LiDAR and other advancements in the field, while also investing in silvicultural practices to improve productivity, improve genetic stock for planting, and continue to acquire lands that expand the State's timberland portfolio. A couple of weeks ago, I met with Jim and some of the GIS and inventory staff, reviewing the LiDAR work that they are doing. I give them kudos; they are doing a good job. They have used minimal budget to advance as far if not further than anybody in the state with regard to a statewide inventory with LiDAR. They have a million acres LiDARed, so kudos to what they have done, but I think we can continue to improve on that, and try to measure the small trees as was testified by David and Jim both. If we do not have a good inventory of the younger trees, the model is going to miss those as it is forecasting what is going to be available in the future. All of these activities will help lessen the impact to the forest products industry and the state's economy when the fall back in IDL's harvest level occurs, whether that is in the next 10 or the next 20 years. Thanks for the opportunity to speak.

Board Action: A motion was made by Superintendent Critchfield that the Land Board adopt annual average harvest levels of 329 MMBF statewide with an annual allowance of plus or minus 5 percent for fiscal years 2026 through 2030. Attorney General Labrador seconded the motion. The motion carried on a vote of 5-0.

7. Approval of Timber Sales with Clearcut Harvest Units–Westwood and Lower Eagle Cedar –
Presented by David Greenwood, Bureau Chief-Forest Management

Recommendation: Approve the Westwood and Lower Eagle Cedar Timber Sales.

Discussion: None.

Board Action: A motion was made by Superintendent Critchfield that the Land Board approve the Westwood and Lower Eagle Cedar Timber Sales. Secretary of State McGrane seconded the motion. The motion carried on a vote of 5-0.

8. Adoption of Pending Rule IDAPA 20.03.13, Administration of Cottage Site Leases on State Lands
– Presented by Roger Hall, Bureau Chief-Real Estate

Recommendation: Adopt the pending rule for IDAPA 20.03.13 *Administration of Cottage Site Leases on State Lands*.

Discussion: None.

Board Action: A motion was made by Secretary of State McGrane that the Land Board adopt the pending rule for IDAPA 20.03.13 *Administration of Cottage Site Leases on State Lands*. Superintendent Critchfield seconded the motion. The motion carried on a vote of 5-0.

9. Adoption of Pending Rule IDAPA 20.03.14, Rules Governing Grazing, Farming, and Conservation Leases – Presented by Roger Hall, Bureau Chief-Real Estate

Recommendation: Adopt the pending rule for IDAPA 20.03.14 *Rules Governing Grazing, Farming, and Conservation Leases*.

Discussion:

Attorney General Labrador: When you removed the non-commercial recreation and communication site leases, are you just removing language? We still have that responsibility? Are we actually reducing government or are we just reducing words?

Mr. Hall: The rules in this particular section really are written for grazing and the Department found that some of the language that references herd stock is not necessarily appropriate for a communication site. There was not a lot in the rules that were governing activities strictly for communication sites, so we did not see the need to have those activities governed by this particular rule since it was so steered towards grazing.

Attorney General Labrador: Just to be clear though, we still have those responsibilities under other rules, we are just removing them from this section.

Mr. Hall: That is correct. Thank you for your question.

Governor Little: When I read the rules and comments, if somebody wants to lease one acre in the middle of a thousand-acre grazing lease, it says the Department will have the authority to say it is not scalable, or something to that point. I do not disagree with that. I think it would be good if there was notice from the staff to the Land Board and their staff when that happens, because it really gives you the authority to veto any request, and I think there ought to be a little more transparency if you do that. I fully understand where somebody could say I want a 1/4-acre hot dog stand in the middle of a big lease, that just does not work for the operation and the long-term return. But if somebody makes that application, the Board ought to be notified.

Director Miller: Governor, we can do that.

Board Action: A motion was made by Superintendent Critchfield that the Land Board adopt the pending rule for IDAPA 20.03.14 *Rules Governing Grazing, Farming, and Conservation Leases*. Attorney General Labrador seconded the motion. The motion carried on a vote of 5-0.

10. Adoption of Pending Fee Rule 20.03.15, Rules Governing Geothermal Leasing on Idaho State Lands – Presented by Roger Hall, Bureau Chief-Real Estate

Recommendation: Adopt the pending fee rule for IDAPA 20.03.15 *Rules Governing Geothermal Leasing on Idaho State Lands*.

Discussion: None.

Public Comment:

Scott Nichols: Governor, members of the Board, Scott Nichols with Ormat Technologies. I will keep it brief. I first began presenting in front of the Board when John Evans was Governor in 1986; it has been a while. Good to be back in front of you. I just wanted to say Ormat Technologies is the largest geothermal producer in the U.S.; we are a fully integrated company. We have operations everywhere from lease acquisition – with the Department of Lands hopefully – all the way through operations and electricity distribution to the grid. We own and operate the Raft River geothermal power plant, also own and operate the Neal Hot Springs geothermal power plant in Vale, Oregon, which narrowly escaped the Cow Creek fire. The Department did a really good job in the negotiated rulemaking process. We had some comments, we had some really thoughtful discussion. Mr. Murphy did a good job incorporating those comments with staff into the rules; they are something that we can work with, and we look forward to working in Idaho. The geothermal industry is the most difficult natural resource development enterprise that can be developed, pursued, on our private or public lands. And the reason it is difficult is that you cannot see it, you cannot touch it, you cannot feel it, you have to go find it. And the low hanging fruit in this northern edge of the Great Basin, in the southern end of the Idaho Batholith, has been found. The low hanging fruit was Raft River and Neal Hot Springs, so the future is the low temperature geothermal resources that we have. There is a consortium of folks working with Boise City to really promote that low temperature, mid temperature geothermal. We will hear more about that later. I have to describe geothermal energy, as the regulatory affairs manager for Ormat Technologies, and the most difficult thing to do is to describe what has not been engineered or designed, for the public who envisions what will never occur. Thank you.

Governor Little: Thank you. I would add that this is an example where negotiated rulemaking, where we put out the rules on a regular basis, which was the intent of the legislature when they adopted my proposal, and the public gets to look at it and we make this, through the negotiated rules process, the best for the public and for safety.

Board Action: A motion was made by Secretary of State McGrane that the Land Board adopt the pending fee rule for IDAPA 20.03.15 *Rules Governing Geothermal Leasing on Idaho State Lands*. Superintendent Critchfield seconded the motion. The motion carried on a vote of 5-0.

11. Adoption of Pending Fee Rule 20.03.16, Rules Governing Oil and Gas Leasing on Idaho State Lands – Presented by Roger Hall, Bureau Chief-Real Estate

Recommendation: Adopt the pending fee rule for IDAPA 20.03.16 *Rules Governing Oil and Gas Leasing on Idaho State Lands*.

Discussion: None.

Board Action: A motion was made by Superintendent Critchfield that the Land Board adopt the pending fee rule for IDAPA 20.03.16 *Rules Governing Oil and Gas Leasing on Idaho State Lands*. Secretary of State McGrane seconded the motion. The motion carried on a vote of 5-0.

12. Approval of General Counsel – Presented by Dustin Miller, Director

Recommendation: Approve the Director's selection to serve as the Department's general counsel.

Discussion:

John Richards: Thank you, Director Miller, Governor, members of the Land Board. As Director Miller mentioned, my name is John Richards, and I am the hopeful new guy. You have been provided a copy of my résumé; I will provide a little more information about myself. I come from a ranching family down in Owyhee County; my family is still out there, heavily involved in public lands grazing and that is what first peaked my interest in natural resources law. I went to College of Idaho, got my degree, always with an eye towards law school and that natural resources realm. I selected to go to Lewis & Clark Law School over in Portland, particularly because it was the top natural resources law school in the country. I graduated from there with a certificate in natural resources, environmental, and energy law, and then happily came back to Idaho from Portland. After a brief stint with Agri Beef here in Boise, I got my first job in natural resources with the State, working for Governor Little and the Governor's Office of Species Conservation. When folks ask me what I did there, I tell them Sage-grouse and salmon was 90% of my time. I was heavily involved in the Sage-grouse planning and the Governor's salmon work group was going on while I was there. From there, I wanted to get into a position where I could develop my civil litigation skills, so I looked into private practice. I found Sawtooth Law Offices here in Boise and have been there for nearly 3 years, working primarily in civil litigation and focusing on agricultural clients. I saw this position posted and thought that it fit well with my background and experience, particularly with my interest in natural resources law. I applied and interviewed; I am very honored that the hiring committee had confidence in me to extend and offer, and should the Land Board choose to approve, I look forward to working with you and the Department of Lands. For the sake of brevity, I will stop there and stand for any questions the Land Board may have.

Governor Little: We love brevity around here. Very good; welcome.

Board Action: A motion was made by Secretary of State McGrane that the Land Board approve the hiring of John Richards to be general counsel for the Idaho Department of Lands. Superintendent Critchfield seconded the motion. The motion carried on a vote of 5-0.

Information

None

Executive Session

None

There being no further business before the Land Board, at 10:31 a.m. a motion to adjourn was made by Superintendent Critchfield. Governor Little stated the motion was in order and non-debatable. The motion carried on a vote of 5-0.

STATE BOARD OF LAND COMMISSIONERS

September 17, 2024

Regular Agenda

Subject

Fiscal Year 2026 Idaho Department of Lands (Department) Budget Request

Question Presented

Shall the Land Board approve the Department's FY2026 budget request as submitted to Division of Financial Management (DFM) and Legislative Services Office (LSO) on Friday, August 30, 2024?

Discussion

The budget was developed in accordance with guidelines provided by DFM that prescribe a 1% change in employee compensation (CEC), 24% variable benefit rate, and \$14,300 health benefit per full-time employee for the agency. The request includes 5.0 new FTP, bringing the agency's total FTPs to 337.60.

On August 20, 2024, the State Board of Land Commissioners (Land Board) approved the Department's FY2026 enhancement decision units (Attachment 1).

The Department's budget submittal included the following revisions to enhancement requests:

- Line item 6 Adjusted request to include \$16,000 for travel, vehicle repair and maintenance, and office supplies for Assistant Fire Warden position to be consistent with other requests. Original request was for 1.0 FTP and a total of \$145,500; revised request is for 1.0 FTP and a total of \$161,500.
- Line item 7 Adjusted request to reflect a transfer of spending authority from earnings reserve to dedicated funds (net zero transfer). Original request was for a total of \$77,000; revised request is for a total of \$0.
- Line item 16 Added line item for Minerals, Navigable Waters, and Oil & Gas to transfer spending authority between dedicated funds to align spending with the work being performed (net zero transfer).
- Line item 17 Added line item for \$15,600 in ongoing T&B general funds on behalf of the Timber Protective Associations. This request is seeking a 1% CEC and inflationary budget adjustments for the Clearwater Potlatch Timber Protective Association (CPTPA) and the Southern Idaho Timber Protective Association (SITPA).

With the revisions noted above and outlined in Attachment 2, the Department's FY2026 total budget request by funding source is as follows:

FUND TYPE	AMOUNT
General Fund	\$11,897,500
Earnings Reserve Fund	\$37,897,600
Federal Funds	\$12,391,100
Other Dedicated Funds	\$17,988,200
TOTAL REQUEST	\$80,174,400

The FY2026 budget request reflects the following increases compared to the FY2025 original ongoing appropriation:

FUND TYPE	\$ CHANGE	% CHANGE
General Fund	\$667,100	6.1%
Earnings Reserve Fund	\$244,000	.7%
Federal Funds	\$104,200	.5%
Other Dedicated Funds	\$1,987,900	9.0%
TOTAL	\$3,003,200	3.4%

Recommendation

Approve the Department's FY2026 budget request as submitted to Division of Financial Management and Legislative Services Office on Friday, August 30, 2024.

Attachments

1. Approved Board Memo – August 20, 2024
2. Revised FY2026 Budget Enhancements

STATE BOARD OF LAND COMMISSIONERS

August 20, 2024

Regular Agenda

Subject

Fiscal Year 2026 Department of Lands Budget Enhancements

Question Presented

Shall the Land Board direct the Department to include the enhancement requests as outlined in Attachment 1 in the Fiscal Year 2026 budget proposal due on August 30, 2024?

Background

The Idaho Department of Lands (Department) is requesting concurrence on the proposed FY2026 Enhancement Decision Units. Pursuant to Idaho Code § 67-3502, agencies must submit their budget request to the Division of Financial Management (DFM) and the Legislative Services Office (LSO) by August 30, 2024. The State Board of Land Commissioners (Land Board) briefing and meeting schedules prevent the Department from having the full budget request ready for the August meeting. The complete budget will be presented for Land Board approval at its September meeting.

Discussion

The Department is asking for consideration of the attached decision units. The proposed decision units align with the strategic goals that are detailed in the Department's strategic plan document. The strategic plan is organized around four foundational Department-wide goals: (1) Financial Stewardship – Maximize returns through prudent management of resources and funds, (2) Customer Focus – Exemplary professional service to all customers, (3) People – A high performing workforce, and (4) Process – Effective policies, procedures, and systems to drive informed decision making. Additionally, the Department has outlined six future-proofing goals to include: (1) Classification & Compensation, (2) Office Facilities, (3) Seasonal Housing Facilities, (4) Fire Program Modernization, (5) Fund Integrity, and (6) Policy & Procedures.

The Department is developing a budget submission for FY2026 that will further efforts to meet these Department goals. In Attachment 1, the Department's proposed enhancements are listed in order of priority.

The enhancements in the Department's budget request reflect the following increases over the FY2025 ongoing appropriation:

Fund Type	Increase from FY2025 Base Budget	
	All Ongoing <u>and</u> One-Time Requests Total	All Ongoing Requests Total
General Fund	\$643,500 (5.88%)	\$373,500 (3.42%)
Earnings Reserve Fund	\$337,200 (.94%)	\$36,500 (.10%)
Lands Dedicated Fund	\$1,963,700 (8.86%)	\$729,900 (3.29%)
Federal Funds	\$104,200 (.54%)	\$104,200 (.54%)

The Department has worked with the DFM Administrator and Governor's office contact in developing its budget request as outlined in the May 29, 2024 FY 2026 Budget Overview memo from DFM. As the Department moves through the rest of the budgeting submission process, staff will continue to follow DFM guidelines.

Recommendation

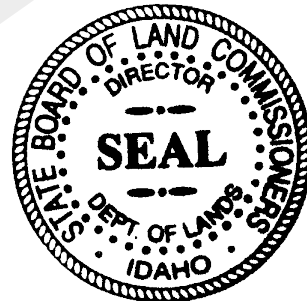
Direct the Department to include the enhancement requests as outlined in Attachment 1 in the Fiscal Year 2026 budget proposal due on August 30, 2024.

Board Action

A motion was made by Superintendent Critchfield that the Land Board direct the Department to include the enhancement requests as outlined in Attachment 1 in the Fiscal Year 2026 budget proposal due on August 30, 2024. Secretary of State McGrane seconded the motion. For the record, Governor Little abstained from voting. The motion carried on a vote of 4-0.

Attachments

1. FY2026 Enhancement Decision Unit Requests



IDL DRAFT ENHANCEMENT BUDGET REQUESTS - FY2026

No.	Budget Unit	Enhancement Description	Amount	Object Ongoing or One-Time	Funding Source (%) GF/DED/ER/FED	FTP Requested
1	LAAD Fire	Fire Emergency Support Program Manager	\$184,400 TOTAL			
		Lands Program Manager	\$108,700	PC - Ongoing	50% GF 50% DED	1.00
		Travel, Vehicle Repair and Maintenance, and Office Supplies	\$16,000	OE - Ongoing		
		Computer Equipment + Office Setup	\$4,500	CO - One Time		
		One 1/2 Ton 4WD Pickup with Necessary Options	\$54,200	CO - One Time	100% DED	
		Vehicle Striping and Decals - IDL Standard	\$1,000	OE - One Time		
2	LAAD Fire	Fire Aviation Section Manager	\$196,100 TOTAL			
		Lands Area Section Manager	\$120,400	PC - Ongoing	50% GF 50% DED	1.00
		Travel, Vehicle Repair and Maintenance, and Office Supplies	\$16,000	OE - Ongoing		
		Computer Equipment + Office Setup	\$4,500	CO - One Time		
		One 1/2 Ton 4WD Pickup with Necessary Options	\$54,200	CO - One Time	100% DED	
		Vehicle Striping and Decals - IDL Standard	\$1,000	OE - One Time		
3	LAAD Fire	Statewide Fire Assessment Program Manager	\$196,600 TOTAL			
		Lands Program Manager	\$108,700	PC - Ongoing	100 % DED	1.00
		Travel, Training, Vehicle Repair and Maintenance, and Office Supplies	\$21,000	OE - Ongoing		
		Office Upgrades, Computer Equipment + Office Setup	\$11,700	CO - One Time		
		One 1/2 Ton 4WD Pickup with Necessary Options	\$54,200	CO - One Time		
		Vehicle Striping and Decals - IDL Standard	\$1,000	OE - One Time		
4	LAAD Fire	Fire Detection Cameras	\$458,000 TOTAL			
		15 Mountain-Top Cameras and Data Devices	\$130,000	CO - One Time	50% GF 50% DED	0.00
		Installation + Site Required Supplies	\$86,000	OE - One Time		
		Annual Hosting Fees and Site Leases	\$242,000	OE - Ongoing		
5	LAAD Fire	Fire Equipment	\$729,800 TOTAL			
		Radio Communication Dispatch Required Enhancements and Repeaters	\$454,000	CO - One Time	100% DED	0.00
		Radio Installation	\$40,000	OE - One Time		
		Radio Annual Maintenance Contract + Circuit and Lease Charges	\$120,000	OE - Ongoing		
		Helitack Service Body Build - Additional Cost	\$11,000	CO - One Time		
		One 1/2 Ton 4WD Crew Cab Pickup with Necessary Options - South Zone	\$60,200	CO - One Time		
		Vehicle Striping and Decals - IDL Standard	\$1,000	OE - One Time		
		Fuel + Vehicle Repair and Maintenance	\$6,000	OE - Ongoing		
		One Enclosed Side-by-Side UTV for MICA	\$21,600	CO - One Time		
		One UTV for Eastern	\$16,000	CO - One Time		

IDL DRAFT ENHANCEMENT BUDGET REQUESTS - FY2026

No.	Budget Unit	Enhancement Description	Amount	Object Ongoing or One-Time	Funding Source (%) GF/DED/ER/FED	FTP Requested
6	LAAD Fire	Assistant Fire Warden - Ponderosa Area	\$145,500 TOTAL			
		Lands Resource Specialist, Senior	\$85,800	PC - Ongoing	50% GF	1.00
		Computer Equipment + Office Setup	\$4,500	CO - One Time	50% DED	
		One 1/2 Ton 4WD Pickup with Necessary Options	\$54,200	CO - One Time	100% DED	
		Vehicle Striping and Decals - IDL Standard	\$1,000	OE - One Time		
7	LAAA Fiscal	Fiscal Financial Specialist	\$77,000 TOTAL			
		Financial Specialist - CDA Fiscal (Utilize Existing Vacant FTP)	\$77,000	PC - Ongoing	100% DED	0.00
8	LAAD Fire	Burn Permit Replacement	\$120,000 TOTAL			
		Ongoing Maintenance and Licensing Fees	\$20,000	OE - Ongoing	100% GF	0.00
		Software Purchase	\$100,000	OE - One Time		
9	LAAB Asst	Urban and Community Forestry Program Specialist	\$108,700 TOTAL			
		Lands Program Specialist	\$96,200	PC - Ongoing	100% FED	1.00
		Travel, Training, and Office Supplies	\$8,000	OE - Ongoing		
		Computer Equipment + Office Setup	\$4,500	CO - One Time	100% DED	
10	LAAA Ops	Statewide Office Security Upgrades	\$500,000 TOTAL			
		Subscription Fees	\$40,000	OE - Ongoing	10% GF / 40% DED 50% ER	0.00
		Equipment and Installation	\$460,000	CO - One Time		
11	LAAB SS	Shared Stewardship Funding - Supplant Expiring Federal Funds	\$52,800 TOTAL			
		35% of Shared Stewardship Coordinator Position	\$52,800	PC - Ongoing	100% GF	0.00
12	LAAA Tech Services	GIS Environment Enhancements	\$62,000 TOTAL			
		ESRI Server License	\$22,000	OE - Ongoing	10% GF / 15% DED 75% ER	0.00
		Host Server Box for GIS and Remote Sensing Programs	\$30,000	OE - One Time		
		GPU for Existing Server	\$10,000	OE - One Time		
13	LAAO Nav Waters	Navigable Waters - Boat and Trailer	\$80,000 TOTAL			
		One Boat - Jerome Field Office	\$70,000	CO - One Time	100% DED	0.00
		One Trailer - Jerome Field Office	\$10,000			

IDL DRAFT ENHANCEMENT BUDGET REQUESTS - FY2026

No.	Budget Unit	Enhancement Description	Amount	Object Ongoing or One-Time	Funding Source (%) GF/DED/ER/FED	FTP Requested
14	LAAA Ops	Fleet and Facilities Manager Vehicle	\$54,200 TOTAL			
		One 1/2 Ton 4WD Pickup with Necessary Options	\$54,200	CO - One Time	10% GF / 15% DED 75% ER	0.00
15	LAAD Fire	Timber Protective Association Assessment Funding	\$83,500 TOTAL			
		TPA Funding to Cover Assessments	\$83,500	T&B - Ongoing	100% DED	0.00
SUMMARY DATA						
			\$270,000 One Time GF Requested			
			\$373,500 Ongoing GF Requested			
			\$1,534,500 One Time "Other" Funds Requested			
			\$870,600 Ongoing "Other" Funds Requested			
			\$3,048,600 Total Requested		5.00 New FTPs	

IDAHO DEPARTMENT OF LANDS

IDL ENHANCEMENT BUDGET REQUESTS - FY2026

No.	Budget Unit	Enhancement Description	Amount	Object Ongoing or One-Time	Funding Source (%) GF/DED/ER/FED	FTPs Requested
1	LAAD Fire	Fire Emergency Support Program Manager	\$184,400 TOTAL			
		Lands Program Manager	\$108,700	PC - Ongoing	50% GF 50% DED	1.00
		Travel, Vehicle Repair and Maintenance, and Office Supplies	\$16,000	OE - Ongoing		
		Computer Equipment + Office Setup	\$4,500	CO - One Time		
		One 1/2 Ton 4WD Pickup with Necessary Options	\$54,200	CO - One Time	100% DED	
		Vehicle Striping and Decals - IDL Standard	\$1,000	OE - One Time		
2	LAAD Fire	Fire Aviation Section Manager	\$196,100 TOTAL			
		Lands Area Section Manager	\$120,400	PC - Ongoing	50% GF 50% DED	1.00
		Travel, Vehicle Repair and Maintenance, and Office Supplies	\$16,000	OE - Ongoing		
		Computer Equipment + Office Setup	\$4,500	CO - One Time		
		One 1/2 Ton 4WD Pickup with Necessary Options	\$54,200	CO - One Time	100% DED	
		Vehicle Striping and Decals - IDL Standard	\$1,000	OE - One Time		
3	LAAD Fire	Statewide Fire Assessment Program Manager	\$196,600 TOTAL			
		Lands Program Manager	\$108,700	PC - Ongoing	100 % DED	1.00
		Travel, Training, Vehicle Repair and Maintenance, and Office Supplies	\$21,000	OE - Ongoing		
		Office Upgrades, Computer Equipment + Office Setup	\$11,700	CO - One Time		
		One 1/2 Ton 4WD Pickup with Necessary Options	\$54,200	CO - One Time		
		Vehicle Striping and Decals - IDL Standard	\$1,000	OE - One Time		
4	LAAD Fire	Fire Detection Cameras	\$458,000 TOTAL			
		15 Mountain-Top Cameras and Data Devices	\$130,000	CO - One Time	50% GF 50% DED	0.00
		Installation + Site Required Supplies	\$86,000	OE - One Time		
		Annual Hosting Fees and Site Leases	\$242,000	OE - Ongoing		
5	LAAD Fire	Fire Equipment	\$729,800 TOTAL			
		Radio Communication Dispatch Required Enhancements and Repeaters	\$454,000	CO - One Time	100% DED	0.00
		Radio Installation	\$40,000	OE - One Time		
		Radio Annual Maintenance Contract + Circuit and Lease Charges	\$120,000	OE - Ongoing		
		Helitack Service Body Build - Additional Cost	\$11,000	CO - One Time		
		One 1/2 Ton 4WD Crew Cab Pickup with Necessary Options - South Zone	\$60,200	CO - One Time		
		Vehicle Striping and Decals - IDL Standard	\$1,000	OE - One Time		
		Fuel + Vehicle Repair and Maintenance	\$6,000	OE - Ongoing		
		One Enclosed Side-by-Side UTV for MICA	\$21,600	CO - One Time		
		One UTV for Eastern	\$16,000	CO - One Time		

IDL ENHANCEMENT BUDGET REQUESTS - FY2026

No.	Budget Unit	Enhancement Description	Amount	Object Ongoing or One-Time	Funding Source (%) GF/DED/ER/FED	FTP Requested
6	LAAD Fire REVISED	Assistant Fire Warden - Ponderosa Area	\$161,500 TOTAL			
		Lands Resource Specialist, Senior	\$85,800	PC - Ongoing	50% GF 50% DED	1.00
		Travel, Vehicle Repair and Maintenance, and Office Supplies	\$16,000	OE - Ongoing		
		Computer Equipment + Office Setup	\$4,500	CO - One Time		
		One 1/2 Ton 4WD Pickup with Necessary Options	\$54,200	CO - One Time	100% DED	
		Vehicle Striping and Decals - IDL Standard	\$1,000	OE - One Time		
7	LAAA Fiscal REVISED	Net Zero FTP and Fund Transfer	\$0 TOTAL			
		Adjust Salary Allocations to Reclassify a Position in Fiscal	\$57,600	PC - Ongoing	100% DED	0.00
		Adjust Salary Allocations to Reclassify a Position in Fiscal	-\$57,600	PC - Ongoing	100% ER	
8	LAAD Fire	Burn Permit Replacement	\$120,000 TOTAL			
		Ongoing Maintenance and Licensing Fees	\$20,000	OE - Ongoing	100% GF	0.00
		Software Purchase	\$100,000	OE - One Time		
9	LAAB Asst	Urban and Community Forestry Program Specialist	\$108,700 TOTAL			
		Lands Program Specialist	\$96,200	PC - Ongoing	100% FED	1.00
		Travel, Training, and Office Supplies	\$8,000	OE - Ongoing		
		Computer Equipment + Office Setup	\$4,500	CO - One Time	100% DED	
10	LAAA Ops	Statewide Office Security Upgrades	\$500,000 TOTAL			
		Subscription Fees	\$40,000	OE - Ongoing	10% GF / 40% DED 50% ER	0.00
		Equipment and Installation	\$460,000	CO - One Time		
11	LAAB SS	Shared Stewardship Funding - Supplant Expiring Federal Funds	\$52,800 TOTAL			
		35% of Shared Stewardship Coordinator Position	\$52,800	PC - Ongoing	100% GF	0.00
12	LAAA Tech Services	GIS Environment Enhancements	\$62,000 TOTAL			
		ESRI Server License	\$22,000	OE - Ongoing	10% GF / 15% DED 75% ER	0.00
		Host Server Box for GIS and Remote Sensing Programs	\$30,000	OE - One Time		
		GPU for Existing Server	\$10,000	OE - One Time		
13	LAAO Nav Waters	Navigable Waters - Boat and Trailer	\$80,000 TOTAL			
		One Boat - Jerome Field Office	\$70,000	CO - One Time	100% DED	0.00
		One Trailer - Jerome Field Office	\$10,000			

IDL ENHANCEMENT BUDGET REQUESTS - FY2026

No.	Budget Unit	Enhancement Description	Amount	Object Ongoing or One-Time	Funding Source (%) GF/DED/ER/FED	FTP Requested
14	LAAA Ops	Fleet and Facilities Manager Vehicle	\$54,200 TOTAL			
		One 1/2 Ton 4WD Pickup with Necessary Options	\$54,200	CO - One Time	10% GF / 15% DED 75% ER	0.00
15	LAAD Fire	Timber Protective Association Assessment Funding	\$83,500 TOTAL			
		TPA Funding to Cover Assessments	\$83,500	T&B - Ongoing	100% DED	0.00
16	LAAO ADDED	Minerals, Navigable Waters, and Oil & Gas Fund Integrity	\$0 TOTAL			
		Adjust Salary Allocations to Address Fund Integrity	\$35,600	PC - Ongoing	100% DED	0.00
		Adjust Salary Allocations to Address Fund Integrity	-\$35,600	PC - Ongoing	100% ER	
17	LAAD Fire ADDED	Timber Protective Association Adjustments	\$15,600 TOTAL			
		CPTPA - 1% CEC and Inflation	\$9,000	T&B - Ongoing	100% GF	0.00
		SITPA - 1% CEC and Inflation	\$6,600			

SUMMARY DATA			\$270,000 One Time GF Requested \$397,100 Ongoing GF Requested \$1,534,500 One Time "Other" Funds Requested \$801,600 Ongoing "Other" Funds Requested			
			\$3,003,200 Total Requested			5.00 New FTPs

State Board of Land Commissioners
Regular Meeting – September 17, 2024

Agenda Item 6
Idaho Career Ready Students: Forestry

Board Materials
not provided for this item

IDAHO DEPARTMENT OF LANDS



STATE BOARD OF LAND COMMISSIONERS

September 17, 2024

Information Agenda

Subject

Arco Wind and Solar Energy Lease

Background

In 2019, NorthRenew applied to lease endowment land in Bingham County for an energy project known as Arco Wind and Solar. Since that time, the Idaho Department of Lands (Department) has worked with NorthRenew to develop a single energy lease for both energy sources. Lease M800070 has been developed, advertised, and is ready for lease execution, pending updates to the lease template to match provisions of the State Board of Land Commissioners (Land Board) Energy Leasing Policy.

Discussion

Lease M800070 is a wind and solar energy lease of 11,160 acres in Bingham County with a term of 49 years. It is expected that between 10-12 turbines will be constructed on the leased premises. The initial solar footprint could encompass several hundred to two thousand acres, with the opportunity to expand at Land Board discretion. Expansion is dependent on future transmission line upgrades. Lease development, advertisement, and auction processes are complete and followed established leasing policy and procedure. Lease development included a consultation with Bingham County Commissioners, a public meeting in Bingham County, and establishment of a public comment period. No comments were received, and no significant concerns were raised by the County or public. Most of the wind component of this project is located on adjacent private land. The lease was ready for execution by the Land Board in August of 2023, but energy leasing activities were paused to develop the Energy Leasing Policy, adopted on June 18, 2024.

The wind energy lease template is currently being updated to reflect the changes required by the Energy Leasing Policy. Once updated and reviewed by the lessee, the lease will be ready for execution by both the lessee and the Land Board. Though originally negotiated with NorthRenew, the project was sold to PacifiCorp, the primary provider of electricity to Eastern Idaho. NorthRenew remains involved in the transition and the strategy for lease execution is still being established.

The goal of the Department is to present the Arco Wind and Solar lease for Land Board approval at the October 15, 2024 meeting.

Maps of lease M80070 are provided as Attachments 1 and 2. Basic information regarding the Arco Wind and Solar Project on endowment lands is listed below.

Arco Wind and Solar Lease

Developer	NorthRenew/PacifiCorp
Location	Bingham County, Twin Buttes (SE of Arco)
Type	Wind Turbines (10-11), and Solar Panels (up to 400MW)
Acres	11,160

Estimated Annual Revenue

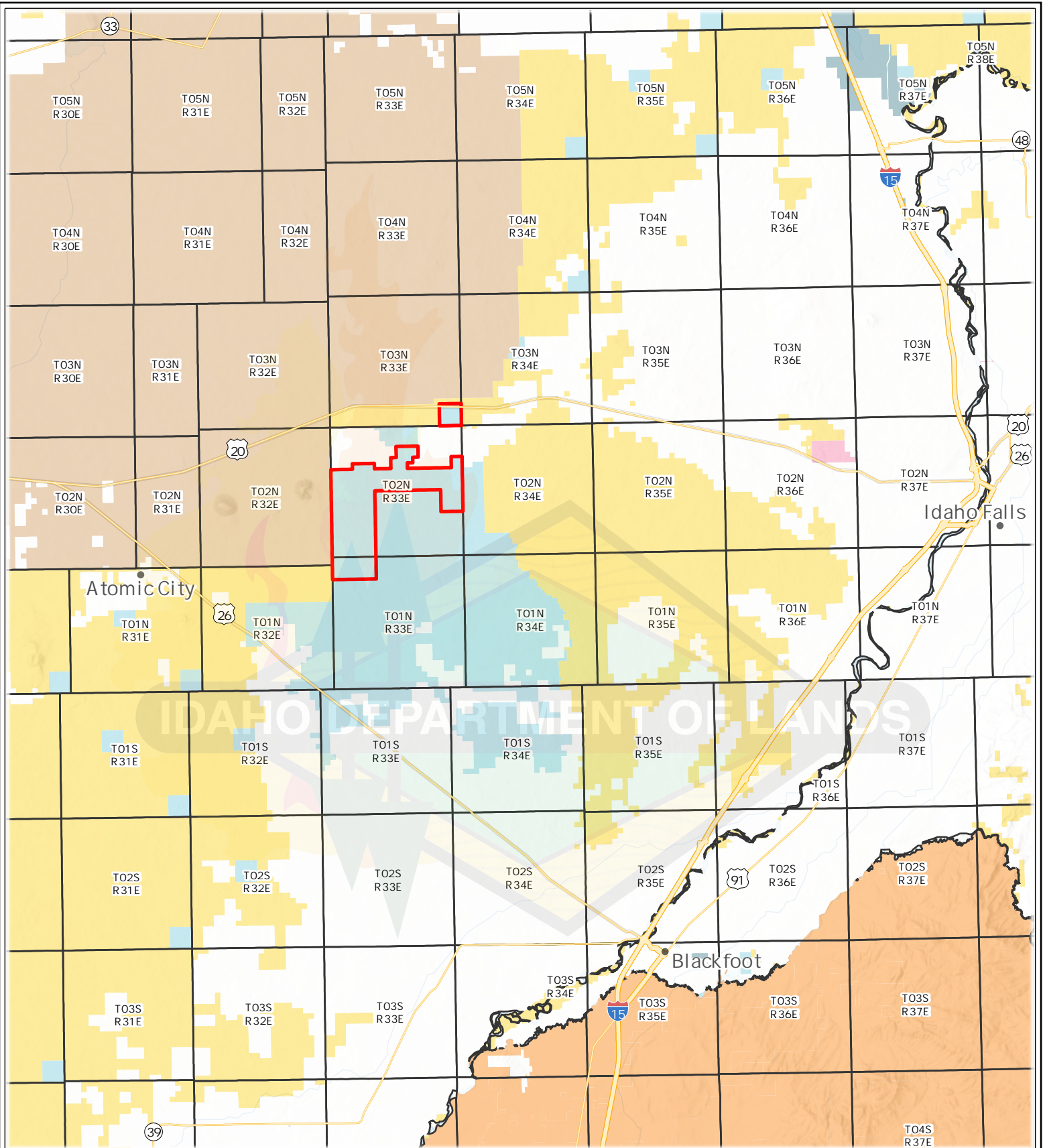
Phase 1	\$55,800
Phase 2	\$450,000
Phase 3	\$1-2 million

Attachments

1. Overview Map
2. Detail Map

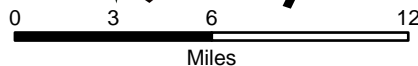


IDAHO DEPARTMENT OF LANDS



- M800070
- Bureau of Land Management
- Tribal Land
- Military Reservation/Corp of Engineers
- Other Federal
- State
- Other State
- Private

M800070
Overview
3/21/2023

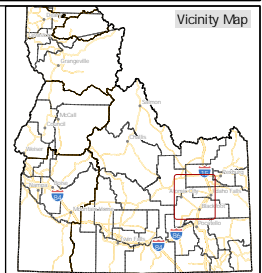


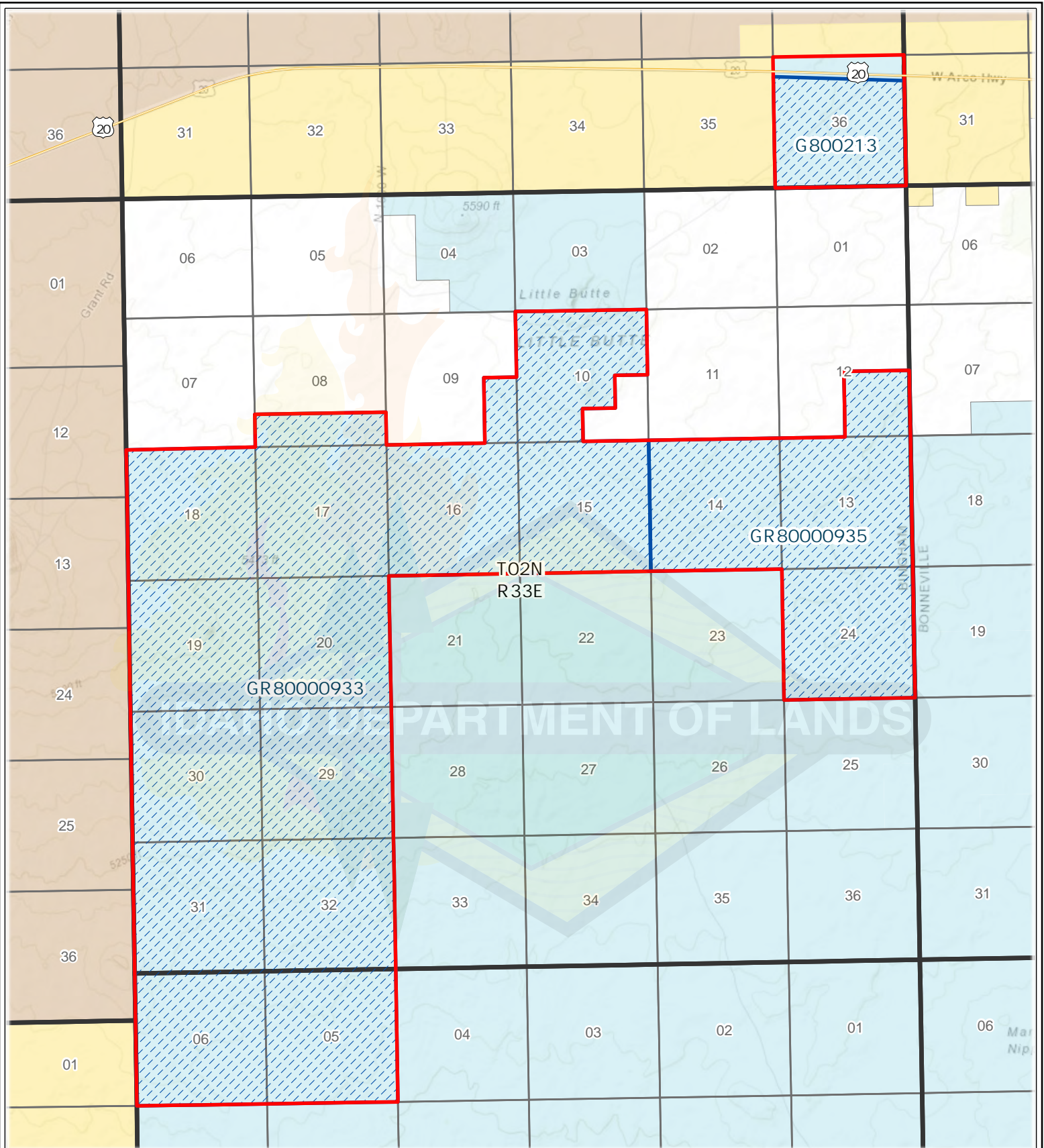
Map Notes

Projection: Idaho Transverse Mercator; NAD 83

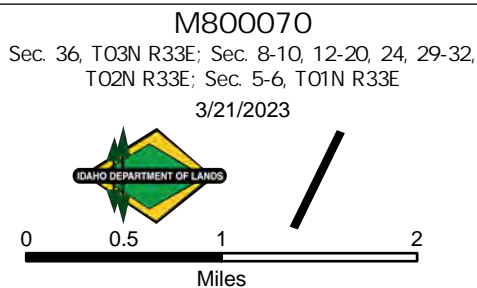
Map Notes and Data Sources

Disclaimer:
This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.





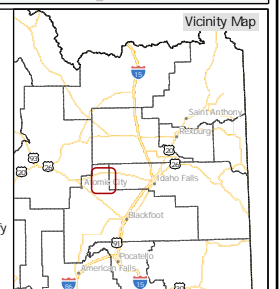
- M800070
- Active Existing Leases
- Bureau of Land Management
- Other Federal
- State
- Private



Map Notes

Projection: Idaho Transverse Mercator, NAD 83
 Map Notes and Data Sources

Disclaimer:
 This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.



STATE BOARD OF LAND COMMISSIONERS

September 17, 2024

Information Agenda

Subject

Idaho Department of Lands and Idaho Department of Parks and Recreation Memorandum of Agreement for Endowment Lands Recreational Opportunities

Background

The State Board of Land Commissioners (Land Board) has requested that the Idaho Department of Lands (IDL) partner with Idaho Department of Parks and Recreation (IDPR) to develop managed recreational opportunities to generate revenue, protect the endowment land assets, and promote public recreational values on Idaho's endowment lands.

Discussion

IDL has identified a need to make expenditures of capital to develop "managed recreational opportunities" as a means to generate revenue, protect the endowment land assets, and promote public recreational values.

IDPR possesses the expertise and experience necessary to design, construct, operate, maintain, and administer public recreation infrastructure and activities.

IDL and IDPR have mutually identified the need to coordinate efforts to develop managed recreational opportunity projects on endowment lands (Attachment 1).

IDL and IDPR will draft a development and management plan for mutually agreeable managed recreational opportunities on endowment lands (D&M Plan). The D&M Plan will be organized according to the IDPR State Park and IDL Supervisory Area in which the recreation development and management will occur. These plans will detail project descriptions and deliverables which may include site evaluation, infrastructure and facility recommendations, design, construction implementation, maintenance, management, and operations. The D&M Plan(s) will also include each agency's expected annual resource needs, anticipated revenues, expenses and a negotiated percent return required for the endowments.

Attachments

1. Draft Endowment Lands Recreation MOA

MEMORANDUM OF AGREEMENT
between
IDAHO DEPARTMENT OF PARKS AND RECREATION
and
IDAHO DEPARTMENT OF LANDS
for
ENDOWMENT LANDS RECREATION DEVELOPMENT AND MANAGEMENT

THIS MEMORANDUM OF AGREEMENT ("Agreement") is made and entered into by and between the State of Idaho, Department of Parks and Recreation (herein referred to as "IDPR") and the State of Idaho, Department of Lands (herein referred to as "IDL"). IDL and IDPR are collectively referred to herein as the "Parties" and individually as a "Party".

WHEREAS, IDL manages endowment lands for endowment beneficiaries, some of which are widely used at no cost to outdoor recreation users;

WHEREAS, IDL has identified a need to make expenditures of capital in order to develop "managed recreational opportunities" as a means to generate revenue, protect the endowment land assets, and promote public recreational values;

WHEREAS, pursuant to the authorities in Title 58, Chapter 1, including §§ 58-104 and 58-115, IDL is authorized to enter into agreements with other agencies of the State of Idaho and is directed by the Land Board Recreation Policy to partner with other State agencies for the development of managed recreation opportunities on endowment lands;

WHEREAS, pursuant to the authorities in Title 67, Chapter 42, Idaho Code, including §§ 67-4219 and 67-4223(2) and (7), IDPR is authorized to plan, enter into agreements with other agencies of the State of Idaho, and manage for the protection, operation, maintenance, development and wise use, areas of scenic beauty, recreational utility, and historic, archaeological or scientific interest, to the end that the health, happiness, recreational opportunities and wholesome enjoyment of life of the people may be encouraged;

WHEREAS, IDPR possesses the expertise, authority, and experience necessary to design, construct, operate, maintain, and administer public recreation infrastructure and activities on owned and contracted lands under its control; and

WHEREAS, the Parties have mutually identified the need to coordinate efforts to develop managed recreation opportunity projects on endowment lands.

NOW THEREFORE, in consideration of the covenants and conditions set forth in this Agreement, the Parties mutually agree, as follows:

1. IDL and IDPR will, together, do the following:

- a. No later than November 1, 2024, the Parties will meet and draft a development and management plan for each mutually agreeable managed recreation opportunity on endowment lands ("D&M Plan"). The D&M Plans will be organized according to the IDPR State Park and IDL Supervisory Area in which the recreation development and management will occur. In order to allow each Party to properly plan and prepare for future activities and needs, multiple meetings may be needed and may occur on location, at a Supervisory Area office, and virtually to include all necessary agency staff.
- b. The Parties will thereafter meet annually prior to November 1 to review the D&M Plans, and update if necessary. The objective of this meeting is to determine each Party's resource requirements for the upcoming fiscal year.

2. IDPR will:

- a. Provide technical assistance to IDL on recreation development, including site evaluation, infrastructure and facility recommendations, design, construction implementation, and maintenance of mutually agreeable managed recreation opportunity on endowment lands.
- b. Prepare, solicit, contract, and procure goods and services necessary for each D&M Plan, within reasonable timeframes as agreed to by the Parties.
- c. Once constructed, incorporate each managed recreation opportunity into the related State Park's regular operations and management, including the application of IDAPA 26.01.20 and utilization of IDPR's web-based reservation system to manage bookings for each managed recreation opportunity.
- d. Incorporate each managed recreation opportunity into its advertising portfolio, including in all virtual and printed platforms as well as promotional materials.
- e. Complete the necessary accounting and billing and provide IDL with copies of relevant contracts, invoices, receipts, revenues, and contractor correspondence as requested by IDL, or as described in the individual D&M Plans.
- f. Supply IDL with an annual, detailed invoice for all work completed under each D&M Plan. This invoice may be itemized based on completed tasks,

permanent and temporary personnel costs and operational expenses as described in the individual D&M Plans.

- g. Supply IDL with a detailed account of all gross receipts for revenues from each managed recreation opportunity managed by IDPR as described in the individual D&M Plans.
- h. Distribute annually to IDL the revenues generated in addition to IDPR's base fee rates, as specified in each D&M Plan, that will be charged to users of the managed recreation opportunity facilities ("IDL Fee").

3. IDL will:

- a. Provide clear and written development and management objectives to IDPR for each proposed managed recreation opportunity project.
- b. Review all D&M Plans, proposals, designs, and other work products provided by IDPR. If clarification is needed, the Parties will work collaboratively to complete necessary changes.
- c. Provide adequate personnel, equipment, and financial resources for all managed recreation opportunities.
- d. Advise IDPR of the rates for each IDL Fee that will be added to IDPR's base fee rate(s) for each D&M Plan. The IDL Fee must be set before IDPR sets its annual base fee rates.
- e. Reimburse IDPR for expenses incurred by IDPR for each managed recreation opportunity.
- f. Provide a "Recreation Advisor" for each managed recreation opportunity whose duties include coordinating and consulting with IDPR during all phases of a D&M Plan.
- g. Coordinate for and represent IDL in any public forum as necessary regarding the respective managed recreation opportunities.

4. Additional Provisions:

- a. Nothing in this Agreement shall be construed as obligating either Party, or the State of Idaho, in the expenditure of funds or future payment of money more than appropriations authorized by state law.

- b. Nothing in this Agreement shall be construed to relinquish or transfer any of IDL's management authority for endowment lands, nor shall it be construed as requiring IDPR to undertake any activities more than its statutory authorities and agency resources.
- c. Nothing in this Agreement shall authorize IDL to allow a third party any access through or utilization of IDPR owned or contracted lands comprising any State Park without IDPR's express written agreement, the terms of which will be wholly discretionary with IDPR. This provision will survive the termination of this Agreement.
- d. State's Insurance. IDL and IDPR are both agencies of the State of Idaho and are provided a comprehensive liability plan through the Risk Management Program established under Idaho Code § 67-5773 et seq., funded and in effect subject to limitation on liability of the Tort Claims Act, Idaho Code § 6-901 et seq.
- e. Apportionment of Liability. IDL and IDPR shall be responsible only for the acts, omissions or negligence of such agency's own employees. The term "employee" is defined for the purposes of this section as set forth in Idaho Code § 6-902. The parties acknowledge that both IDL and IDPR participate in the State of Idaho Risk Management Program comprehensive liability plan utilizing the Retained Risk Account ("Risk Program"). Each of the Parties is obligated to notify the Division of Risk Management and the other Party upon receipt of notice or in the event it has knowledge of any claim or damage arising out of this Agreement.
 - i. Nothing in this Agreement shall extend the tort responsibility or liability of either IDL or IDPR beyond that required by the Idaho Tort Claims Act, Idaho Code § 6-901 et seq. Any covered third-party tort liability claim, suit or loss arising from this Agreement shall be allocated to one or both Parties by the Division of Risk Management for purposes of the respective loss experiences and subsequent allocation of self-insurance assessments.
 - ii. Each Party shall be responsible for damage to property of the other Party caused by its employees in the performance of the Agreement. If property damage arises in the performance of this Agreement and is covered by the Risk Program, the Division of Risk Management shall charge the damage or loss to the responsible Party's loss history, and the responsible Party shall pay the deductible, if any.
 - iii. If a claim or damage is not covered by the Risk Program, the responsible Party shall pay the costs arising from such claim or damage. If a claim or damage arises from both Parties' performance of

the Agreement or is not allocable to either Party, each Party shall pay the costs to such Party arising from the claim or damage.

- f. Amendment. This Agreement may be amended by mutual consent of the Parties in writing, and as often as necessary to maintain the objectives and requirements of the Parties.
- g. Financials. Any managed recreation opportunity project costs and IDL Fees will be mutually agreed upon and itemized on a per project basis in the individual D&M Plans. IDPR will submit a written cost estimate to IDL for approval prior to budgeted expenditure.
 - a. Reimbursement schedule: May 15th – Reimbursement for additional expenses incurred. Warrant payment will be routed through LUMA.
 - b. Accept revenues from IDL Fees collected by IDPR.
- h. Duration and Termination of Agreement. This Agreement shall remain in effect from the date of final signature through as long as any D&M Plan is active. This Agreement may be terminated by either Party upon ninety days' written notice to the other Party.

IDAHO DEPARTMENT OF LANDS

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year of final signature, below.

IDAHO DEPARTMENT OF PARKS AND RECREATION:

Susan E. Buxton - Director

Date: _____

IDAHO DEPARTMENT OF LANDS:

Dustin T. Miller - Director

Date: _____