# **State Board of Land Commissioners Open Meeting Checklist**

Meeting Date:	June 15, 2021

# **Regular Meetings**

5/27/2021	Meeting Notice posted in prominent place in IDL's Boise Director's office five (5) or more calendar days before meeting.
5/27/2021	Meeting Notice posted in prominent place in IDL's Coeur d'Alene staff office five (5) or more calendar days before meeting.
5/27/2021	Meeting Notice posted in prominent place at meeting location five (5) or more calendar days before meeting.
5/27/2021	Meeting Notice emailed/faxed to list of media and interested citizens who have requested such notice five (5) or more calendar days before meeting.
5/27/2021	Meeting Notice posted electronically on IDL's public website <a href="www.idl.idaho.gov">www.idl.idaho.gov</a> five (5) or more calendar days before meeting.
6/9/2021	Agenda posted in prominent place in IDL's Boise Director's office forty-eight (48) hours before meeting.
6/9/2021	Agenda posted in prominent place in IDL's Coeur d'Alene staff office forty-eight (48) hours before meeting.
6/9/2021	Agenda posted in prominent place at meeting location forty-eight (48) hours before meeting.
6/9/2021	Agenda emailed/faxed to list of media and interested citizens who have requested such notice fortyeight (48) hours before meeting.
6/9/2021	Agenda posted electronically on IDL's public website <u>www.idl.idaho.gov</u> forty-eight (48) hours before meeting.
5/6/2021	Land Board annual meeting schedule posted – Boise Director's office, Coeur d'Alene staff office, and IDL's public website <a href="www.idl.idaho.gov">www.idl.idaho.gov</a>

# 

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.
Meeting Notice and Agenda posted at meeting location twenty-four (24) hours before meeting.
Meeting Notice and Agenda emailed/faxed to list of media and interested citizens who have requested such notice twenty-four (24) hours before meeting.
Meeting Notice and Agenda posted electronically on IDL's public website www.idl.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** (If only an Executive Session will be held)

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.
Meeting Notice and Agenda emailed/faxed to list of media and interested citizens who have requested such notice twenty-four (24) hours before meeting.
Meeting Notice and Agenda posted electronically on IDL's public website <a href="www.idl.idaho.gov">www.idl.idaho.gov</a> 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.

Perce Jacobsen

June 9, 2021

Date



# **Idaho State Board of Land Commissioners**

Brad Little, Governor and President of the Board
Lawerence E. Denney, Secretary of State
Lawrence G. Wasden, Attorney General
Brandon D Woolf, State Controller
Sherri Ybarra, Superintendent of Public Instruction

Dustin T. Miller, Secretary to the Board

# Notice of Public Meeting June 2021

The Idaho State Board of Land Commissioners will hold a Regular Meeting on Tuesday, June 15, 2021 in the **State Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 W. Jefferson St., Boise, Idaho**. The meeting is scheduled to begin at 9:00 AM (Mountain).

Please note 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: <a href="https://www.idahoptv.org/shows/idahoinsession/">https://www.idahoptv.org/shows/idahoinsession/</a> and via Facebook: <a href="https://www.facebook.com/IdahoDepartmentofLands">https://www.facebook.com/IdahoDepartmentofLands</a>

Members of the public may register to attend the Zoom webinar through this link: <a href="https://idl.zoom.us/webinar/register/WN">https://idl.zoom.us/webinar/register/WN</a> ilArehc0Tty2rdMc57208g

The Governor's <u>Stage 4 Stay Healthy Guidelines</u> dated 5/11/2021 allows for public meetings of any size with adherence to physical distancing and sanitation requirements. Individuals are encouraged to watch online or via webinar. All in-person attendees must comply with current COVID-19 safety protocols for public gatherings in the City of Boise, including but not limited to guidance regarding face coverings and social distancing.

Physical distancing measures reduce the meeting room's normal attendance capacity.<sup>1</sup>

<sup>1</sup> www.cityofboise.org/departments/mayor/coronavirus-covid-19-information/ AND www.cdhd.idaho.gov/dac-coronavirus



#### **Idaho State Board of Land Commissioners**

Brad Little, Governor and President of the Board Lawerence E. Denney, Secretary of State Lawrence G. Wasden, Attorney General Brandon D Woolf, State Controller Sherri Ybarra, Superintendent of Public Instruction

Dustin T. Miller, Secretary to the Board

State Board of Land Commissioners Regular Meeting June 15, 2021 – 9:00 AM (MT) Final Agenda

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

Please note 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: <a href="https://www.idahoptv.org/shows/idahoinsession/">https://www.idahoptv.org/shows/idahoinsession/</a> and via Facebook: <a href="https://www.facebook.com/IdahoDepartmentofLands">https://www.facebook.com/IdahoDepartmentofLands</a>

Members of the public may register to attend the Zoom webinar through this link: https://idl.zoom.us/webinar/register/WN ilArehc0Tty2rdMc57208g

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1. Department Report – Presented by Dustin Miller, Director

#### **Trust Land Revenue**

- A. Timber Sales May 2021
- B. Leases and Permits May 2021
- 2. Endowment Fund Investment Board Report Presented by Chris Anton, EFIB Manager of Investments
  - A. Manager's Report
  - B. Investment Report

State Board of Land Commissioners Final Agenda Regular Meeting – June 15, 2021 Page 1 of 2

<sup>&</sup>lt;sup>1</sup> www.cityofboise.org/departments/mayor/coronavirus-covid-19-information/ AND www.cdhd.idaho.gov/dac-coronavirus

# Consent—Action Item(s)

- **3. Disclaimer of Interest Request DI600300-City of Boise, Boise River** *Presented by Eric Wilson, Bureau Chief-Resource Protection and Assistance*
- 4. State Participation as a Member of Clearwater-Potlatch Timber Protective Association (CPTPA) and Southern Idaho Timber Protective Association (SITPA) Presented by Craig Foss, State Forester/Division Administrator-Forestry and Fire
- **5.** Authorization for Issuance of Deficiency Warrants to Pay Fire Suppression Costs in FY2022 Presented by Craig Foss, State Forester/Division Administrator-Forestry and Fire
- 6. Approval of Draft Minutes May 18, 2021 Regular Meeting (Boise)

# Regular—Action Item(s)

- 7. Omnibus Rulemaking Adoption of Temporary Fee Rules Presented by Scott Phillips, Policy and Communications Chief
- **8. Proposed Legislation** Presented by Craig Foss, State Forester/Division Administrator-Forestry and Fire, and Scott Phillips, Policy and Communications Chief

#### Information

- **9. Pre-Season Fire Forecast/Update** Introduction by Craig Foss, State Forester/Division Administrator-Forestry and Fire
  - A. Predictive Services Forecast Nick Nauslar, Meteorologist, NIFC
  - B. Resource Readiness Josh Harvey, Bureau Chief-Fire Management
  - C. Rangeland Fire Protection Associations Rick Finis, South Idaho Fire Liaison

#### **Executive Session**

None



# 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.]

June 15, 2021 Trust Land Revenue

# **Timber Sales**

During May 2021, the Department of Lands sold eight endowment timber sales at auction. The endowment net sale value represents a 31.4% up bid over the advertised value. The Fidlers Bane Pulp and Rainbow Fir Salvage sales sold at the appraised value. The Swamp Engraver Ton sale did not sell at auction. The sale will be reappraised and offered a second time.

			TIN	/IBER S	ALE AUCTION	NS .		
Sale Name	Area	Sawlogs MBF	Cedar Prod MBF	Pulp MBF	Appraised Net Value	Sale Net Value	Net \$/MBF	Purchaser
Fidlers Bane Pulp	МС	2,975		1,125	\$1,150,484.50	\$1,150,484.50	\$280.61	Clearwater Paper
Ceady OSR	CLW	4,095			\$1,444,706.00	\$1,705,060.05	\$416.38	Bennett Lumber
Casey OSR	CLW	1,700			\$463,997.00	\$742,280.00	\$436.64	Empire Lumber
View Finder	POL	3,215			\$767,774.00	\$1,196,760.00	\$372.24	IFG Timber LLC
Last Stitch OSR	POL	6,485			\$877,220.50	\$1,238,922.00	\$191.04	IFG Timber LLC
Junta Sawlog	PL	2,900			\$495,506.00	\$938,865.00	\$323.75	Timber Logging
Rainbow Fir Salvage	SJ	1,125			\$305,219.50	\$305,219.50	\$271.31	Waddell Logging
Rocky Point	PL	1,500	EP/	\R1	\$333,506.00 \$391,672		\$261.11	Stimson Lumber
Endowment		23,995	0	1,125	\$5,838,413.50	\$7,669,263.45	\$305.31	

	PROPOSED	TIM	IBER SALES FOR	AUCTION	
Sale Name	Volume MBF	Adv	vertised Net Value	Area	<b>Estimated Auction Date</b>
		No	orth Operations		
North Initial	6,585	\$	1,122,851	Mica	6/8/2021
Trapline	2,900	\$	446,805	Priest Lake	6/9/2021
Brush OSR	6,055	\$	2,646,258	Ponderosa	6/10/2021
Smith Shacktor	4,775	\$	839,176	St. Joe	6/24/2021
Pats Blowdown GNA Salvage	215	\$	43,722	IPNF/POL	6/17/2021
TOTALS	20,530	\$	5,098,812		
		So	uth Operations		
Lander Creek Ton	1,400	\$	72,241	Eastern	6/16/2021
July Creek Ton	3,620	\$	112,056	Eastern	6/16/2021
North Line Ton	1,875	\$	445,872	Payette	6/21/2021
Skyhigh Ton	2,120	\$	352,779	Payette	6/21/2021
North Ridge Salvage	870	\$	76,821	Payette	6/22/2021
Two Face Ton	2,205	\$	353,633	Payette	6/22/2021
TOTALS	12,090	\$	1,413,401		

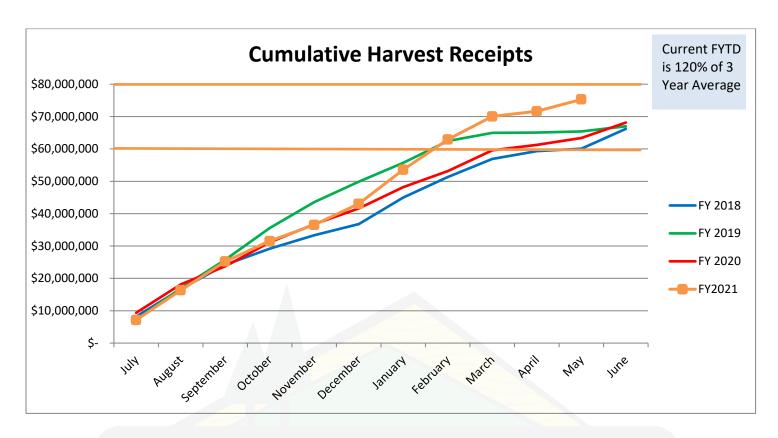
VOLUME U	VOLUME UNDER CONTRACT as of May 31, 2021												
	Public School	Pooled	Total	3 Year Avg.									
Active Contracts			172	171									
Total Residual MBF Equivalent	361,825	223,409	585,234	536,129									
Estimated residual value	\$86,338,427	\$60,218,548	\$146,556,975	\$145,257,626									
Residual Value (\$/MBF)	\$238.62	\$269.54	\$250.42	\$272.73									

	TIMBER HARVEST RECEIPTS													
	M	ay			FY to date	June Projected								
	Stumpage	Interest			arvest Receipts		Stumpage	Interest						
<b>Public School</b>	\$ 1,185,128.46	\$	85,686.94	\$	43,229,700.88	\$	2,493,112.86	\$	277,199.54					
Pooled	\$ 2,253,850.22	\$	157,221.13	\$	32,054,003.60	\$	1,316,617.51	\$	175,439.52					
<b>General Fund</b>	\$ 1.86	\$	0.00	\$	13,092.64	\$	1.86	\$	0.00					
TOTALS	\$ 3,438,980.54	\$	242,908.07	\$	75,296,797.12	\$	3,809,732.23	\$	452,639.06					

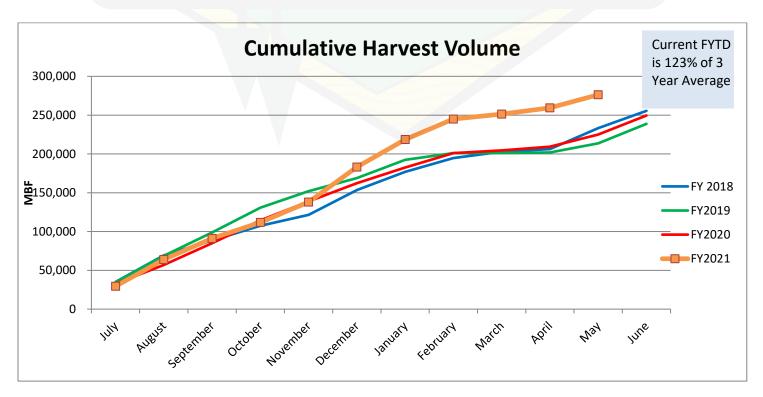
	Status of FY2021 Timber Sale Program												
		MBF Saw	log		Number Poles								
	Public School	Pooled	All Endowments		Public School	Pooled	All Endowments						
Sold as of May 31, 2021	129,485	104,007	233,492		17,976	12,254	30,230						
Currently Advertised	20,931	4,384	25,315		0	0	0						
In Review	19,666	4,439	24,105		0	0	0						
Did Not Sell <sup>1</sup>	0	0	0		0	0	0						
TOTALS	170,082	112,830	282,912		17,976	12,254	30,230						
FY2021 Sales Plan			284,238				28,810						
Percent to Date			100%				105%						

	Status of FY2022 Timber Sale Program												
		MBF Saw	log		Number Poles								
	Public School	Pooled	All Endowments		Public School	Pooled	All Endowments						
Sold as of May 31, 2021	0	0	0		0	0	0						
Currently Advertised	5,195	1,875	7,070		0	0	0						
In Review	0	7,075	7,075		0	0	0						
Did Not Sell <sup>1</sup>	0	0	0		0	0	0						
TOTALS	5,195	8,950	14,145		0	0	0						
FY2022 Sales Plan			311,195				20,600						
Percent to Date			5%				0%						

<sup>&</sup>lt;sup>1</sup> After three attempts at auction.



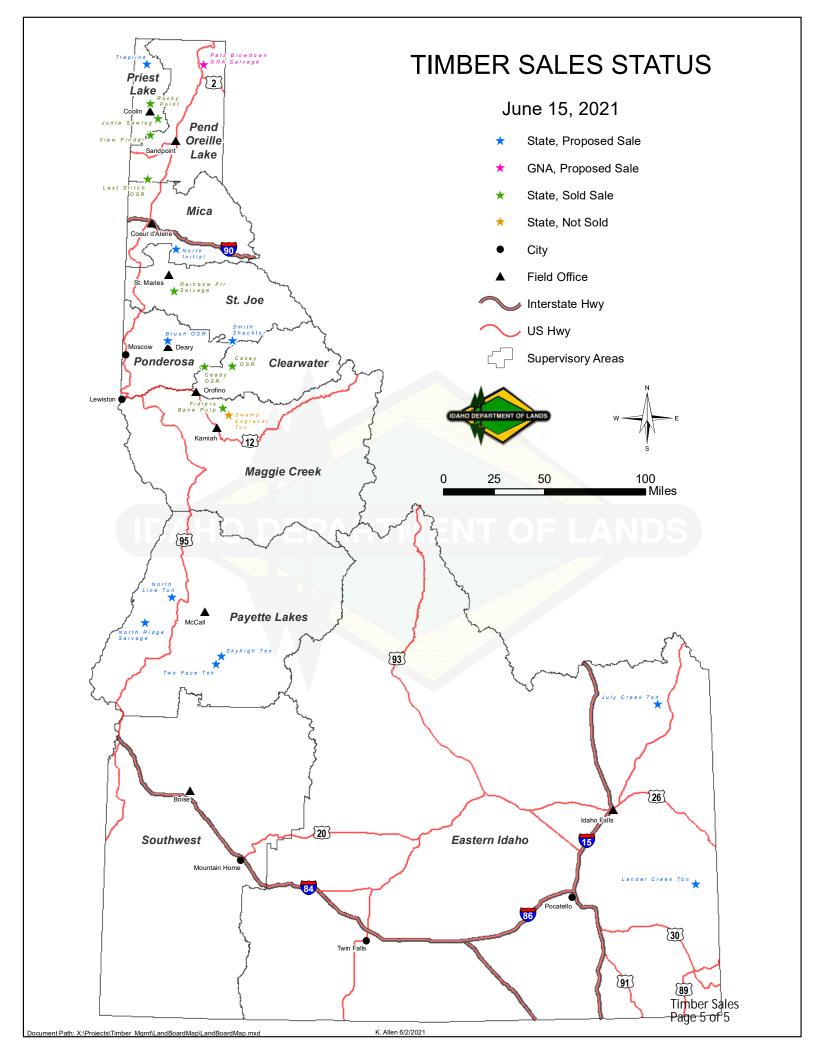
# IDAHO DEPARTMENT OF LANDS





May 2021 6-month average price is \$274.04.

May 2020 6-month average price was \$191.85.



June 15, 2021 Endowment Transactions

## **Leases and Permits**

FISCAL YEAR 2021 – L	FISCAL YEAR 2021 – LEASING & PERMITTING TRANSACTIONS BY MONTH – through May 31, 2021													
ACTIVITY	JUL	AUG	SEP	ОСТ	VON	DEC	JAN	FEB	MAR	APR	MAY	NOr	EST	FYTD
SURFACE														
Agriculture	-	-	-	-	-	-	-	-	-	-	-		1	0
Assignments	-	ı	ı	ı	ı	1	-	-	-	-	-		1	1
Communication Sites	-	-	-	-	-	-	-	-	-	2	-		31	2
Assignments	-	ı	ı	ı	ı	ı	1	-	-	-	-		1	1
Grazing	7	2	1	1	1	1	-	2	1	-	-		14	16
Assignments	-	3	4	ı	2	ı	1	6	4	11	7		32	38
Residential	-	2	4	ı	ı	ı	1	-	-	1	-		18	8
Assignments	-	1	1	2	-	1	-	-	1	3	-		18	9
COMMERCIAL														
Alternative Energy	-	-	-	-	-	-	-	-	-	-	-		1	0
Industrial	-	A -	-	-	-	-	-	-	-	-	-		6	0
Military	-	-	-	-	-	-	-	-	-	-	-		4	0
Office/Retail	<b>A</b> - /	_	-	-	-	-	-	-	-	-	-		2	0
Recreation	-	-	-	-		-	-	-	-	-	-		11	0
Assignments	-	-	-	-	-	1	-	-	-	-	-		-	1
OTHER														
Conservation	- \	-	-	-	-	-	-	,	-	-	-		0	0
Assignments	-	-	-	-	-	-	-	-	-	-	-		-	0
Geothermal	-	-	-	-	-	-	-	-	-	-	-		4	0
Minerals	13		\ - D	1	<b>V</b> - I	= -/	-		-	-//	-		57	14
Assignments		<b>–</b> –	71	_	3	1	-		-	2	17			6
Non-Comm Recreation	-	-	-	-	-	-	-	-	-	-	-		-	0
Oil & Gas	-	-	-	-	-	-	-	-	-	-	-		0	0
PERMITS	_													
Land Use Permits	10	5	12	6	7	1	3	10	12	12	8		NA	86
TOTAL INSTRUMENTS	30	13	22	10	13	6	6	18	18	31	15		NA	182

# **Real Estate**

FISCAL YEAR 2021 – REAL ESTATE TRANSACTIONS BY MONTH – through May 31, 2021													
ACTIVITY	JUL	AUG	SEP	ОСТ	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	FYTD
Deeds Acquired	-	-	-	-	-	-	-	-	-	-	-		0
Deeds Granted	-	-	9	6	3	-	-	-	-	-	-		18
Deeds Granted - Surplus	-	-	-	-	-	-	-	1	-	-	-		1
Easements Acquired	-	-	-	-	-	-	-	-	-	2	1		3
Easements Granted	-	-	-	-	-	-	-	-	1	2	-		3
Assignments	-	1	-	-	-	-	-	-	-	-	-		1

# Land Exchange Update

<u>Deatley LEX</u> The due diligence for this exchange is nearly complete. Expect to bring forward to Land Board by August. <u>Avimor LEX</u> The due diligence for this exchange is nearly complete. Expect to bring forward to Land Board by August. <u>Owyhee LEX</u> The BLM has opened a 30-day appeal window for the two appellants. If the appeals are received, they will go to the Interior Board of Land Appeals for review.

<u>Idaho Forest Group LEX</u> This exchange is going through the closing process.

### Disposition

Caldwell Area Property Assemblage Auction scheduled on Friday, June 11, 2021.

# TRUST LAND MANAGEMENT DIVISION 2021FYTD GROSS REVENUE (non-timber) - ACTUAL AND FORECASTED through May 31, 2021

		UAL RECEIPTS DF 05.31.2021	REVENUE EXPECTED BY 05.31.2021**		REVENUE EXPECTED BY 06.30.2021	
SURFACE						
AGRICULTURE	\$	460,770	\$	471,740	\$	471,740
COMMUNICATION SITES	\$	921,125	\$	544,598	\$	548,359
GRAZING	\$	1,946,219	\$	1,789,240	\$	1,822,510
RESIDENTIAL	\$	1,311,034	\$	1,161,801	\$	1,450,328
COMMERCIAL						
COMMERCIAL ENERGY RESOURCES	\$	32,685	\$	12,715	\$	12,715
COMMERCIAL INDUSTRIAL	\$	127,606	\$	73,313	\$	73,313
COMMERCIAL MILITARY	\$	3,000	\$	62,438	\$	62,438
COMMERCIAL OFFICE/RETAIL	\$	790,551	\$	865,162	\$	997,010
COMMERCIAL RECREATION***	\$	1,004,208	\$	467,783	\$	470,323
OTHER						
CONSERVATION LEASES	\$	65,607	\$	103,763	\$	103,951
GEOTHERMAL	\$	(1,000)	\$	4,000	\$	5,000
MINERAL	\$	85,658	\$	68,901	\$	70,492
NON-COMMERCIAL RECREATION	\$	104,858	\$	52,128	\$	52,128
OIL AND GAS LEASES	\$	8,983	\$	13,133	\$	13,133
Sub Total	\$	6,861,303	\$	5,690,719	\$	6,153,441
*LAND SALES/RECORDS	\$	177,297				
*REAL ESTATE SERVICES	\$	15,697				
Grand Total	\$	7,054,297				

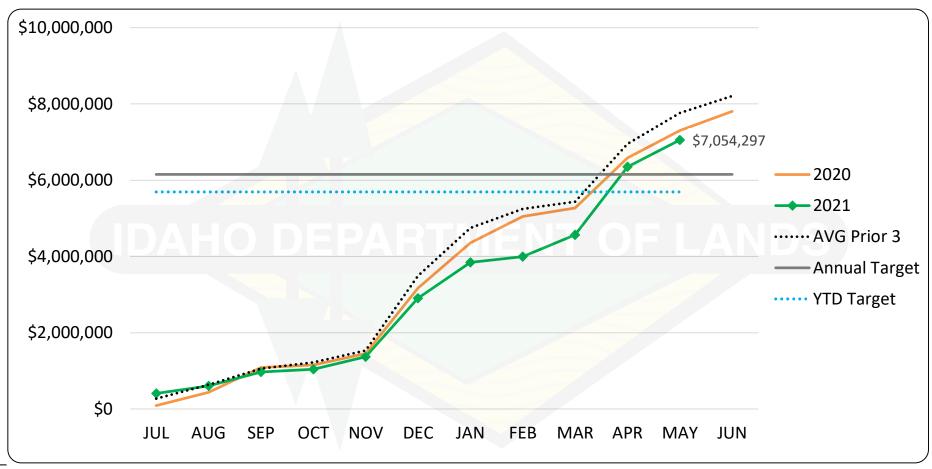
<sup>\*</sup> These categories are not included in the annual forecast.

NOTE: The Department prepares the annual endowment revenue forecast by ASSET CLASS (not by Program). For this table, we have attempted to further breakdown the forecast by program by applying trend data.

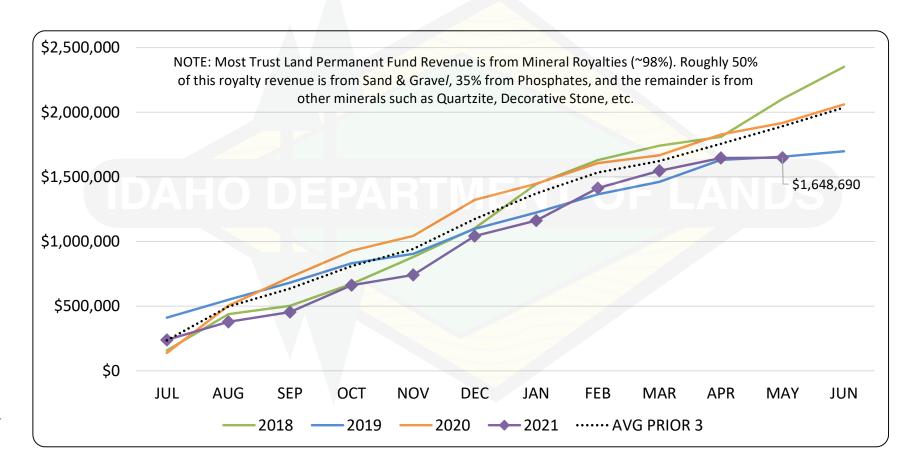
<sup>\*\*</sup> These figures are based on "normal" timing of revenue/billing throughout the year.

<sup>\*\*\* \$629,163</sup> in Commercial Recreation for the Tamarack Lease covering FY21 and FY22 lease payments.

# Cumulative Trust Land Program Receipts - Earnings Reserve - All Programs excluding Timber FY2020 - FYTD2021



# Cumulative Trust Land Permanent Fund Revenue/Royalties (Does NOT include Land Bank Revenue) FY18 - FYTD21





Thomas J. Wilford :: Chairman

Jerry F. Aldape Gary L. Mahn
Warren R. Bakes Richelle A. Sugivama

Steven C. Harris Chuck Winder

**Irving Littman** 

Chris J. Anton :: Manager of Investments

# **Monthly Report to the Board of Land Commissioners**

# **Investment performance through May 31, 2021**

Month: 1.1% Fiscal year: 28.3%

Equity markets continued their upward climb during May, as the global economic recovery advanced once again. Vaccination efforts, particularly in Europe, allowed for a broader reopening of economies which boosted the share prices of economically sensitive companies. Inflations fears remained in focus, with labor shortages beginning to appear in many service industries, commodity prices showing strong year-over-year increases and supply chain issues impacting pricing in numerous industries. Oil prices rose nearly 10%. As we move through the balance of 2021 and into 2022, it is anticipated that major central banks will begin the delicate process of shifting away from extreme policy accommodation and consumers will likely have spent stimulus funds and some of the excess savings that accumulated during the pandemic. Over time we will be in a better position to understand the health and sustainable level of growth of the underlying economy and determine whether it is consistent with current financial market valuations.

# Status of endowment fund reserves

Distributions for FY2021 and FY2022 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**

Land Board Audit Committee – August 11, 2021 EFIB Board Meeting – August 12, 2021

816 West Bannock Street :: Suite 301 :: Boise, Idaho 83702 p: 208.334.3311 f: 208.334.3786 www.efib.idaho.gov

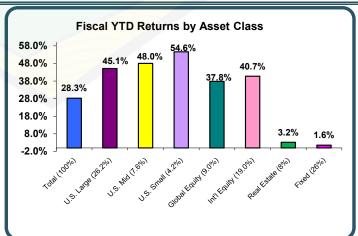
Preliminary Report (Land Grant Fund)	May 31, 2021
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	<u>Month</u>	<u>FYTD</u>
Beginning Value of Fund	\$ 3,008,561,176 \$	2,395,398,968
Distributions to Beneficiaries	(7,293,400)	(79,927,400)
Land Revenue net of IDL Expenses	3,802,775	60,131,760
Change in Market Value net of Investment Mgt. Expenses	36,584,798	666,052,021
Current Value of Fund	\$ 3,041,655,349 \$	3,041,655,349

Gross Returns	Current <u>Month</u>	Calendar <u>Y-T-D</u>	Fiscal <u>Y-T-D</u>	One <u>Year</u>	Three <u>Year</u>	Five <u>Year</u>	Ten <u>Year</u>
Total Fund	1.1%	8.5%	28.3%	31.3%	13.2%	12.5%	9.7%
Total Fund Benchmark*	1.0%	6.9%	24.3%	27.1%	11.8%	11.4%	9.0%
Total Fixed 85% BB Agg, 15% TIPS	<b>0.5%</b> 0.5%	<b>-1.6%</b> -1.8%	<b>1.6%</b> 0.0%	<b>2.7%</b> 0.7%	<b>5.3%</b> 5.3%	<b>3.5%</b> 3.4%	<b>3.3%</b> 3.3%
Total Equity 38% R3 19% Ax 9% AC	<b>1.5%</b> 1.4%	<b>13.4%</b> 11.4%	<b>43.8%</b> 39.1%	<b>48.4%</b> 43.4%	<b>17.2%</b> <i>14.8%</i>	<b>16.8%</b> <i>15.1%</i>	<b>12.2%</b> <i>11.4%</i>
Domestic Equity Russell 3000 (R3)	<b>0.8%</b> 0.5%	<b>14.7%</b> 12.3%	<b>47.0%</b> 40.7%	<b>50.8%</b> 43.9%	<b>18.6%</b> 18.0%	18.4% 17.4%	<b>14.6%</b> <i>14.2%</i>
Global Equity MSCI ACWI (AC)	<b>1.3%</b> 1.6%	<b>9.6%</b> 10.8%	<b>37.8%</b> 37.5%	<b>40.6%</b> 41.8%	<b>17.1%</b> 13.9%	<b>15.1%</b> <i>14.2%</i>	<b>9.3%</b> 9.6%
Int'l. Equity MSCI ACWI ex-US (Ax)	<b>3.2%</b> 3.1%	<b>12.5%</b> 9.9%	<b>40.7%</b> 36.6%	<b>47.6%</b> 42.8%	<b>14.3%</b> 8.9%	<b>14.2%</b> 10.9%	<b>7.2%</b> 5.4%
Real Estate			<b>3.2%</b> 3.9%	<b>2.4%</b> 2.3%	<b>5.3%</b> 4.9%		

<sup>\*</sup> Benchmark:38% Russell 3000 19% ACWI ex-US 9% AC 26% BB Agg. 8% ODCE

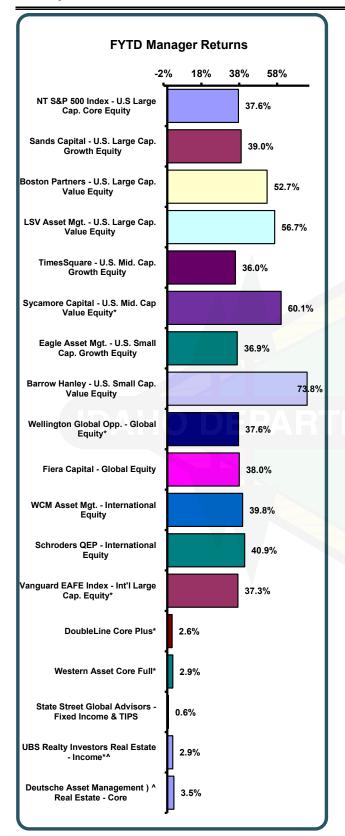
	Mkt <u>Value</u> A	llocation
<b>Domestic Equity</b>	\$ 1,191.6	39.2%
Large Cap	816.8	26.9%
Mid Cap	250.3	8.2%
Small Cap	124.5	4.1%
<b>Global Equity</b>	282.4	9.3%
Int'l Equity	590.9	19.4%
<b>Fixed Income</b>	740.6	24.3%
Real Estate	194.2	6.4%
Cash	46.7	<u>1.5%</u>
<b>Total Fund</b>	\$ 3,041.7	<u>100%</u>

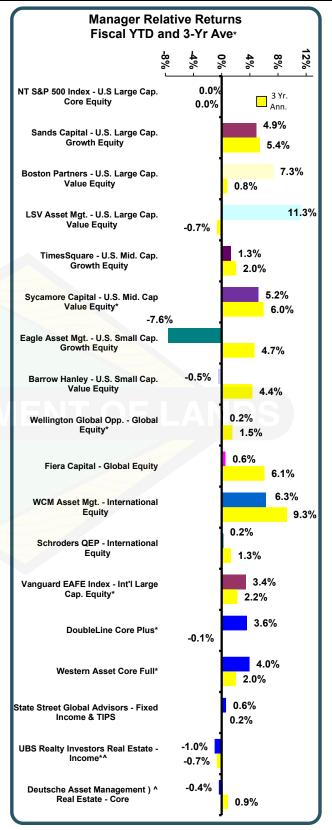


#### **Endowment Fund Staff Comments:**

Equity markets continued their upward climb during May, as the global economic recovery advanced once again. Vaccination efforts, particularly in Europe, allowed for a broader reopening of economies which boosted the share prices of economically sensitive companies. Inflations fears remained in focus, with labor shortages beginning to appear in many service industries, commodity prices showing strong year-over-year increases and supply chain issues impacting pricing in numerous industries. Oil prices rose nearly 10%. As we move through the balance of 2021 and into 2022, it is anticipated that major central banks will begin the delicate process of shifting away from extreme policy accommodation and consumers will likely have spent stimulus funds and some of the excess savings that accumulated during the pandemic. Over time we will be in a better position to understand the health and sustainable level of growth of the underlying economy and determine whether it is consistent with current financial market valuations.

# May 31, 2021 INVESTMENT REPORT





June 15, 2021 Consent Agenda

# **Subject**

DI600300, Disclaimer of Interest for the former bed of the Boise River in Ada County.

# **Question Presented**

Shall the Land Board approve Disclaimer of Interest DI600300?

# **Background**

Idaho holds title to the beds and banks of navigable waterways below the ordinary high water mark (OHWM). The State Board of Land Commissioners (Land Board) is the statutorily designated trustee of these lands. When a river moves due to accretion (the natural, gradual process whereby deposited material causes the river to move), title to the riverbed moves as well. Idaho Department of Lands (Department) issues disclaimers of interest to clear title to the accreted land.

#### Discussion

The City of Boise has applied for a disclaimer of interest for one parcel of accretion land totaling 2.782 acres, more or less. This parcel is located within the original surveyed river meander lines of the Boise River adjacent to the applicants' deeded property in Government Lot 1 of Section 24, Township 3 North, Range 2 East (Attachment 1).

The Department identified the OHWM on site, which was then surveyed by a licensed surveyor for the applicants. The Department reviewed the survey, deeds, and tax documents and determined that the subject property is above the OHWM of the Boise River.

The City of Boise will grant the State of Idaho an easement 25 feet in width for a public use right of way along, and adjacent to, the OHWM of the Boise River.

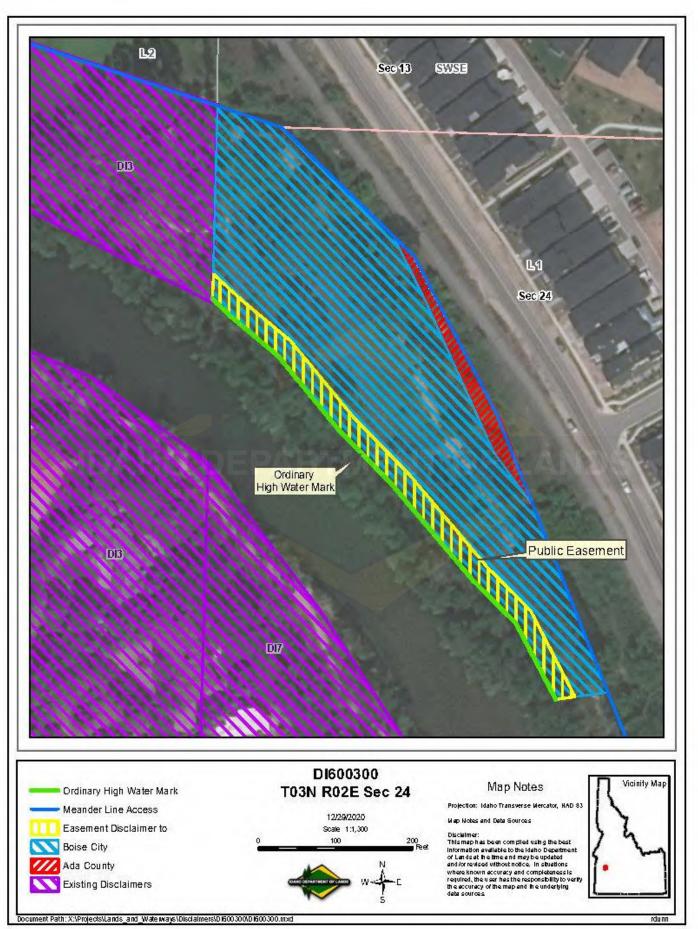
#### Recommendation

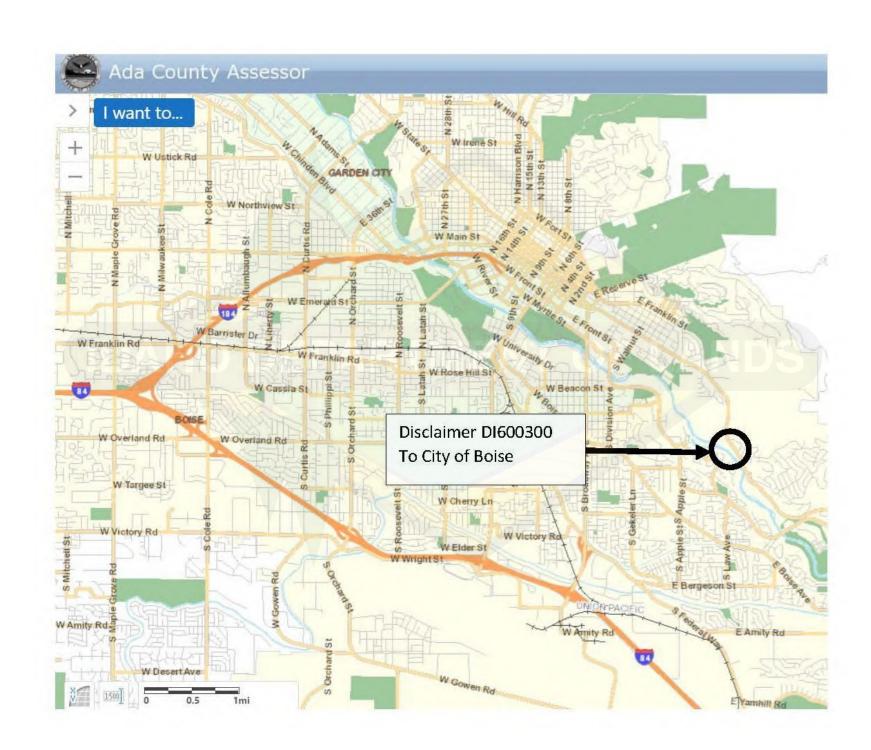
Direct the Department to issue Disclaimer of Interest DI600300 for one parcel totaling 2.782 acres of the former bed of the Boise River to the City of Boise following their payment to the Department of the remaining processing fee of \$300.

## **Board Action**

#### Attachments

1. Map





June 15, 2021 Consent Agenda

# **Subject**

Authorization for State Participation as a Member of the Clearwater-Potlatch Timber Protective Association (CPTPA) and Southern Idaho Timber Protective Association (SITPA)

# **Question Presented**

Shall the Land Board authorize state participation as a member of the Clearwater-Potlatch Timber Protective Association (CPTPA) and Southern Idaho Timber Protective Association (SITPA)?

# **Background**

Title 38, Chapter 1, Idaho Code – Idaho Forestry Act

#### Discussion

Section 38-104, Idaho Code, requires that prior to continued state participation as a member, the Director of the Department of Lands (Department) shall annually review each timber protective association for the following:

- a. The governing and managing structure;
- b. The condition of equipment and its proposed use;
- c. The adequacy of liability insurance; and
- d. The training of personnel.

Readiness reviews of the above items were conducted at SITPA on May 24, 2021 and CPTPA on June 2, 2021. No deficiencies were found during the readiness reviews and the Department determined that both timber protective associations are able to perform their duties in a manner that justifies continued state participation.

### Recommendation

Direct the State to continue to participate as a member of the Clearwater-Potlatch Timber Protective Association and Southern Idaho Timber Protective Association.

# **Board Action**

June 15, 2021 Consent Agenda

# **Subject**

Authorization for Issuance of Deficiency Warrants to Pay Fire Suppression Costs in Fiscal Year 2022.

# **Question Presented**

Shall the Land Board authorize issuance of Deficiency Warrants to pay fire suppression costs in FY2022?

# **Background**

Title 38, Chapter 1, Idaho Code – Idaho Forestry Act.

# **Discussion**

Section 38-131, Idaho Code states: "In the event the actual cost for control or suppression of forest fires in any forest protective district exceeds in any one (1) year the maximum moneys available for forest protection in that district from the general fund provided for that purpose, the State Board of Land Commissioners may authorize the issuance of deficiency warrants for the purpose of defraying such excess costs and when so authorized the state controller shall, after notice to the state treasurer, draw deficiency warrants against the general fund."

This year's appropriation for emergency fire suppression is \$151,600 for the purpose of paying emergency fire suppression costs in fiscal year 2022. Actual costs are expected to exceed that amount before the fire season is over.

#### Recommendation

Authorize the Department to issue deficiency warrants necessary to pay the fire suppression costs beyond the \$151,600 appropriation for fiscal year 2022.

# **Board Action**



#### **Idaho State Board of Land Commissioners**

Brad Little, Governor and President of the Board
Lawrence E. Denney, Secretary of State
Lawrence G. Wasden, Attorney General
Brandon D Woolf, State Controller
Sherri Ybarra, 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
May 18, 2021

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, May 18, 2021 at the Joe R. Williams Building, JRW West Conference Room, First Floor, 700 W. State St., Boise, Idaho, and via Zoom webinar. The meeting began at 9:01 a.m. The Honorable Governor Brad Little presided. The following members were in attendance:

Honorable Governor Brad Little
Honorable Secretary of State Lawerence Denney
Honorable Attorney General Lawrence Wasden
Honorable State Controller Brandon Woolf
Honorable Superintendent of Public Instruction Sherri Ybarra

For the record, the Governor's Stage 4 Stay Healthy Guidelines, dated 5/11/2021, allowed for public meetings of any size with adherence to physical distancing and sanitation requirements. Governor Little, Attorney General Wasden, and Controller Woolf were present at the physical meeting location, with Secretary of State Denney and Superintendent Ybarra joining via webinar.

Director Miller recognized seven Department employees, from multiple area offices around the state, who were in Boise participating in a quarterly onboarding event. As a reminder, onboarding is an opportunity for new or returning staff to become acquainted with the executive team and other staff in the Boise office; attending a Land Board meeting is a key part of the experience. Governor Little guaranteed everyone would be out of the meeting before lunch. Attorney General Wasden welcomed the staff and recognized the importance of the work done by the Department. Attorney General Wasden made an introduction of his own, announcing that Nicole McKay was hired to replace Sherm Furey, who recently retired as Chief Deputy to the Attorney General.

#### **1. Department Report** – *Presented by Dustin Miller, Director*

#### **Trust Land Revenue**

- A. Timber Sales April 2021
- B. Leases and Permits April 2021

**Discussion**: Regarding the Timber Sales report, Attorney General Wasden noticed over the last couple of months that maybe one or two timber sales per period do not sell and asked if there is

anything trending or are those just isolated incidents that for some reason do not sell. Director Miller cited a number of different factors: haul distance, costs, species composition, lower quality sales; there is a lot of variability. Director Miller noted the Department is seeing more competitive bidding and stumpage prices are trending upwards as there is currently a lot of demand for wood.

Referring to the Leases and Permits report, page two, Director Miller indicated this is the monthly fiscal year-to-date 2021 gross revenue for leasing activities within the Trust Land Management Division; this is revenue through April 2021. The Department is well ahead of revenue projections by about \$1.2 million for this time of year. Total revenue with real estate services income included is more than \$6.3 million thus far this fiscal year. Director Miller commented that 10 new communications site leases were completed this fiscal year; those were not included in the forecast that was developed last June as seen in the delta between the expected and the actual receipts. Looking at the commercial recreation category, the significant boost in revenue there is a result of Tamarack Resort recently paying for both FY21 and FY22 lease payments. Page three is cumulative Trust Lands program receipts; this does not include timber. This graph shows FY21 receipts are about 91% of the three-year average, and given the factors just mentioned, the Department has now exceeded its fiscal year-end goal. Director Miller remarked that FY21 revenue lags behind the three-year average largely given declines in residential cottage site income, as well as a steady decline in grazing revenue.

# **Status Updates**

C. Legislative Update

**Discussion**: None.

Director Miller presented a brief fire season update at the Governor's request, ahead of the regular comprehensive briefings that begin in June. There have been about 70 fires to date; the snowpack and lack of spring rains have not helped. Director Miller noted that all seasonal fire staff will be in place this week, conducting readiness reviews at all Department fire protection districts and the two timber protection associations. Aircraft contracts are in place with the first helicopter coming on board June 15th, and the remaining aircraft coming on board July 1st. Specific aircraft and locations are listed in the Department's daily fire report. Advertising for 12 engine bosses (the FTEs that were authorized by the 2021 Legislature) has begun. Initial attack this summer is key, so the Department will bring on seven contract engines and possibly more. Burn permits are required during the closed fire season from May 10 through October 20 and Director Miller stated the Department is working closely with federal partners on fire prevention messaging. Scott Phillips and his staff, working with the Department's fire prevention officer, have done an excellent job keeping the fire prevention website and social media page updated. May is wildfire awareness month. The Department's communications team and prevention officer have launched a robust campaign on social media to raise awareness about wildfire. The Department will provide more information when the comprehensive fire season outlook and update is presented to the Land Board in June. Governor Little inquired about COVID protocols as that was priority this time one year ago and asked how many Department firefighters are vaccinated. Director Miller replied that he was unsure, but Department staff have been encouraged to get vaccinated, especially the firefighters. Director Miller stated he would work on getting numbers. Governor Little commented that if Idaho has an abnormal fire season lives could be at stake if a fire camp has to shut down because of a big run of COVID. If firefighters are going to get vaccinated, they need to get vaccinated today. Director Miller said fire

camp is going to look much as it looked last year, with an incident command post (ICP), and spike camps, very few people at the ICP, extremely cautious about how resources are transported to the fire line, wash stations and all of that. Governor Little observed all of that added cost would not be necessary if everybody got vaccinated.

- **2. Endowment Fund Investment Board Report** *Presented by Tom Wilford, EFIB Chairman, and Chris Anton, EFIB Manager of Investments* 
  - A. Manager's Report
  - B. Investment Report
  - C. Semi-Annual Report

**Discussion**: Chairman Wilford introduced Investment Board members Senator Chuck Winder and Gary Mahn, and EFIB staff Chris Anton and Chris Halvorson, who joined the meeting via Zoom from the EFIB boardroom. Chairman Wilford said Mr. Anton would give the report and then all would be available to answer any questions.

Mr. Anton reported that global equity markets continued their year-long rally as economic recovery accelerated during the month of April and it pushed the endowment fund balance past \$3 billion for the first time. The fund was up 3.6% during the month of April, and up 26.8% fiscal year-to-date. In early May, the fund was slightly above 28%, but as of yesterday [May 17] the fund was up 26.5%, basically in line with the end of April. Real gross domestic product (GDP) grew at 6.4% annualized rate during the first calendar quarter of 2021. The bulk of growth came from consumer spending, capital investment by businesses, and additional government spending related to the COVID vaccination effort. Mr. Anton stated that corporate profits released for the quarter show the vast majority of corporations exceeded expectations. It was a very strong quarter in terms of corporate profitability. Unemployment continues to improve and retail sales expanded considerably during the quarter. Nonetheless the Federal Reserve has indicated it will keep the pedal to the metal and will not put in place quantitative easing until it sees more progress related to both employment and inflation. Mr. Anton mentioned that President Biden has proposed two different spending bills, the total is now closer to \$4 trillion instead of the \$1.8 as printed in this report. Some is related to infrastructure, some related to childcare and other subsidies for working class families. It has been suggested that the plans would be paid for by higher corporate tax rate, higher individual tax rate for high income earners, and possibly capital gains tax for those earning more than \$1 million per year. Time will tell what will happen with all of those, they could certainly have an impact on the market going forward. All in all, EFIB is pleased with the fiscal year so far and hopefully the fund will make it through the next six weeks into fiscal year-end in this position. Mr. Anton said reserves are exceptionally well situated at this point in time. In terms of meetings, a Land Board Audit Committee meeting was held earlier this month; a plan is in place for both the EFIB audit and the agreed-upon procedures at the Department of Lands. The committee will meet again on August 11 to review the final reports for both agencies. An Investment Board meeting is scheduled on August 12 and the following week at the Land Board meeting, EFIB will present its recommendation for FY23 beneficiary distributions as well as the possibility of transferring excess reserves into the permanent fund. Mr. Anton paused for questions about the fund's financial performance.

Attorney General Wasden noticed in the Investment Report, in the manager relative returns, most of the managers are in the positive category; there are three that are not. Attorney General

Wasden wondered if that indicates any kind of a problem with that, adding that it does not necessarily represent a problem, but when the vast majority of managers are in the positive category, what would be the creation of those in the negative category? Mr. Anton responded that EFIB monitors the performance of its managers closely. They each have their own mandates, which parts of the markets they focus on, and they have their own styles and approaches. Those styles are not necessarily always in favor during short windows of time; EFIB tends to be patient and look at them over a cycle. As shown, fund results are considerably ahead of benchmarks which implies that overall managers are doing better than if EFIB invested the funds in the same strategy, just using index funds. EFIB is pleased with its managers' performance and does not perceive any imminent problems with the couple of managers that are slightly below their benchmark in the short-term.

Controller Woolf congratulated Mr. Anton, the full EFIB team, the Investment Board, and all of the previous board members including Governor Little. It is an amazing and historical moment, to hit the \$3 billion mark for the first time, and it warrants great congratulations and kudos to those who put in their time over the years to set this structure up the way they have for endowment beneficiaries. Attorney General Wasden echoed the Controller's words; the \$3 billion mark is a big, big deal. Attorney General Wasden welcomed Mr. Wilford to the chairmanship, saying it is a challenge and the expertise brought by Mr. Wilford and the members of the Investment Board is appreciated. Governor Little quipped the fund is triple the amount that it was when he served on the Investment Board and perhaps his leaving was the best thing to happen.

Mr. Anton gave an overview of the EFIB Semi-Annual Report, highlighting that the total assets under EFIB management are approximately \$4.1 billion with individual assets listed on page three. Mr. Anton mentioned several Investment Board members' roles: Tom Wilford is the new chairman, Jerry Aldape recently became chair of the Land Board Audit committee, and Warren Bakes oversees the Compensation committee. Mr. Anton relayed that the Callan public fund database ranks EFIB in the seventh percentile for over one year, the sixth percentile for over three years, and the seventh percentile for over five years. EFIB is consistently in the top 10th percentile. Compared to fiscal year that ended June 30, 2020, the fund is up almost \$610 million or 25.4%. The graph on page eight shows the performance history of the fund, and contrary to the Governor's earlier comments, it had nothing to do with poor input on his part, it is just a tremendous improvement seen in values which ultimately pays off for endowment beneficiaries. Mr. Anton noted on page nine that there is about a year in excess reserves for each of the beneficiaries' funds. During August of this year, EFIB will review with the Land Board both its recommendation for the next fiscal years' beneficiary distribution (FY23), as well as provide the Land Board with an opportunity to sweep the excess reserves back and make them part of the permanent fund. Once in the permanent fund, that is a reinforcing cycle that grows the beneficiary distributions. Page 10 displays the history of the beneficiary distributions, strong and consistent improvement in the distributions, and that is one of EFIB's strategic goals. Mr. Anton thanked all of those that came before him that laid out this thoughtful structure of reserves that allow EFIB to make distributions consistently and take a fair amount of risk on investment strategy at the same time. Mr. Anton stated that EFIB administers the credit enhancement program for public school bonds which allows school districts to enhance the credit rating from an AA+ to an AAA when they issue debt for constructing schools which saves schools approximately 0.05%; that is real money when financing a large sum over a long period of time. EFIB's commitment is to provide enhancement on up to \$1.2 billion in bonds and currently has

\$590 million in outstanding commitments. That level of commitment came down slightly over the last year primarily because during COVID there was not a lot of new school construction; debt service payments were bringing down the balance while school districts were not issuing a lot of debt. There has been more activity recently with new financing being put in place to construct new schools.

Governor Little remarked there really is not much to say when the report shows everything is green. Just keep it green; EFIB is doing great. Mr. Wilford commented on the green, describing it as an extreme or outlier year. In Mr. Wilford's 25 years managing the Albertson Foundation, the foundation did not have a year like this, and his hope is to keep the report in the green. Governor Little mentioned he remembers a time that sheet listed a number of underperforming managers, and for EFIB to spread out the risk over that many managers and only have a few of them below the benchmark means Mr. Anton and the Investment Board is doing a really good job. The people of Idaho and the school children of Idaho thank you all.

## Consent—Action Item(s)

3. Approval of Draft Minutes – April 20, 2021 Regular Meeting (Boise)

**Consent Agenda Board Action**: A motion was made by Attorney General Wasden that the Land Board adopt and approve the Consent Agenda. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.

# Regular—Action Item(s)

4. Land Bank Fund Transfer to Permanent Fund – Presented by Dustin Miller, Director

**Recommendation**: Authorize the Treasurer to transfer \$31,785,592 from the Land Bank to the appropriate endowments' permanent funds for investment by the Endowment Fund Investment Board.

[Editor's note: Due to duration, the Discussion portion of this item is written in first-person format. This is not a verbatim transcript.]

Discussion:

**Controller Woolf**: I have a couple of questions Governor.

Governor Little: Go ahead.

**Controller Woolf**: Dustin, have we exhausted all of our options for potential investment then in the pipelines?

**Director Miller**: Governor and Mr. Controller, I will take a shot at this and maybe bring Bill up to expand upon this. We are pursuing due diligence on nine smaller transactions. We reported that out to the Land Board staff in late April I believe. We have a few smaller acquisitions in the pipeline that we will continue to pursue due diligence and then bring to the Land Board for a final decision. Given market conditions, price per acre, transition to higher and better use for a lot of those lands, it has not been as advantageous for the Department to pursue much larger acquisitions at the current time.

**Controller Woolf**: Thank you. Last year we asked for a quarterly pipeline report. At your convenience and your team, if you could continue to provide that it would be very helpful. One of the key points for the timber program is access to endowment lands. Is part of that whole process in the pipeline to look at the potential for increasing our easements or access points with these purchases?

**Director Miller**: Governor, Mr. Controller, we are looking at that. There are a lot of inholdings we have predominately in the wood-basket, north central Idaho, where we do not have permanent or legal motorized access so that has been a big focus of ours, working with industrial timberland owners or private landowners to secure access. There have been some challenges given land values, transitions to higher and better use, but we will continue to pursue those acquisitions that make sense that would allow us to open up more of our land that we are locked out of and recoup the value and volume of that timber. That is going to remain a priority.

**Controller Woolf**: Being someone on the numbers side here, and as I was looking at the report, we are at \$134 million for all endowments for the total principal remaining, but it is north of \$143 if you include the interest. I have never quite understood, what happens with the interest portion? Does the interest go with the revenue that came in for that quarter? What do we do with that \$9 million, where is that tied to, does it go out at the same time?

**Bill Haagenson**: Good morning, Governor, and members of the Board, for the record, Bill Haagenson, I am the Deputy Director for IDL. Mr. Controller, in response to your question, each deposit into the land bank is tracked individually. We know when it came in and how much interest each one has earned; all of the interest from that original deposit would go to that beneficiary at the time that was transferred.

Governor Little: Bill, what is our treasurer getting right now on this \$140 million.

**Mr. Haagenson**: Governor and members of the Land Board, I cannot speak to the exact figure today; it is in the range of the interest rates that many of us are receiving which is around that fraction of a percent of return.

**Governor Little:** Well, 99 basis points is different than 1, which is it closer to?

**Mr.** Haagenson: I think it is in the neighborhood of around 0.7% based on the last return that we did. We just submitted that information to Callan for their quarterly calculation.

**Governor Little**: We have about \$30 million in the pipeline so in essence, with this transfer, in three years we are still going to be at \$140 million.

**Mr. Haagenson**: Governor and members of the Land Board, with potential pending cottage site sales, that is correct. That amount would be approximately the same.

**Governor Little**: And those are scheduled.

Mr. Haagenson: Some of those are, yes, and some we expect to participate.

**Controller Woolf**: Is there a need to review the timber hurdle rate? As we got this update from Callan it was dated May 14, 2020. It talks about the current hurdle rate being 3.5%, but at the end of the conclusion it says Callan recommends that the hurdle rate be reduced to 3.25%. We

have not done anything, touched that, and based on what we have said and values and everything that has taken place in the market, is there an opportunity or does the Department need to review that and as a Board discuss that further? What are your thoughts on that?

**Mr. Haagenson**: Governor and members of the Board, that number was updated by Callan approximately a year ago. I think it would be reasonable to make that request of them again for another update based on changes to the market conditions over the past year. I think the question then becomes the hurdle rate in comparison to the performance of our timberland portfolio overall and making sure that the acquisitions that we make are lifting the performance of the portfolio, assuming that is the direction that the Board wants us to go.

**Governor Little**: Well, we should have just bought 2x4s. [laughter]

Controller Woolf: Stockpiled them.

**Governor Little**: Doing a lot better than timberland.

Secretary of State Denney: Governor.

Governor Little: Yes, go ahead.

**Secretary of State Denney**: Director or Bill, I would like to ask you to give me a refresher on the hurdle rate. How do we figure it, how do we use it, how is it different than return on investment, and how do we use that to determine our long-term financial return so that we can make the decisions?

**Mr. Haagenson**: Governor, members of the Board, and Secretary Denney, the hurdle rate was established by Callan at a level that is intended to exceed our long-term return on our current timberland portfolio, which is at about 3%. The 3.5% hurdle rate is intended to lift that and that is a net real rate. Based on the objective of lifting the portfolio performance a rate above what we make now, it is the appropriate rate. I hope that helps, Mr. Secretary.

**Secretary of State Denney**: Thank you, maybe a little bit. How do we figure hurdle rate on new property, is that the due diligence portion? And second question, how do we determine which land to even look at that we might want to purchase?

**Mr. Haagenson**: Governor, members of the Board, and Mr. Secretary we conduct due diligence on any potential acquisition and calculate what we expect the rate of return to be based on future revenue and future expense from owning those parcels. On our acquisitions completed to date, we average about 4.4% net real rate of return so we have exceeded the hurdle rate on acquisitions made so far. The second part of your question, Mr. Secretary?

Secretary of State Denney: How do we determine which land we look at for purchase?

**Mr. Haagenson**: Thank you, Governor, and members of the Board, we have a timberland advisor that helps us source properties. The Department also sources properties; our staff has good working knowledge of potential transactions that are available, and also people do come to us with an interest in selling to the State in interest of keeping their lands as working timberlands into the future. There are a number of ways that we get potential transactions; we then evaluate

them internally, decide whether it looks like it is potentially a good transaction and then we would go to an advisor and get the due diligence completed in that way.

**Secretary of State Denney**: How long does it take us to go through that process of due diligence? I mean if we transfer this money now is there any chance that we could use any of that money on a purchase that we have not completed our due diligence on?

**Mr. Haagenson**: Governor, members of the Board, and Mr. Secretary we did a lot of work early on to streamline our processes. We actually have a process that is pretty competitive with what you might see in a lot of parts of the private sector. We can get a transaction done in around six months if it is an acquisition that makes sense for the Board.

Attorney General Wasden: Bill, thanks. First of all, I think it is unfair that you have to crouch over to speak at that microphone [laughter], I would have to reach up and pull it down in order for me to talk. The fact that the Department is recommending a \$31-32 million transfer of funds, you have taken into account already what the potential for acquisitions would be and still making these \$32 million recommendations, at least I am assuming that is correct, so the fact that we transfer approximately \$32 million does not actually inhibit our ability to make other acquisitions because we have a pot of money that is still there. Am I understanding things correctly?

**Mr. Haagenson**: Governor, members of the Board, and Mr. Attorney General that is correct. We have looked at the pipeline, looked at potential transactions that are out there and have accounted for potential acquisition of those and we think consistent with the direction that the Board provided us through option A, a transfer of some portion of land bank funds at this time is appropriate.

Attorney General Wasden: Thank you.

Board Action: A motion was made by Attorney General Wasden that the Land Board adopt the Department recommendation that is authorize the Treasurer to transfer \$31,785,592 from the Land Bank to the appropriate endowments' permanent funds for investment by the Endowment Fund Investment Board. Controller Woolf seconded the motion. Secretary of State Denney voiced there may still be other opportunities out there that the Department and the Land Board have not looked at yet and opposed the motion. Governor Little pointed out that unless the Department is fortunate in finding land that will meet the hurdle rate, his worry is the Land Board will get to a point in time where it is transferring a large quantity of money into the market. Governor Little noted the esteemed Investment Board would say this is a good time to meter in or meter out and not go all in and that is why it is a prudent move. Controller Woolf commented that following the Land Board's governance structure that it already approved, this is the direction the Land Board should go. The motion carried on a vote of 4-1; Secretary of State Denney cast the opposing vote.

5. Idaho Forest Group Land Exchange – Presented by Josh Purkiss, Bureau Chief-Real Estate Services

**Recommendation**: Approve the exchange and direct the Department to complete and close the IFG land exchange.

[Editor's note: Due to duration, the Discussion portion of this item is written in first-person format. This is not a verbatim transcript.]

#### **Discussion:**

Attorney General Wasden: Thank you very much for the good work that you have done on this. I noted the letter from counsel to Mr. Doty. Essentially that letter disclosed that Mr. Doty was a trespasser on an easement held in favor of the IFG. I have since read an email distributed this morning from Mr. Doty and his counsel making a subsequent offer, which has come in at the very last minute. I would like your thoughts on that transaction, kind of brings to mind the old adage that a bird in hand is better than two in the bush and I am wondering if we have two in the bush here.

Josh Purkiss: Governor, Mr. Attorney General, Land Board we got that email late yesterday evening; there is no application, there are no maps, they have not identified any land in the exchange. I have been speaking with Mr. Doty since early March and he has never referenced any type of exchange. In addition, the thing that has held him from getting access these last seven years is his unwillingness to pay for an easement or the road maintenance on the property. In my opinion, it is just a last ditch effort to stall this exchange.

Attorney General Wasden: Okay, thank you.

Controller Woolf: Governor.

Governor Little: Controller.

**Controller Woolf**: Mr. Purkiss, when Hall Widdoss does the appraisals, in particular on the four parcels that IFG is recommending, does he take into account that some of them had inholdings or they were surrounded by other endowment lands and the value added to that? Does the appraiser increase or look at that any differently through that appraisal process?

**Mr. Purkiss**: Mr. Controller, when he is looking at those parcels, he is not adding any value for adding into the endowment land. What he is looking for is what the market would bear if that came to the market and was sold. The majority of the parcels actually do not even have what they would call a timberland value, it is more of a higher and better use because the rural residential recreation value exceeds the value of the timberland with the exception of the North Fork parcel. The remaining parcels have some type of higher, better use factor involved so he did not even consider adding those into the endowment land; they all stood on their own.

**Controller Woolf**: Mr. Purkiss, just to confirm the timelines, in June 2020 we receive application for this exchange, but in 2014 we had been in negotiations or at least talked with this adjacent landowner Mr. Doty that he should request an easement. Then you have been in discussion with him; you mentioned September of 2020 that you reached out again to the adjacent landowners that includes, if I am correct, his parcel is south and kind of west and you received comments

from the landowners to the west. Can you confirm timelines first and then perhaps correct my understanding?

Mr. Purkiss: Mr. Controller, members of the Board, it started in 2014 when the area office received a request to subdivide some of the land back there. They worked on an agreement that would create a road use agreement that basically said that subdivision would be required for the cost to maintain the road and then pay for the easement. Mr. Doty was included in that and it fell apart because nobody wanted to pay for the maintenance of the road. Then fast forward to 2017-2018, Idaho Forest Group came forward and realized they did not have access on that corridor; they asked us to sell them an easement. We went through that process and during that time we reached out to Mr. Doty and said here is an opportunity to perfect access to your property; we are selling IFG an easement to their mill and at the same time you can get in on this and buy it. No response. All he had to do was submit an application and go through our process and he could have acquired the easement. Fast forward to September 2020. We received the application from IFG in June. We recognized that there is still a need for Mr. Doty to gain access to his property. We reached out to him in September via email and phone and said fill out this application and we will expedite it for you; there was zero response. In March 2021, we sent out a letter to Mr. Doty informing him of the pending land exchange; at that point he came forward and wanted an easement, but we had already done all of the due diligence and it was unfortunately too late at that point.

Governor Little: Josh, that easement is off of the railroad right of way but adjacent to it, correct?

**Mr. Purkiss**: Yes, correct. There is a road right next to it.

**Board Action**: A motion was made by Attorney General Wasden that the Land Board adopt the Department recommendation that is approve the exchange and direct the Department to complete and close the IFG land exchange. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.

**6. Omnibus Rulemaking – Adoption of Temporary Non-Fee Rules –** *Presented by Scott Phillips, Policy and Communications Chief* 

**Recommendation**: Adopt as conditional temporary rules all of the Department's non-fee administrative rules, as set forth in Attachment 2. The rules will become effective on July 1, 2021, only if the existing rules are not extended pursuant to the Idaho Administrative Procedure Act.

**Discussion**: None.

**Board Action**: A motion was made by Attorney General Wasden, who mentioned this is a matter that the Land Board has faced before, that the Land Board adopt as conditional temporary rules all of the Department's non-fee administrative rules, as set forth in Attachment 2. The rules will become effective on July 1, 2021, only if the existing rules are not extended pursuant to the Idaho Administrative Procedure Act. Controller Woolf 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 10:03 a.m. a motion to adjourn was made by Attorney General Wasden. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.



June 15, 2021 Regular Agenda

# **Subject**

Omnibus Rulemaking - Adoption of Temporary Fee Rules

# **Question Presented**

Shall the Land Board rescind the existing temporary fee rules with an effective date of July 1, 2021, set forth in Attachment 1, and adopt as temporary rules all of the Department's administrative fee rules, as set forth in Attachment 2, to become effective on July 1, 2021?

# **Background**

Executive administrative action is required to ensure the fee rules under IDAPA 20, Rules of the Idaho Department of Lands (Department), remain in effect.

The fee rules currently in effect are the temporary rules conditionally adopted by the Land Board in February 2020 and published in a special edition of the Administrative Bulletin in April 2020 (Attachment 1). The existing temporary fee rules became effective on March 20, 2020 (*sine die*) and will continue in effect until the end of the 2021 legislative session.

The Land Board adopted omnibus pending fee rules on October 20, 2020, which included negotiated changes to IDAPA 20.03.02, *Rules Governing Mined Land Reclamation* as required by the 2019 amendments to Title 47, Chapter 15, Idaho Code. The pending fee rules were submitted to the 2021 Idaho Legislature for review (Attachment 2). The House Resources and Conservation Committee and the Senate Resources and Environment Committee approved the omnibus pending fee rules under docket 20-0000-2000F. To become final rules, the pending fee rules require approval by a concurrent resolution of the Idaho Legislature.

Although the Land Board conditionally adopted temporary fee rules in February 2021 to become effective upon adjournment of the legislature (Attachment 3), the adjournment of the 2021 legislative session could be as late as December 31.

# **Discussion**

To ensure the continuity of administrative fee rules, the governor and his staff have directed all state agencies to adopt temporary fee rules with an effective date of July 1, 2021, and to rescind the existing temporary fee rules with the same effective date of July 1, 2021 (Attachment 4).

The majority of the rule chapters under IDAPA 20 are under the authority of the Land Board; IDAPA 20 also includes rules pertaining to the conservation of oil and natural gas in the state of Idaho, authorized by the Idaho Oil and Gas Conservation Commission (Oil and Gas Commission) and rules of the Idaho Board of Scaling Practices (Scaling Board). The rulemaking notice includes rules of the Oil and Gas Commission and Scaling Board because those rules are listed in IDAPA 20, the Department's administrative rules. However, the Department is not asking the Land Board to adopt the Oil and Gas Commission or Scaling Board rules.

#### Recommendation

Rescind the existing temporary fee rules with an effective date of July 1, 2021, set forth in Attachment 1, and adopt as temporary rules all of the Department's administrative fee rules, as set forth in Attachment 2, to become effective on July 1, 2021.

## **Board Action**

#### **Attachments**

- 1. April 15, 2020, Notice of Omnibus Rulemaking Adoption of Temporary Fee Rules
- 2. November 18, 2020, Notice of Omnibus Rulemaking Adoption of Pending Fee Rules
- 3. February 16, 2021, Approved Board Memo: Omnibus Rulemaking Adoption of Temporary Fee Rules
- 4. May 20, 2021, DFM Memo: Current Status of Administrative Rules and What Agencies Need to Do

# **IDAPA 20 – IDAHO DEPARTMENT OF LANDS**

#### **DOCKET NO. 20-0000-2000F (FEE RULE)**

#### NOTICE OF OMNIBUS RULEMAKING - ADOPTION OF TEMPORARY RULE

**EFFECTIVE DATE:** The effective date of the temporary rules being adopted through this omnibus rulemaking is the adjournment date of the second regular session of the 65th Idaho State Legislature - March 20, 2020.

AUTHORITY: In compliance with Section 67-5226, Idaho Code, notice is hereby given this agency has adopted temporary rules. The action is authorized pursuant to:

- Sections 38-132 and 38-402, Idaho Code;
- Title 38, Chapter 12, including Section 38-1208, Idaho Code;
- Title 47, Chapters 3, 7, 8, 15, 16 and 18, including Sections 47-314(8), 47-315(8), 47-328(1), 47-710, 47-714, and 47-1316, Idaho Code;
- Title 58, Chapters 1, 3, 6, 12 and 13, including Sections 58-104, 58-105, 58-127, and 58-304 through 58-312, Idaho Code;
  Title 67, Chapter 52, Idaho Code;
  Article IX, Sections 7 and 8 of the Idaho Constitution; and

- The Equal Footing Doctrine (Idaho Admission Act of July 3, 1890, 26 Stat. 215, Chapter 656).

**DESCRIPTIVE SUMMARY:** The following is the required finding and concise statement of its supporting reasons for adopting temporary rules:

This temporary rulemaking adopts the following chapters under IDAPA 20:

#### **IDAPA 20**

- 20.02.14, Rules for Selling Forest Products on State-Owned Endowment Lands

- 20.02.14, Rules for Selling Forest Products on State-Owned Endowment Lands
  20.03.01, Rules Governing Dredge and Placer Mining Operations in Idaho
  20.03.02, Rules Governing Mined Land Reclamation
  20.03.03, Rules Governing Administration of the Reclamation Fund
  20.03.04, Rules for the Regulation of Beds, Waters, and Airspace Over Navigable Lakes in the State of Idaho
  20.03.05, Riverbed Mineral Leasing in Idaho
  20.03.08, Easements on State Owned Lands
  20.03.09, Easements on State Owned Submarged Lands and Earmanh Submarged Lands

- 20.03.09, Easements on State Owned Submerged Lands and Formerly Submerged Lands
  20.03.13, Administration of Cottage Site Leases on State Lands
  20.03.14, Rules Governing Grazing, Farming, Conservation, Noncommercial Recreation, and Communication Site Leases
- 20.03.15, Rules Governing Geothermal Leasing on Idaho State Lands
- 20.03.16, Rules Governing Oil and Gas Leasing on Idaho State Lands
- 20.03.17, Rules Governing Leases on State-Owned Submerged Lands and Formerly Submerged Lands
   20.04.02, Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Laws

The **Idaho Board of Scaling Practices** adopts the following temporary rule under IDAPA 20.06:

• 20.06.01, Rules of the Idaho Board of Scaling Practices

The **Oil and Gas Conservation Commission** adopts the following temporary rule under IDAPA 20.07:

• 20.07.02, Rules Governing Conservation of Oil and Natural Gas in the State of Idaho

TEMPORARY RULE JUSTIFICATION: Pursuant to Sections 67-5226(1) and 67-5226(2), Idaho Code, the Governor has found that temporary adoption of the rules is appropriate for the following reasons:

These temporary rules are necessary to protect the public health, safety, and welfare of the citizens of Idaho and confer a benefit on its citizens. These temporary rules implement the duly enacted laws of the state of Idaho, provide citizens with the detailed rules and standards for complying with those laws, and assist in the orderly execution and enforcement of those laws. The expiration of these rules without due consideration and processes would undermine the public health, safety, and welfare of the citizens of Idaho and deprive them of the benefit intended by these rules.

FEE SUMMARY: Pursuant to Section 67-5226(2), the Governor has found that the fees or charges being imposed or increased is justified and necessary to avoid immediate danger and the fees is described herein:

The fees or charges, authorized in Sections 38-122, 38-404, 38-1209, 47-315(5)(e), 47-316, 47-710, 47-1506(g), 47-1508(f), 47-1316, 47-1803, 58-104, 58-105, 58-127, 58-304, 58-601, 58-603, and 58-1307, Idaho Code, are part of the agency's 2020 budget that relies upon the existence of these fees or charges to meet the state's obligations and provide necessary state services. Failing to reauthorize these temporary rules would create immediate danger to the state budget, immediate danger to necessary state functions and services, and immediate danger of a violation of Idaho's constitutional requirement that it balance its budget.

The following is a specific description of the fees or charges:

- 20.02.14 Stumpage payments and associated bonding for removal of state timber from endowment land pursuant to timber sales.
- 20.03.01 Application fee, amendment fee, assignment fee, and inspection fee for all dredge and placer permits in the state of Idaho.
- 20.03.02 Application fee for permanent closure plans and assignment fee for reclamation plans and permanent closure plans.

  • 20.03.03 – Annual payment for Reclamation Fund participation.
- 20.03.04 Application fees for encroachment permits and deposits toward the cost of newspaper publication.
- 20.03.05 Fees for applications, advertising applications, exploration locations, and approval of assignments for riverbed mineral leasing.
- 20.03.08 Application fee, easement consideration fee, appraisal costs, and assignment fee for easements on state-owned lands.
- 20.03.09 Administrative fee, appraisal costs, and assignment fee for easements on state-owned submerged lands and formerly submerged lands.
- 20.03.13 Annual rental payment paid to the endowment for which the property is held.
- 20.03.14 Lease application fee, full lease assignment fee, partial lease assignment fee, mortgage agreement fee, sublease fee, late rental payment fee, minimum lease fee, and lease payment extension request fee on state endowment trust lands.
- 20.03.15 Application fee, assignment fee, and late payment fee for geothermal leases on state-owned lands.
- 20.03.16 Exploration location permit fee, nomination fee, and processing fee for oil and gas leases on endowment lands.
- 20.03.17 Application fee, rental rate, and assignment fee for leases on state-owned submerged lands and formerly submerged lands.
- 20.04.02 Fee imposed upon the harvest and sale of forest products to establish hazard management performance bonds for the abatement of fire hazard created by a timber harvest operation, and fees imposed upon contractors for transferring fire suppression cost liability back to the State.
- 20.06.01 Scaling assessment fee paid to a dedicated scaling account for all scaled timber harvested within the state of Idaho; administrative fees for registration, renewal, and transfer of log brands; fees for testing and issuance of a temporary scaling permit, specialty scaling license, and standard scaling license; fee to renew a specialty or standard scaling license; and fee for a requested check scale involving a scaling
- 20.07.02 Bonding for oil and gas activities in Idaho and application fees for seismic operations; permit to drill, deepen or plug back; multiple zone completions; well treatment; pits and directional deviated wells.

ASSISTANCE ON TECHNICAL QUESTIONS: For assistance on technical questions concerning the temporary rule, contact Amy Johnson at (208) 334-0255 or rulemaking@idl.idaho.gov.

DATED this 21st day of February, 2020.

Dustin Miller, Director Idaho Department of Lands 300 N. 6th St, Suite 103 P.O. Box 83720

Boise, Idaho 83720-0050 Phone: (208) 334-0242 Fax: (208) 334-3698 rulemaking@idl.idaho.gov

#### **IDAPA 20 – IDAHO DEPARTMENT OF LANDS**

#### **DOCKET NO. 20-0000-2000F**

#### NOTICE OF OMNIBUS RULEMAKING – ADOPTION OF PENDING FEE RULES

**EFFECTIVE DATE:** These rules have been adopted by the agency, the Idaho State Board of Land Commissioners, the Idaho Oil and Gas Conservation Commission (as to IDAPA 20.07.02), and the Idaho Board of Scaling Practices (as to IDAPA 20.06.01), and are now pending review by the 2021 Idaho State Legislature for final approval. Pursuant to Section 67-5224(5)(c), Idaho Code, these pending rules will not become final and effective until they have been approved by concurrent resolution of the legislature because of the fee being imposed or increased through these rulemakings. The pending fee rules become final and effective upon adoption of the concurrent resolution or upon the date specified in the concurrent resolution unless the rule is rejected.

AUTHORITY: In compliance with Section 67-5224, Idaho Code, notice is hereby given that this agency has adopted pending rules. The action is authorized pursuant to:

- Sections 38-132 and 38-402, Idaho Code;
- Title 38, Chapter 12, including Section 38-1208, Idaho Code;
- Title 47, Chapters 3, 7, 8, 13, 15, 16 and 18, including Sections 47-314(8), 47-315(8), 47-328(1), 47-710, 47-714, and 47-1316, Idaho Code;
- Title 58, Chapters 1, 3, 6, 12 and 13, including Sections 58-104, 58-105, 58-127, and 58-304 through 58-312, Idaho Code;
- Title 67, Chapter 52, Idaho Code; Article IX, Sections 7 and 8 of the Idaho Constitution; and
- The Equal Footing Doctrine (Idaho Admission Act of July 3, 1890, 26 Stat. 215, Chapter 656).

DESCRIPTIVE SUMMARY: The following is a concise explanatory statement of the reasons for adopting the pending fee rules and a statement of any change between the text of the proposed fee rules and the text of the pending fee rules with an explanation of the reasons for the change.

These pending fee rules adopt and re-publish the following existing rule chapters previously submitted to and reviewed by the Idaho Legislature under IDAPA 20, Rules of the Idaho Department of Lands:

#### IDAPA 20

- 20.02.14, Rules for Selling Forest Products on State-Owned Endowment Lands;
- 20.03.01, Rules Governing Dredge and Placer Mining Operations in Idaho;
- 20.03.02, Rules Governing Mined Land Reclamation (as noted below);
- 20.03.03, Rules Governing Administration of the Reclamation Fund;
- 20.03.04, Rules for the Regulation of Beds, Waters, and Airspace Over Navigable Lakes in the State of Idaho;
- 20.03.05, Riverbed Mineral Leasing in Idaho;
- 20.03.08, Easements on State-Owned Lands;
- 20.03.09, Easements on State-Owned Submerged Lands and Formerly Submerged Lands;
- 20.03.13, Administration of Cottage Site Leases on State Lands; 20.03.14, Rules Governing Grazing, Farming, Conservation, Noncommercial Recreation, and Communication Site Leases;
- 20.03.15, Rules Governing Geothermal Leasing on Idaho State Lands;
- 20.03.16, Rules Governing Oil and Gas Leasing on Idaho State Lands;
- 20.03.17, Rules Governing Leases on State-Owned Submerged Lands and Formerly Submerged Lands;

• 20.04.02, Rules Pertaining to the Idaho Forestry Act and Fire Hazard Reduction Laws; The Idaho Board of Scaling Practices adopts the following pending fee rule under IDAPA 20.06:

20.06.01, Rules of the Idaho Board of Scaling Practices

The Oil and Gas Conservation Commission adopts the following pending fee rule under IDAPA 20.07:

20.07.02, Rules Governing Conservation of Oil and Natural Gas in the State of Idaho

These pending fee rules adopt and publish changes to IDAPA 20.03.02, Rules Governing Mined Land Reclamation. The previously approved and codified chapter of IDAPA 20.03.02 has been amended through the negotiated rulemaking process to incorporate changes required by the passing of HB141 during the 2019 legislative session. Following are the changes to the previously codified rule: including surface impacts of underground mines, setting fees for reclamation plans, incorporating water treatment and post-closure activities in reclamation plans as

needed, requiring that all reclamation tasks in a plan be completed and covered by financial assurance, estimating actual cost of reclamation and post-closure activities, expanding the types of financial assurance, and reviewing every plan at least once every five years. Also, compliance with Executive Orders 2019-02 and 2020-01 required additional changes, and rulemaking by the Department of Environmental Quality on the Ore Processing by Cyanidation Rules (IDAPA 58.01.13) required parallel changes to IDAPA 20.03.02.

The original text of the proposed rules was published in the September 16, 2020 Idaho Administrative Bulletin (Special Edition), Vol. 20-9SE, pages 985-1192. The text of the pending rule for IDAPA 20.03.02, Rules Governing Mined Land Reclamation, has been amended in accordance with Section 67-5227, Idaho Code; changes were made to the proposed rule in order to provide more clarity, further implement Executive Order 2020-01, correct errors, respond to comments, and ensure continuity with IDAPA 58.01.13. This pending rule is being adopted to fully implement the changes required by HB141. These rules are necessary to protect the public health, safety, and welfare of the citizens of Idaho, to give mine operators in Idaho more choices in providing financial assurance, and to update Idaho's mining regulations.

**FEE SUMMARY:** Following is the fee summary for IDAPA 20.03.02, Rules Governing Mined Land Reclamation:

HB 141 passed during the 2019 legislative session and authorized application fees for reclamation plans. Fees were implemented through a temporary rule prior to August 1, 2019 as required by HB 141. The temporary rule was extended to allow time for more negotiation toward a proposed rule. The base fees in the 2019 temporary rule have not changed, but the pending rule allows additional application fees to be charged if an application processed under Section 069 of the rules is incomplete and increases the length of the review past 20 hours of staff time. For applications processed under Section 070 of the rules, a cost recovery agreement may be entered into instead of submitting the base application fee. The proposed fees reflect cost recovery for IDL administrative costs associated with the review and approval of new plans and amended existing plans that are reviewed within the required five-year period. The proposed fees align with fees charged by other mineral-producing states in the western United States for reclamation plan review, approval, and amendments. The fees are estimated to generate annual revenue of approximately \$27,000 and will be placed into a dedicated account authorized under Idaho Code § 47-1513(f)(1). These funds are expected to offset additional IDL expenses anticipated with implementation of the five-year plan review process and increase in plan inspections now required under Idaho Code § 47-15.

For the following rule chapters, this rulemaking does not impose a fee or charge, or increase a fee or charge, beyond what was previously submitted to and reviewed by the Idaho Legislature.

The following is a specific description of the fees or charges:

- 20.02.14 Stumpage payments and associated bonding for removal of state timber from endowment land pursuant to timber sales. This charge is being imposed pursuant to Sections 58-104, 58-105 and 58-127, Idaho Code.
- 20.03.01 Application fee, amendment fee, assignment fee, and inspection fee for all dredge and placer permits in the state of Idaho. This fee is being imposed pursuant to Sections 47-1316 and 47-1317, Idaho Code.
- 20.03.03 Annual payment for Reclamation Fund participation. This charge is being imposed pursuant to Section 47-1803, Idaho Code.
- 20.03.04 Application fees for encroachment permits and assignments and deposits toward the cost of newspaper publication. This fee is being imposed pursuant to Sections 58-127 and 58-1307, Idaho Code.
- 20.03.05 Fees for applications, advertising applications, and approval of assignments for riverbed mineral leases and exploration locations. This fee is being imposed pursuant to Section 47-710, Idaho Code.
- 20.03.08 Application fee, easement consideration fee, appraisal costs, and assignment fee for easements on state-owned lands. This fee is being imposed pursuant to Sections 58-127, 58-601, and 58-603, Idaho Code.
- 20.03.09 Administrative fee, appraisal costs, and assignment fee for easements on state-owned submerged lands and formerly submerged lands. This fee is being imposed pursuant to Sections 58-104, 58-127 and 58-603, Idaho Code.
- 20.03.13 Annual rental payment paid to the endowment for which the property is held. This charge is being imposed pursuant to Section 58-304, Idaho Code.

- 20.03.14 Lease application fee, full lease assignment fee, partial lease assignment fee, mortgage agreement fee, sublease fee, rental payment, late rental payment fee, minimum lease fee, and lease payment extension request fee on state endowment trust lands. This fee or charge is being imposed pursuant to Section 58-304, Idaho Code.
- 20.03.15 Application fee, assignment fee, late payment fee, royalty payments, and annual rental payment for geothermal leases on state-owned lands. This fee or charge is being imposed pursuant to Sections 47-1605 and 58-127, Idaho Code.
- 20.03.16 Exploration permit fee, nomination fee, processing fee, royalty payments, and annual rental payment for oil and gas leases on endowment lands. This fee or charge is being imposed pursuant to Sections 47-805 and 58-127, Idaho Code.
- 20.03.17 Application fee, rental rate, and assignment fee for leases on state-owned submerged lands and formerly submerged lands. This fee is being imposed pursuant to Sections 58-104, 58-127 and 58-304, Idaho Code.
- 20.04.02 Fee imposed upon the harvest and sale of forest products to establish hazard management performance bonds for the abatement of fire hazard created by a timber harvest operation, and fees imposed upon contractors for transferring fire suppression cost liability back to the State. This fee or charge is being imposed pursuant to Sections 38-122 and 38-404, Idaho Code.
- 20.06.01 Scaling assessment fee paid to a dedicated scaling account for all scaled timber harvested within the state of Idaho; administrative fees for registration, renewal, and transfer of log brands; fees for testing and issuance of a temporary scaling permit, specialty scaling license, and standard scaling license; fee to renew a specialty or standard scaling license; and fee for a requested check scale involving a scaling dispute. This fee is being imposed pursuant to Section 38-1209, Idaho Code.
- 20.07.02 Bonding for oil and gas activities in Idaho and application fees for seismic operations; permit to drill, deepen or plug back; multiple zone completions; well treatment; pits and directional deviated wells. This fee or charge is being imposed pursuant to Sections 47-315(5)(e) and 47-316, Idaho Code.

**FISCAL IMPACT:** The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year: This rulemaking is not anticipated to have any fiscal impact on the state general fund because the fees charged under IDAPA 20.03.02 are expected to cover the additional costs imposed by HB141, and none of the other rule chapters have changed their fees.

**ASSISTANCE ON TECHNICAL QUESTIONS:** For assistance on technical questions concerning this pending fee rule, contact Scott Phillips at (208) 334-0294.

Dated this 18th day of November, 2020.

Dustin Miller, Director Idaho Department of Lands 300 N. 6th St, Suite 103 P.O. Box 83720 Boise, Idaho 83720-0050 Phone: (208) 334-0242

Fax: (208) 334-3698 rulemaking@idl.idaho.gov

#### STATE BOARD OF LAND COMMISSIONERS

February 16, 2021 Regular Agenda

#### Subject

Omnibus Rulemaking - Adoption of Temporary Fee Rules

#### **Question Presented**

Shall the Land Board adopt conditional temporary fee rules, to become effective only if the pending fee rules are not otherwise approved or rejected by the 2021 Idaho Legislature and/or not extended pursuant to the Idaho Administrative Procedure Act?

#### **Background**

All existing administrative rules in Idaho expire each year on July 1 unless reauthorized by the legislature. The legislature adjourned the 2019 session without reauthorizing all previously approved and codified administrative rules. Executive administrative action was required to ensure existing rules stayed in effect.

The Land Board adopted omnibus pending fee rules on October 17, 2019, which were submitted to the 2020 Idaho Legislature for review under docket number 20-0000-1900F. The 2020 Idaho Legislature did not pass a concurrent resolution approving any pending fee rules; however, the Land Board had conditionally adopted temporary fee rules on February 18, 2020. This proactive action taken to conditionally re-approve fee rules upon sine die ensured they remained in effect as temporary rules.

The temporary rules will expire at the end of the 2021 legislative session. The Land Board adopted omnibus pending fee rules on October 20, 2020, which were submitted to the 2021 Idaho Legislature for review under docket number 20-0000-2000F. The pending fee rules will become final rules if approved by a concurrent resolution.

#### Discussion

To ensure the continuity of administrative fee rules following adjournment of the 2021 legislative session, the governor and his staff have directed all state agencies to adopt omnibus temporary fee rules in preparation for post-sine die (Attachment 1). All agencies are required to submit an omnibus *Notice of Adoption of Temporary Fee Rules* to the Division of Financial Management (DFM) by March 4, 2021.

The attached draft notice lists previously approved fee rules under IDAPA 20, rules of the Idaho Department of Lands (Attachment 2). The majority of the rule chapters under IDAPA 20 are under the authority of the Land Board, and IDAPA 20 also includes rules pertaining to the conservation of oil and natural gas in the state of Idaho, authorized by the Idaho Oil and Gas

Conservation Commission (Oil and Gas Commission), and rules of the Idaho Board of Scaling Practices (Scaling Board).

If approved by the Land Board and other approving authorities, the Department will submit the notice of adoption of temporary fee rules to DFM. The rulemaking notice includes rules of the Oil and Gas Commission and Scaling Board because those rules are listed in IDAPA 20, the Department of Land's agency rules. However, the Department is not asking the Land Board to adopt the Oil and Gas Commission or Scaling Board rules.

#### Recommendation

Adopt as conditional temporary rules all of the Department's administrative fee rules, as set forth in Attachment 2. The rules will become effective only if the pending fee rules are not otherwise approved or rejected by the 2021 Idaho Legislature and/or not extended pursuant to the Idaho Administrative Procedure Act.

#### **Board Action**

A motion was made by Attorney General Wasden that the Land Board adopt the Department recommendation that is that the Land Board adopt as conditional temporary rules all of the Department's administrative fee rules, as set forth in Attachment 2. The rules will become effective only if the pending fee rules are not otherwise approved or rejected by the 2021 Idaho Legislature and/or not extended pursuant to the Idaho Administrative Procedure Act. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.

#### **Attachments**

- 1. February 4, 2021 Memo from DFM: Preparing Administrative Fee Rules for Post-Sine Die
- 2. Notice of Omnibus Rulemaking Adoption of Temporary Fee Rules (draft)



May 20, 2021

#### MEMORANDUM

TO: Executive Branch Agency/Department Heads Rules Review Officers

FROM: Alex J. Adams Oly ?. Aslanz

SUBJECT: Current Status of Administrative Rules and What Agencies Need to Do

As you all know by now, the Senate adjourned *sine die* on May 12<sup>th</sup> and the House recessed subject to the call of the Speaker, no later than December 31<sup>st</sup>.

The Attorney General's office noted that this scenario is unique and without precedent in Idaho. This action places the state's administrative rules in a precarious state.

Naturally, many of you have reached out with questions about the current status of administrative rules, and this memo intends to summarize the FAQs and the action agencies need to take.

#### 1. Have the rule changes we presented to the Legislature taken effect?

No, the rule changes presented to the 2021 legislature have not taken effect. Rule changes would traditionally take effect upon *sine die* (if properly acted on by the legislature), which could be as late as December 31<sup>st</sup>.

#### 2. Are our administrative rules still in effect?

Yes, all *existing* state administrative rules remain in full force and effect as of today.

- Existing non-fee rules will expire on June 30<sup>th</sup> due to legislative inaction.
- All current temporary rules (which includes all existing fee rules) will expire upon *sine die*, which could be as late as December 31<sup>st</sup>.

Thus, while all administrative rules continue in full force and effect today, this starts to change on June 30<sup>th</sup>, first for the non-fee rules. As a result, executive administrative action is needed to ensure existing rules remain in effect.

Rest assured, Governor Little is committed to ensuring continuity of the services citizens expect. To minimize confusion and guard against the uncertainty of a future *sine die* date that could provide some major practical impediments to re-promulgation of rules at the end of the year, here's the plan:

- Agencies will rescind all current temporary state administrative rules, including fee chapters presented to the 2021 legislature, effective July 1, 2021.
- We will then republish all necessary rules with an effective date of July 1, 2021 with the changes presented to the 2021 legislature. This will make all changes in effect as of July 1 and ensure the continuity of all state administrative rules through the end of the 2022 legislature.

• A special bulletin will publish on July 21, 2021, that will include each of these temporary rules with an effective date of July 1<sup>st</sup>.

#### 3. What action does our agency need to take to ensure the continuity of our rules?

Luckily, agencies have already taken action to prepare for this event (see DFM memos from February 4 and April 27). Here's the next steps:

- You will receive a proof of your administrative rules on or around **June 10<sup>th</sup>**. The proof will be based on the feedback you submitted to DFM pursuant to the prior memos. The proof will be structured to carry out the aforementioned plan of rescinding current rules and replacing with the new temporary rules.
- You will need to review the proof and apprise DFM of any necessary changes. Please work closely with your legal counsel if your agency/board/commission needs to take formal action on the proof. In discussing this with your counsel, please note if your previous motion was for the temporary rule to take effect on *sine die* or July 1. If the former, additional action may be necessary. A sample motion you may make is attached as **Appendix A**.
- All proofs must be returned to DFM no later than COB on **June 22**<sup>nd</sup>. If your legal counsel determines that board/commission approval is necessary, please proactively schedule your public meeting for the week of June 14<sup>th</sup>. Given the volume of rules DFM is dealing with, no exceptions will be made to the June 22<sup>nd</sup> deadline. Any response not received by this date will be presumed to mean the agency is letting the rule expire as of June 30<sup>th</sup>.

#### Appendix A. Sample Motion.

"Pursuant to Section 67-5226, Idaho Code, the Governor has found that temporary adoption of this rule is appropriate to protect the public health, safety, and welfare of the citizens of Idaho and confer a benefit on its citizens.

These rules implement the duly enacted laws of the state of Idaho, provide citizens with the detailed rules and standards for complying with those laws, and assist in the orderly execution and enforcement of those laws.

The expiration of these rules without due consideration and processes would undermine the public health, safety, and welfare, of the citizens of Idaho and deprive them of the benefit intended by these rules.

Therefore, we are adopting this temporary rule to be effective upon July 1, 2021. We are also rescinding our existing temporary rule with an effective date of July 1, 2021."

IDAHO DEPARTMENT OF LANDS

#### STATE BOARD OF LAND COMMISSIONERS

June 15, 2021 Regular Agenda

#### Subject

Proposed Legislation - 2022 Session

#### **Question Presented**

Shall the Land Board direct the Department to proceed with the 2022 executive agency legislation process by submitting its legislative proposals to the Division of Financial Management?

#### **Background**

The Idaho Department of Lands (Department) is preparing to submit five legislative proposals through the executive agency legislation process for the 2022 legislative session. Legislative proposals must be submitted by June 24, 2021, and text of the proposed bills is due by August 12, 2021. Draft text of the Department's proposed bills is under legal review.

#### **Discussion**

#### **All Hazard Deficiency Warrants**

The Land Board's authority to issue deficiency warrants only extends to fire-related disasters. This bill authorizes the Land Board to issue deficiency warrants for non-fire disasters if a governor or president has issued an emergency declaration. Increasingly, the Department has been asked to help respond to non-fire disasters. As the Department spends funds on non-fire disasters, it runs the risk of not having sufficient spending authority to meet the agency's other mission-critical needs and obligations, even though the non-fire disaster response costs are reimbursed by a third party. The legislation was developed in consultation with the Idaho Office of Emergency Management and has no additional fiscal impact on the general fund.

#### Wildland Firefighter Hazard Differential Pay

Suppressing wildland fires is an inherently dangerous job given exposures to flames, smoke, aircraft accidents, and the rough and remote terrain that is often far from medical facilities. The Department competes against surrounding states and the federal government to recruit and retain qualified wildland firefighting personnel. Because other jurisdictions provide their wildland firefighters hazard differential pay equal to 25% of hourly rates while engaged in fire suppression activities, the Department faces a significant recruitment and retention impediment. Additionally, when firefighters from other jurisdictions that offer hazard pay are deployed on Department fires, they receive hazard pay at the Department's expense.

This bill compensates the Department's wildland firefighters for working under dangerous conditions and helps protect Idaho's public and private forests and rangeland by allowing the

Department to offer Hazard Differential Pay for wildland firefighters, which will improve firefighter recruitment and retention. The estimated annual cost for providing Hazard Pay is \$200,000, which may impact the general fund, dependent upon if the Department's firefighters are deployed to fires on its own protection or to areas protected by other jurisdictions.

#### Wildland Firefighter Rest and Recuperation Compensation

Staff deployed to suppress wildfires typically engage in strenuous work for two solid weeks under hazardous conditions before returning to their home duty stations. Although they may be exhausted, this system incentivizes staff to return to work immediately without resting to preserve accrued overtime. This increases risks of injury and decreases productivity.

The Department competes against surrounding states and the federal government to recruit and retain qualified wildland firefighting personnel. Unlike other jurisdictions, the Department does not provide its wildland firefighters two days of paid mandatory time off after 14 consecutive days on a fire; in addition to safety concerns, this creates a significant recruitment and retention impediment. This bill helps reduce the risk of injury for Department wildland firefighters by allowing the Department to provide them with two days of paid time off after 14-day deployments. The estimated annual cost for providing Rest and Recuperation Compensation is \$13,000, which may impact the general fund, dependent upon if Department firefighters are deployed to fires on its own protection or to areas protected by other jurisdictions.

#### **Preventing Damage to Endowment Land**

The Land Board endeavors to keep endowment land open for recreational use by the public when such use does not impede the Land Board's constitutional mandate to maximize long-term returns for the beneficiaries. While most recreational users behave responsibly, occasionally members of the public cause substantial damage to gates, fences, timber, or areas closed to motorized vehicles. Currently, those who damage endowment land may only face misdemeanor or felony charges, but prosecuting attorneys are reluctant to bring such heavy-handed charges forward for minor offenses. This bill establishes infraction-level charges for violating restrictions on the use of endowment land, provided the public is given notice of the restrictions. The legislation has no fiscal impact on the general fund.

#### **Funding Fire Prevention Activities**

Idaho Code § 38-402 requires the Department to protect forest resources from fire hazards. Unfortunately, humans start nearly 80% of all wildfires in Idaho. This bill will create a Smokey Bear license plate that generates revenue to help fund the Department's fire prevention and education efforts. It has no impact on the general fund; the Department receives no general funds for its fire prevention work. The Department intends to use funding from this new plate to:

- Educate Idahoans and tourists about preventing roadside fires.
- Help Idahoans become fire-wise, so they can protect their property from wildfire.
- Prepare communities to prevent wildfire, and to be ready for it.

#### Recommendation

Approve these legislative proposals and direct the Department to proceed with the 2022 executive agency legislation process by submitting them to the Division of Financial Management.

#### **Board Action**

#### **Attachments**

1. Justification for Hazard Pay and Paid Rest and Recuperation for State Wildland Firefighters



#### **IDAHO DEPARTMENT OF LANDS**

3284 W Industrial Loop Coeur d'Alene, Idaho 83815 Telephone: (208) 769-1525

Fax: (208) 769-1524

#### **MEMORANDUM**

**TO:** Dustin Miller, Director-Idaho Department of Lands

FROM: IDL LDP Capstone Team – R. Woodland, J. Hein, D. Greenwood, J. Clark

IDL LDP Capstone Mentors – M. Andersen, C. Foss, A. Ryan

**DATE:** February 1, 2021

**SUBJECT:** Justification for Hazard Pay and Paid R&R for State Wildland Firefighters

#### Overview

The Idaho Department of Lands (IDL) has struggled to retain firefighters in recent years. For the years of 2017-2019 an average of thirty-seven seasonal firefighters did not return the following season. One of the top reasons cited by previous employees is lower hourly pay and total pay per fire season compared to our federal counterparts. Hazard pay and paid Rest and Recuperation (R&R) days are a standard for federal employees. We recommend that IDL provide hazard pay at 25% of base pay rate and paid R&R, commensurate with federal agencies.

#### Hazard Pay

Wildland firefighting is an inherently hazardous role with frequent, unforeseen dangers. Natural environmental hazards can be hard to predict or control. In addition, human and equipment factors can create an additional layer to the hazardous nature of the job. According to the U.S. Department of Labor, "Hazard pay means additional pay for performing hazardous duty or work involving physical hardship. Work duty that causes extreme physical discomfort and distress which is not adequately alleviated by protective devices is deemed to impose a physical hardship." The National Wildfire Coordinating Group Standards for Interagency Business Management defines positions qualified for hazard pay as:

- GS employees (full-time, part-time, and intermittent) exposed to "unusual hardship or hazardous duty"
- Employees directly supporting suppression efforts on the fire line before the fire is controlled (within or adjacent to the perimeter of an uncontrolled fire)
- Employees engaged in groundwork beneath hovering helicopter (i.e. attaching external loads to the helicopter hovering just overhead)

Employees working in rough/remote terrain (working on cliffs, narrow ledges, etc. where the
loss of footing would result in serious injury or death, also areas where there is a danger of rock
falls or avalanches)

#### Rest & Recuperation (R&R)

To adhere to national interagency safety standards in wildland fire, individuals are required to take R&R days after a period of 14 consecutive days worked. IDL currently requires our employees to take this time as unpaid leave. As per IDL R&R Policy 832 in the Forest Management Handbook: After completion of a 14-day assignment and return to the home unit, 2 mandatory days off must be taken. Days off must occur on the calendar days immediately following the return travel. Required time off is not compensable except when the week does not total 40 hours. If a total of 40 hours is not met, vacation leave, on-call, or compensatory time can be used to equal (but not exceed) 40 hours.

Paid R&R would help ensure that our firefighters are truly getting the rest that they need during their required rest time and not trying to circumvent having to take those unpaid days off.

#### Neighboring States and Federal Counterparts

Most Idaho state firefighters are seasonal employees that work no more than 3-5 months for \$12-\$16 an hour. These employees are paid overtime for fire suppression work over 40 hours in a work week. Overtime is what allows fire fighters to pay the bills. A firefighter can expect to get from 100-600 hours of overtime depending on the fire season and length of commitment. In addition to overtime pay, federal employers and some neighboring states pay Hazard Pay and required R&R.

Idaho Department of Lands currently reimburses federal and state agencies for their employee costs while fighting fire on IDL protection. Hazard pay and R&R are included in those costs, when applicable. Federal and other state agencies would be required to pay the full employee cost for IDL firefighters when assigned to their incidents. This would include hazard pay and R&R if we choose to implement a policy.

	Hazard Pay	Paid R&R
Federal Agencies	25% of base pay	Yes
Washington	Employees are paid "premium" pay instead - \$2/hr.	Yes **
Oregon	pay shift/qual differential	Yes *
Nevada	No	Yes - same as feds
Utah	25% of base rate	Yes - same as feds
Wyoming	No	No
Montana	No	Yes *

<sup>\*</sup> Oregon State Firefighters - Paid straight time for 8 hours

<sup>\*\*</sup> Washington DNR firefighters – after a 14-day assignment, are given 1 paid day off (8 hrs.) paid at straight time; after a 21-day assignment, they are given 2 paid days off (16 hrs.) paid at straight time. They are given these days even if the R&R days fall on their regularly scheduled days off.

#### Wildland Fire Hazard

Duty involving the suppression of wildland fires poses a hazard to the lives, health, and wellbeing of wildland firefighters. Hazardous duty may involve exposure to flames, smoke, aircraft accidents, and work in rough remote terrain where the potential for serious injury or death may result. These hazards cannot be totally mitigated.

Wildland firefighters operate in a hazardous environment where they have no control of the environmental conditions around them. Microbursts, sudden weather changes, hazardous trees, stump holes, and wildlife encounters are common environmental hazards. Terrain based hazards, rolling material and debris, steep terrain, while carrying 50+ pounds of equipment and tools, all compound the severity and frequency of trip and fall hazards resulting in significant bone/joint damage and lacerations.

Aircraft bucket and retardant drops (from 700-10,000 gallons) can be near firefighters. In addition, hazardous driving conditions due to limited visibility, heavy fire personnel traffic, difficult terrain, coupled with firefighter fatigue lead to numerous injuries annually.

Other, often unseen, hazards of the job of fighting wildland fire is long term exposure to toxic air quality (without the option for breathing apparatus/supplemental oxygen), dehydration, and heat illness which are common and a direct result of heavy physical exertion during prolonged shift assignments (16 hours+). To make it more complicated, many wildland fires are in remote locations and there may not be readily available medical treatment in close proximity.

Lastly, the expansion of the wildland urban interface (WUI) environment presents a new challenge for wildland firefighters as they are increasingly dealing with the panicked, and at times hostile, public. Furthermore, the additional urban infrastructure (fuel tanks, ammunition storage, power lines, septic tanks, wells, and power lines) all present additional hazards to firefighters.

#### Fiscal Impact

It is the intent of this policy, if approved, that hazard pay and R&R pay will be from deficiency funds just like other firefighting costs.

#### Hazard Pay

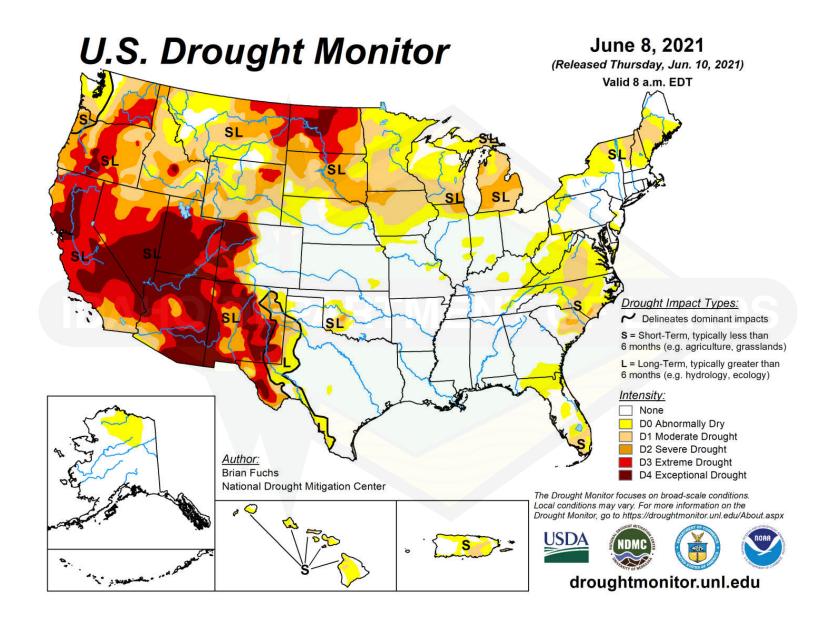
Fire season 2020 was an average fire season. A high and low hazard pay hours estimate (at 25% of base pay rate) was created by filtering all personnel hours coded to deficiency funds. Personnel hours were then sorted by fire qualified positions directly involved in the suppression of wildland fires on the fire line. All support positions staff hours were eliminated from the sample. Depending on the percentage of IDL firefighter hours qualified as hazard eligible, the hazard pay cost estimate for 2020 is \$131,000-\$272,000.

#### Rest & Recuperation

For the 2019 fire season there were approximately 23 individuals who would have been eligible for 2 Rest and Recuperation (R &R) days returning from IDL fires at a cost to deficiency funds of \$12,864.00.

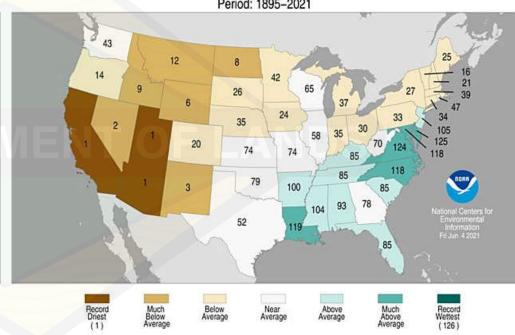
For the 2020 fire season there were approximately 13 individuals who would have been eligible for 2 Rest and Recuperation (R&R) days returning from IDL fires at a cost to deficiency funds of \$10,352.00.

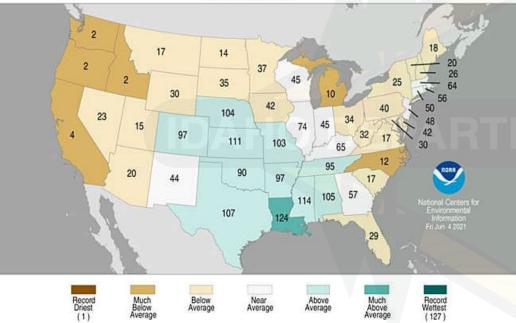




# Statewide Precipitation Ranks March - May 2021 Period: 1895-2021

# Statewide Precipitation Ranks June 2020 - May 2021 Period: 1895-2021





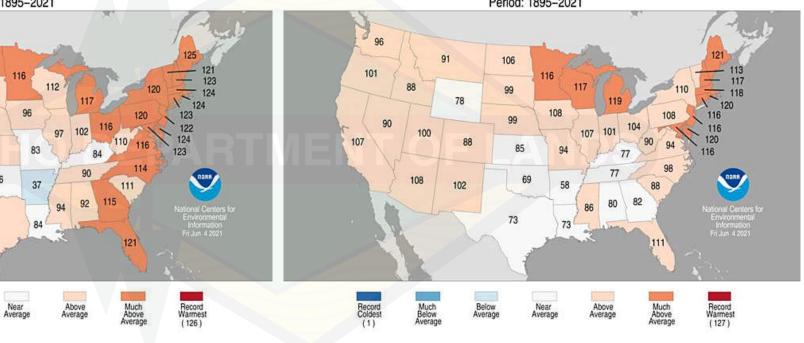
Record Coldest (1)

Below Average

Much Below Average

# Statewide Average Temperature Ranks June 2020 – May 2021 Period: 1895–2021

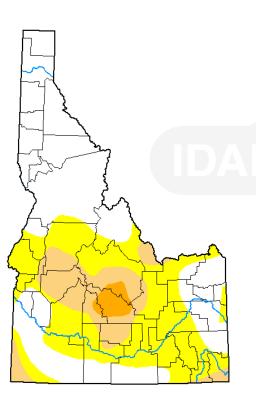
# Statewide Average Temperature Ranks March - May 2021 Period: 1895-2021



# **Drought in Idaho Last June**

## **Current Drought in Idaho**

U.S. Drought Monitor Idaho



June 16, 2020 (Released Thursday, Jun. 18, 2020) Valid 8 a.m. EDT

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4			
Current	47.41	52.59	16.50	2.37	0.00	0.00			
Last Week 06-11-2020	50.84	49.16	20.30	2.37	0.00	0.00			
3 Month's Ago 03-19-2020	65.78	34.22	8.88	1.62	0.00	0.00			
Start of Calendar Year 01-02-2020	35.67	64.33	10.68	0.00	0.00	0.00			
Start of Water Year 10-03-2019	95.38	4.62	2.72	0.00	0.00	0.00			
One Year Ago 06-20-2019	93.58	6.42	3.64	0.00	0.00	0.00			



Drought Monitor, go to https://droughtmonitor.unl.edu/About.aspx

Author:
Richard Tinker
CPC/NOAA/NWS/NCEP

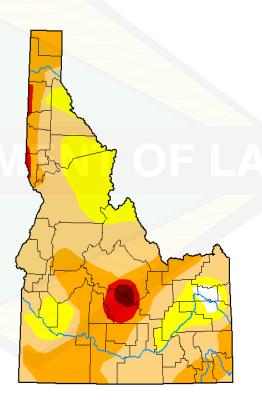






droughtmonitor.unl.edu

U.S. Drought Monitor



June 8, 2021

(Released Thursday, Jun. 10, 2021) Valid 8 a.m. EDT

Drought Conditions (Percent Area)

		None	D0-D4	D1-D4	D2-D4	D3-D4	D4
	Current	1.20	98.80	79.90	34.38	3.57	0.84
	Last Week 06-01-2021	8.36	91.64	62.05	13.12	0.85	0.00
	3 Month's Ago 03-09-2021	38.46	61.54	24.56	4.19	0.85	0.00
	Start of Calendar Year 12-29-2020	37.41	62.59	20.67	4.24	0.77	0.00
	Start of Water Year 09-29-2020	29.22	70.78	17.04	4.43	0.96	0.00
	One Year Ago 06-09-2020	50.84	49.16	20.30	2.37	0.00	0.00



None D2 Severe Drought
D0 Abnormally Dry D3 Extreme Drought
D1 Moderate Drought D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to https://droughtmonitor.unl.edu/About.aspx

#### Author:

Brian Fuchs

National Drought Mitigation Center









droughtmonitor.unl.edu

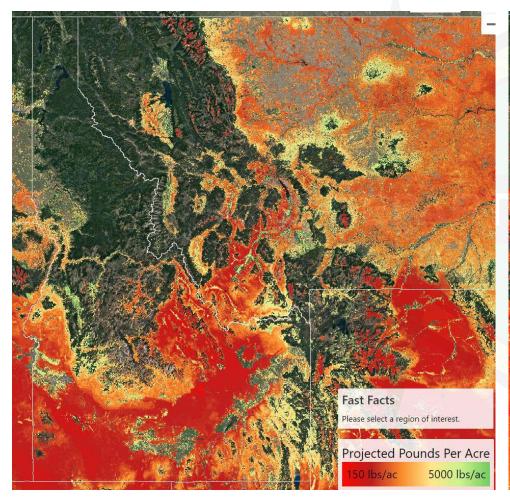
# Experimental Rangeland Large Fire Probability

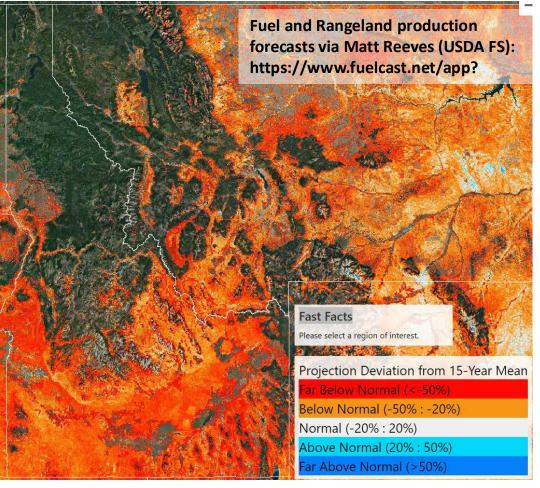
# The Rangeland Analysis Program was created in collaboration with the USDA's Natural Resources Conservation Service, the DOI's Bureau of Land Management, and the University of Montana.

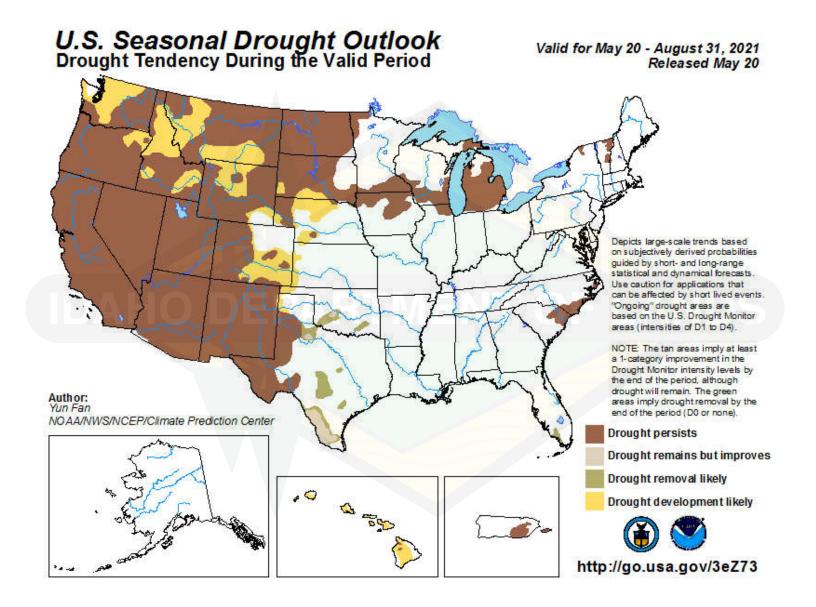
# **Great Basin Rangeland Fire Probability** May 9, 2021 Idaho Falls Mountain Home Twin Falls High Medium Saint George

## **Fine Fuel Loading Estimates**

## Fine Fuel Loading Compared to Avg.

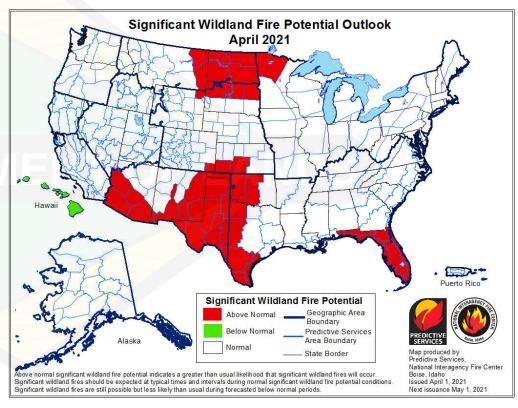




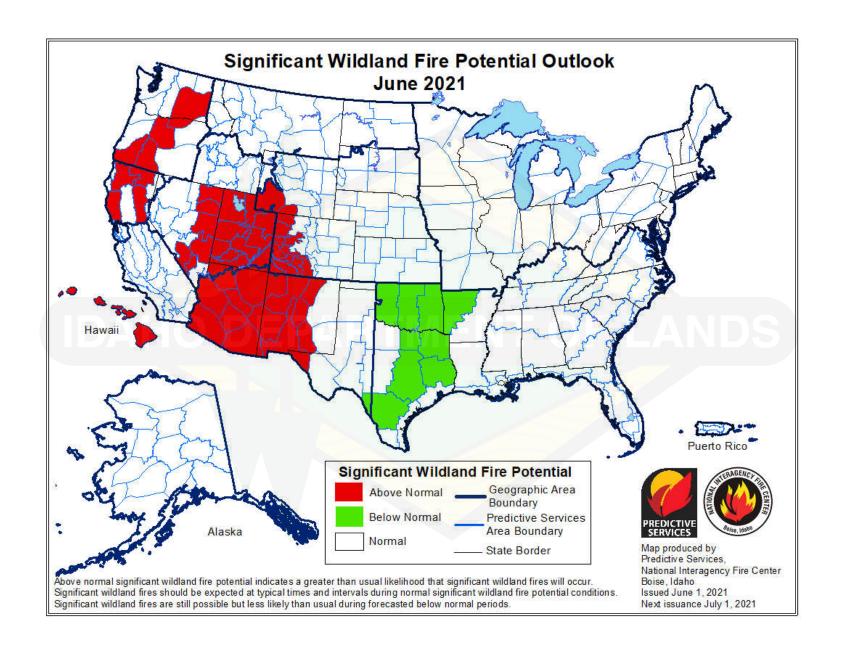


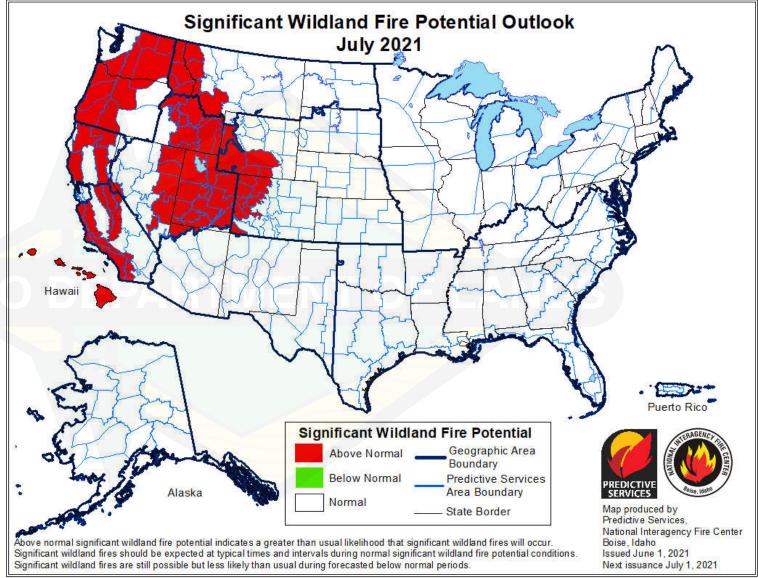
# National Significant Fire Potential Outlook

- Monthly updated outlooks forecasting above or below normal significant fire potential for the next 4 months
- Combines current situation with forecast weather and climate
  - Detailed discussion of total fire environment
- Great for planning
  - Severity requests
  - Resource allocation and extensions



https://www.predictiveservices.nifc.gov/outlooks/outlooks.htm

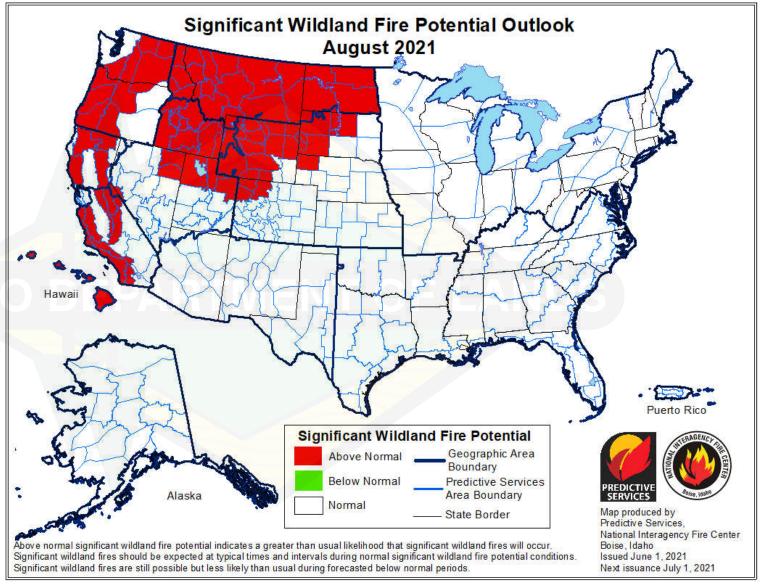




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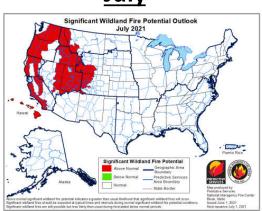
### <u>June</u>

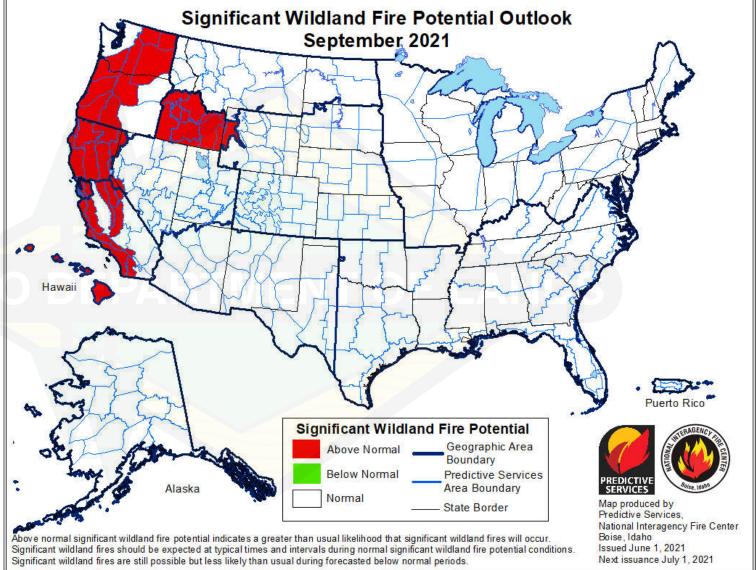




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## **July**





# IDAH

### **August**



# Summary

- More than half of the West in extreme or exceptional drought with nearly 90% of the West in drought
- 80% of Idaho in drought, nearly 5 times the drought area this time last year
- Idaho is forecast to have above normal significant fire potential July – September, likely peaking in July and August
- Potential is there, but as we saw last year, critical fire weather necessary to realize potential

#### **IDAHO DEPARTMENT OF LANDS (IDL) AVIATION RESOURCES - 2021**

All IDL aviation resources are available statewide to aid in wildland fire suppression. Though based as indicated in the information below they will be moved where needed as dictated by fire activity.

#### Coeur d'Alene:

- Two **Type 2 helicopters** with a crew of 7 each (Helicopter Manager plus 6). Capable of transporting approx. 2,500 lbs of personnel or cargo per load and delivering 300 gals of water per drop.
  - o VENDOR: Kachina Aviation, Nampa, ID.
- Two AWS (Amphibious Water Scooper), also known as a FireBoss. Capable of delivering 800 gallons of retardant, BlazeTamer380, or water on the first drop, and then with subsequent drops of 800 gallons of water scooped from adequate lake or river, or BlazeTamer380 following scoop from lake or river. Returns to Air Tanker Base to refuel and can then again deliver retardant on first load when requested.
  - VENDOR: Dauntless Air, Appleton, MN

#### Grangeville:

- Two SEATs (Single Engine Air Tanker). Air Tractor 802 capable of delivering 800 gallons of water or retardant per drop. Returns to Air Tanker Base after each drop for refilling with retardant and, if necessary, fuel.
  - o VENDOR: Aero Tech, Inc., Clovis, NM

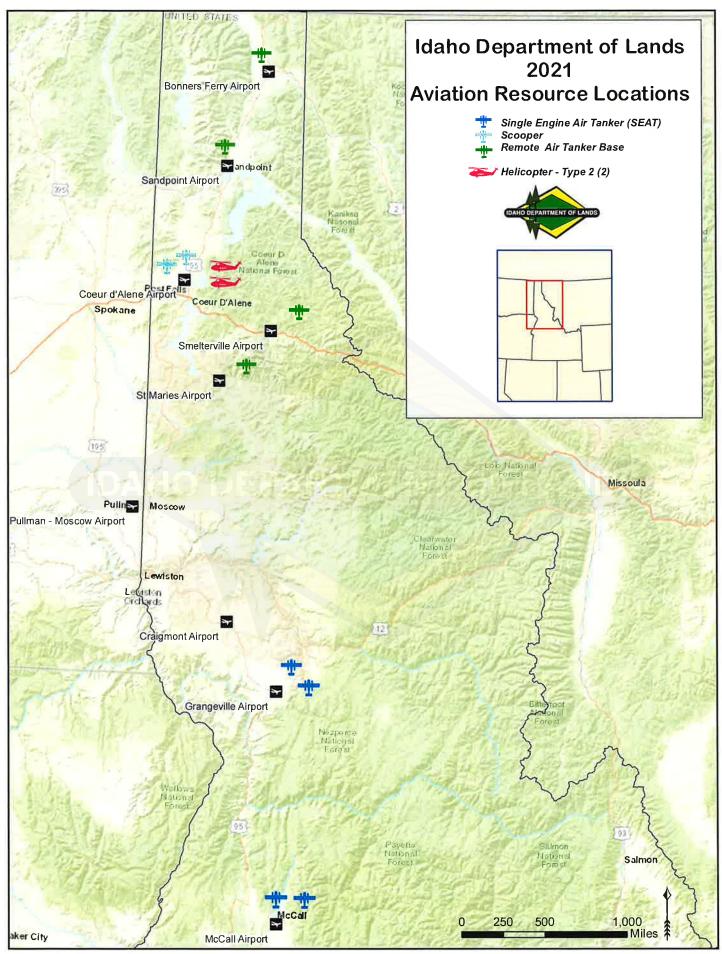
#### McCall:

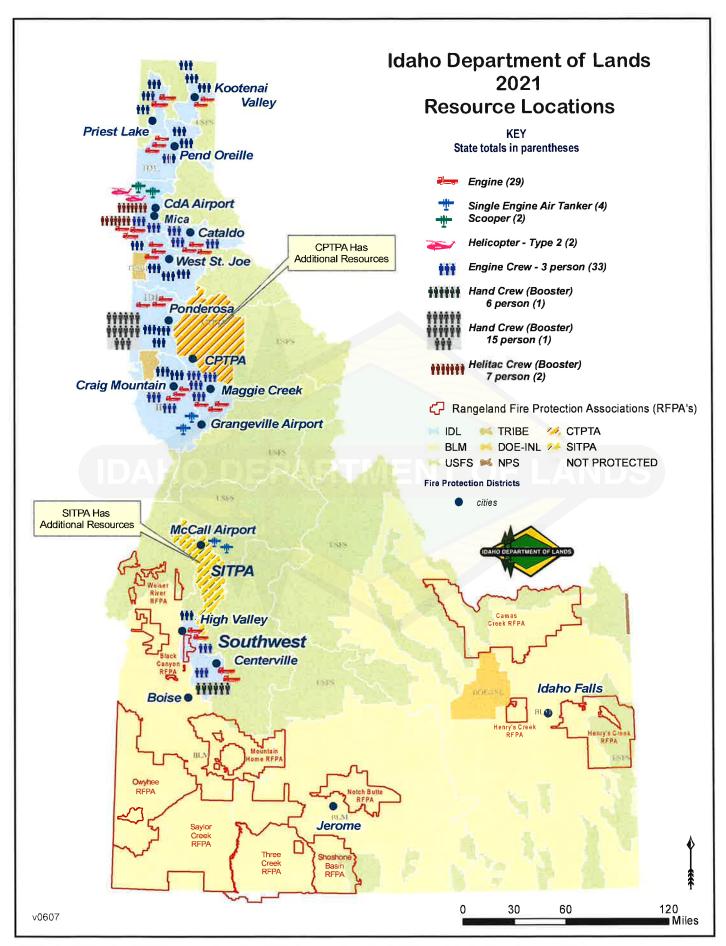
- Two SEATs (Single Engine Air Tanker). Air Tractor 802 capable of delivering 800 gallons of water or retardant per drop. Returns to Air Tanker Base after each drop for refilling with retardant and, if necessary, fuel.
  - VENDOR: Aero Tech, Inc., Clovis, NM

In addition to the three Exclusive Use contracts, IDL will have Aviation Price Agreements, including **seven with Idaho vendors**, to support both wildland fire and resources project work, as needed.

#### Advancements in Operations:

- IDL continues with the use of BlazeTamer380 in direct attack utilizing aviation resources. BlazeTamer380 is a water enhancer used for increasing the efficiency of water and delivers superior fire extinguishing performance characteristics, resulting in less water use. The product is suited for both aerial and ground application.
- Unmanned Aviation System (UAS): IDL continues to build UAS capability to support fire suppression operations. IDL's UAS capability consists of agency UAS aircraft, UAS aircraft secured through Aviation Price Agreements with the private sector, and UAS aircraft shared with wildland agency cooperators. Strict adherence to the Federal Aviation Administration regulation regarding operations within the National Airspace System is required. IDL has nine certificated UAS operators/pilots.





## IDAHO RANGELAND FIRE PROTECTION ASSOCIATIONS

Since Idaho's first Rangeland Fire Protection Association (RFPA) was formed in 2012, over 450 volunteer wildland firefighters have been trained by agency fire managers. These volunteers provide an asset not only for their own land and assets, but also assisting wildland fire managers to protect public lands. Membership in the RFPAs include ranchers, farmers, their employees, and other interested landowners.

Creation of the associations is a collaborative effort between local ranchers, the U.S. Department of Interior, Bureau of Land Management (BLM), and the Idaho Department of Lands (IDL). The nine RFPAs combined protect 1.8 million acres of private rangeland that was previously unprotected, as well as providing secondary protection on 7.2 million acres of federal and state land. Specific benefits the RFPAs provide include:

- Taking advantage of the quick initial attack ranchers can provide.
- Satisfying the ranchers' interest to be active participants in protecting the forage needed for their livelihood.
- Satisfying fire managers' safety concerns by ensuring all firefighters are trained and have necessary equipment and communication.
- Enhancing efforts to protect sage grouse habitat to the benefit of all parties.

#### 2020 FIRE SEASON REVIEW

This was a relatively light fire season for RFPAs in southern Idaho. Most RFPAs reported fewer or average number of fires in 2020. Only Shoshone Basin RFPA reported fire numbers in double digits. The Woodhead fire in the Cambridge/Council area was one of the largest fires in the state last year. The fire was mostly on Payette National Forest protection. Local ranchers and landowners outside of the local Fire Protection Districts started discussing the formation of an RFPA to provide additional wildfire protection in the area. Several meetings were held in Cambridge in the fall and winter. The Weiser River RFPA has filed the necessary forms with the State and the IRS and is waiting for confirmation from the IRS of their 501(c)(3) Status. Boise District BLM provided Basic Fire training in May of 2021 for 45 members of the Weiser River RFPA. IDL will be providing PPE for the trained members.

#### 2021 FIRE SEASON PREPAREDNESS

While COVID-19 had a serious impact on training last year, all Districts and RFPAs were able to conduct in-person Refresher Training as well as Basic fire classes in 2021. In addition to in-person training, online Refresher courses are available to members.

Additional firefighter PPE, radios, equipment, tools, and supplies have been provided through funds from the Governor's Office of Species Conservation and IDL's Rural Fire Capacity Grant program.

## IDAHO RANGELAND FIRE PROTECTION ASSOCIATIONS 2021

#### State/BLM Provided Equipment (FEPP, FFP and purchased)

RFPA	Water Truck	Type 4 Engine	Type 6 Engine	Slip-in	Dozer	Equipment Updates for 2021
Black Canyon	1			1		
Camas Creek			3	1		
Henry's Creek			3		1	
Mountain Home	1	1				
Notch Butte		1	1	1		
Owyhee	4	2	2	1		
Saylor Creek		2	3	2		
Shoshone Basin		$\Lambda$	2	1		
Three Creek	1	1	1	2		
Weiser River						Will be receiving PPE this year from IDL.

#### Idaho RFPAs at a Glance

RFPA	Established	Members <sup>1</sup>	Acres	Private	Federal <sup>2</sup>	State <sup>3</sup>	Fires 2020
Black Canyon	2013	24	185,384	108,555	61,111	15,719	1
Camas Creek	2016	34	1,494,608	363,005	1,019,277	112,327	6
Henry's Creek	2017	13	914,696	286,775	571,374	56,547	4
Mountain Home	2012	23	674,326	234,480	351,724	88,122	7
Notch Butte	2016	19	341,170	74,535	247,745	18,890	4
Owyhee	2013	20	1,370,873	254,175	972,268	144,430	4
Saylor Creek	2013	80	2,222,204	131,128	1,964,913	126,162	4
Shoshone Basin	2015	18	488,054	174,940	302,144	10,969	17
Three Creek	2013	52	1,120,203	114,599	951,243	54,362	7
Weiser River	2021	45	135,212	60,246	38,252	27,208	N/A
TOTALS		328	8,946,730	1,802,438	6,480,051	654,736	54

<sup>&</sup>lt;sup>1</sup> Received Red Card for 2021 fire season as of 6/4/2021. The Red Card identifies that annual training is current.

<sup>&</sup>lt;sup>2</sup> Federal includes Military, NPS, BOR, BIA, DOE, BLM and USFS ownership.

<sup>&</sup>lt;sup>3</sup> State includes Endowment, State F&G, State Parks and State other.

## **Rangeland Fire Protection Associations**

