



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.

Final Minutes State Board of Land Commissioners Regular Meeting September 21, 2021

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, September 21, 2021 in the Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 W Jefferson St., Boise, Idaho, and via webinar. The meeting began at 9:01 a.m. The Honorable Secretary of State Lawrence Denney presided on behalf of Governor Brad Little who participated remotely. The following members were in attendance:

Honorable Governor Brad Little
Honorable Secretary of State Lawrence 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. Four Land Board members were present at the physical meeting location, and Governor Little joined via Zoom webinar.

For the record, Director Miller recommended that the Land Board table agenda item 8, the 2021 Grazing Rate Methodology, until the October 19, 2021 Land Board meeting. Director Miller explained the Department committed to vetting this methodology with a third-party expert. The analysis by the third-party expert recommends that some of the data relied upon in creating the new draft methodology be discarded and replaced with more relevant and current information and studies. Director Miller noted that Land Board staff members had questions and concerns and that tabling the matter will allow the Department to address those concerns, as well as afford the public the opportunity to review and comment on the updates made to the grazing rate model.

A motion was made by Attorney General Wasden that the Land Board table item 8, the 2021 Grazing Rate Methodology until a date certain, that is at the Land Board meeting in October. With his motion, Attorney General Wasden made two requests. Number one, if there is anybody in this audience that traveled here for this matter, they be given an opportunity to address this Board today

rather than having to come a second time. The second request is that the Department resolve these issues and publicly announce the result by a week from today, next Tuesday [9/28], giving the Land Board at least three weeks to be prepared for the October meeting. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.

Secretary of State Denney asked if there was anyone in the audience who wished to provide comment on agenda item 8. No one in the audience spoke; however, an individual participating by Zoom webinar, Mark Pratt, provided a brief statement.

Mark Pratt: Thank you. A short comment; I appreciate the opportunity to address you this morning. As we evaluate the grazing rate over the course of the last few years, it has given lease holders an opportunity to also evaluate non-use fees and made it very much more clear as to what the overall cost of doing business with IDL has meant. It has been a good process; we appreciate that. Our grazing association has done business with IDL for a hundred years and we look forward to a continued association with them.

Secretary of State Denney: Thank you, Mr. Pratt.

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

1. Department Report – Presented by Dustin Miller, Director

Trust Land Revenue

- A. Timber Sales – August 2021
- B. Leases and Permits – August 2021

Discussion:

Secretary of State Denney: Director, what is the volume of the salvage sales, do you have any estimate on that?

Director Miller: I will have Bill Haagenson answer that question.

Bill Haagenson: Good morning, Mr. Chairman, and members of the Land Board; for the record, Bill Haagenson, Deputy Director for IDL. Our estimate right now is that we will land somewhere around 90 million board feet of salvage; still working on setting those sales up but that is our estimate at this time.

Controller Woolf: Mr. Chairman, maybe one more question for Bill. What is the dollar value of that, from what it would have been when we harvest it at its normal harvest age versus now doing the salvage, and what is the loss impact? I think that is critical for the Department and the Board to share and put out there based on some of our other topics of discussion.

Mr. Haagenson: Mr. Chairman and members of the Land Board, the short answer is it depends a bit in terms of what is the species mix and how much cedar is involved in the salvage sales. In situations where we do not have a cedar component, we can expect the price to be down somewhat from what it would have been as a green sale. There is a significant sale that already sold, about 21 million board feet that had a high cedar component, and that did very well in terms of the sale price. It depends on the volume mix by species and the logging system and so

on, but we do expect where we do not have that cedar component, we could see the prices down a little bit for that amount of volume.

Director Miller: Mr. Chairman, I have to give credit to our area staff, our folks out in the field that work quickly to set up these salvage sales to recoup that value for the endowments. It is very impressive how quickly they work to get those established.

Attorney General Wasden: Just also want to make mention of the fact that when it is a salvage sale there is a limited time when that timber is available to be cut. It rots faster, is destroyed a lot sooner, and its value is gone more quickly; a special thank you to the timely response of the Department.

Governor Little: Director Miller is there any reason the Department is paying their rent early? If we are going to forecast it, you think you would be able to forecast your own check.

Mr. Haagenon: Governor, part of the problem with the forecast was a timing in terms of fiscal year and calendar year. The timing of our payment is essentially a time when we are ready to write that check; whether we do that two weeks ago or two weeks later is just the timing of when it gets through our system. There is no real secret or reason behind the timing of that payment.

Status Updates

- C. Fire Season Report
- D. Cottage Sites Auction – Priest Lake 2021 Results

Discussion:

Attorney General Wasden: What are your plans to increase the rains for next year?

Director Miller: The fire bureau is working on a rain dance. *[laughter]*

Governor Little: Director Miller, the 63,000 acres of state land – I assume that is Fish and Game land – are those classified as assessed or non-assessed state lands?

Director Miller: Governor, thank you for that question. Those acres are assessed if they are timbered acres just like any other state acres. It is \$0.60 per acre and \$40 per structure on those lands.

Governor Little: In the report we had last Land Board meeting about unassessed, was the Department going to do a report on the totality and the location of the unassessed acres in state?

Director Miller: Governor, yes, we are looking at that. If your question was specific to this fire season, a sizeable amount of acres in IDL protection that are unassessed did burn and we are taking a look at that. We will have those acres tabulated if they are not done already, just to give you an idea of which acres burned that were unassessed versus assessed. We do engage fire in those unassessed acres just like the timbered acres.

For the record, at approximately 9:30 a.m. the recording secretary advised Land Board members that online streaming experienced technical difficulties for about 10 minutes at the beginning of the

meeting, and it is possible the online audience did not hear the motion on agenda item 8. Additionally, one individual who signed up to provide comment, Matt Thompson, had since joined the meeting via Zoom webinar. Secretary Denney restated that there was a motion to table action item 8 until the October meeting and offered Mr. Thompson opportunity to speak at this time. No response was received from Mr. Thompson.

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

- A. Manager's Report
- B. Investment Report

Discussion:

Chris Anton: Mr. Chairman, good morning. Governor, members of the Land Board, thank you for having me. The endowment fund had investment gains of 1.5% during the month of August which left us up 3% fiscal-year-to-date through August 31st. Stocks spent most of August drifting higher; it was the 7th straight month of increases, seemingly ignoring headwinds including the spread of the Delta variant, global supply chain constraints, China's regulatory crackdown, and the withdrawal from Afghanistan. The healthy performance from stocks reflects dissipating worries about global growth. During August, the jobs reports were very strong. Things did not look quite as good in September, but during the month of August global growth continued to remain very strong. Following the Jackson Hole Symposium in late August, Federal Reserve Chairman Jerome Powell said the economy has now met the test of substantial further progress toward the Federal Reserve's inflation objective and labor markets have made clear progress. He indicated the Federal Reserve could begin reducing its bond buying program later in the calendar year and try to disconnect the bond buying program from when they would increase interest rates. Most people believe that they will begin reducing the bond buying program by the end of the year. That typically takes 9-12 months, so it would be late 2022 or into 2023 when they would consider increasing interest rates. That is a support for the equity markets given the fact that interest rates will remain low for quite some time. As we moved into September, we started the month strong; however, the jobs report came in very soft. There began some concerns about the pace of growth and the impact of the Delta variant. Most recently a large real estate developer in China, Evergrande, has had issues and will likely default on its debt this week. To date, the Chinese government has not stepped forward to provide some solutions; investors are concerned this could be a significant default. It could affect not only the real estate industry in China, but the banking industry and have ripples through the global economy. That has been spooking the markets the last week. We were down 1% yesterday; so far in September we are down 1.8% which left us up 1.2% fiscal-year-to-date through yesterday. Overall, our reserves are well secured. Our next [Investment] Board meeting is November 16th.

Attorney General Wasden: Mr. Anton, I also received a copy of the audited financial statements, are we raising that today or is that on for next month?

Mr. Anton: No, we plan to present that at the November meeting.

Attorney General Wasden: Okay, I will hold my questions.

Consent—Action Item(s)

3. Results of August 2021 Grazing Lease Live Auctions – Presented by Dustin Miller, Director

Recommendation: Direct the Department to award grazing leases to Russell Pharris (G700072) and Sawtooth Valley Outfitters (G700092); and a conservation lease to Western Watersheds Project (G700070).

Discussion:

Controller Woolf: Director, no questions on what took place, but I am trying to understand and grasp the lease 700070. Was that initially offered in the auction as a grazing lease or was it initially offered as a conservation lease? Help me understand that piece of it.

Director Miller: Mr. Chairman and Mr. Controller, it was initially offered as a grazing lease but it was conflicted by an organization that wanted a conservation lease. Pursuant to the rules, given the nature of those two leases, we are obligated to take the high bid, which in this case was for the conservation lease.

Controller Woolf: Is this awardee still bound to follow the same standards set by grazing as on a conservation lease?

Director Miller: There are high standards within the conservation lease as with a grazing lease. Really, they are just not running animals on that piece of ground to graze the feed on it. The infrastructure has to be maintained; noxious weed control has to take place on that property. There are stipulations in that conservation lease that have to take place to maintain the integrity and the health of that piece of ground.

Controller Woolf: Does that include fuel? One of the key things to me is the fuel load; how is that managed compared to a grazing lease?

Director Miller: There is no requirement to run animals on a conservation lease and therefore no requirement to remove the fine fuels.

Controller Woolf: Where is this parcel or section? Is this surrounded by the grazing lessee that did not win this lease? Is this an island now in the middle of the holding?

Director Miller: This piece of ground is in the central Stanley basin. It is pretty close to Highway 75. I know there is an active gravel pit there; we lease that to the State Department of Transportation. This lease is for about 620 acres; I do not know if there is private land around it, but it is an isolated section of ground.

4. Approval of Draft Minutes – August 17, 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)

5. FY2023 Department of Lands Budget – Presented by Debbie Buck, Financial Officer

Recommendation: Approve the Department's FY2023 budget request as submitted to Division of Financial Management and Legislative Services Office on Tuesday, August 31, 2021.

Discussion:

Controller Woolf: I just want to say thank you to Debbie Buck, the Director, and the team for their great work in turning that around. They had one week to implement and get all of these additional things in, and they did amazing work of getting all that. Congratulations.

Debbie Buck: Thank you, sir.

Board Action: A motion was made by Attorney General Wasden that the Land Board approve the Department's FY2023 budget request as submitted to Division of Financial Management and Legislative Services Office on Tuesday, August 31, 2021. Controller Woolf seconded the motion. For the record, Governor Little recused himself from this vote. The motion carried on a vote of 4-0.

6. Eastern Idaho Regional Solid Waste District Land Exchange – Presented by Josh Purkiss, Bureau Chief-Real Estate Services

Recommendation: Approve the exchange and direct the Department to complete and close the as-proposed EIRSWD land exchange.

Discussion:

Cameron Arial: Mr. Chairman, Governor, and members of the Land Board, it is a pleasure to be with you. Cameron Arial with Clearwater Financial, the municipal advisor to the district. Standing with me is Commissioner Todd Smith from Madison County who is also the chair of the district. Wanted to just touch quickly on the benefits to the district and the region particularly. The main purpose in pursuing this exchange with the IDL and the endowment is really to improve the long-term viability and service quality to our citizens in the form of sustainable solid waste services. What the district is looking at is comparing our status quo which is really two options. One is counties own and operate their own operations and facilities. The concerns with that are that they are one off, they can be limited in size, and they are under increased regulatory requirements to maintain. The second is many of the counties in the region essentially rent; they will outsource those services to other counties and therefore really do not control their destiny. With rent there is no investment; it just goes to the neighboring counties. What this proposed exchange will facilitate is truly a long-term regional solution to solid waste management in the region. We have worked long and hard as was mentioned by Josh; Representative Weber, a lot of blood, sweat and tears over a decade working on this trying to find the right piece of ground that is centrally located for the counties in the region. One that we plan to operate at the highest level of technology and regulatory compliance and that gives us plenty of room to expand and meet our needs well into the future. With that, the main quantitative benefit obviously is comparing the status quo with what we are proposing. As we look at that, it really represents tens of millions of dollars over a 40-year time period. We have presented this proposal to our regulators – the Idaho Department of Environmental Quality as well as the Eastern Idaho Public

Health District, who will be our regulators – and they really like what we are proposing and have submitted letters of support that are in your packet. We also have included in your packet letters of support from all of the counties in the region that, whether members or not, see this as a viable option potentially for them in the future. We look forward to any discussion that you may have and really appreciate your consideration of this exchange and what it can mean to area citizens in the eastern Idaho region. With that I will kick it to Todd.

Todd Smith: Mr. Chairman, members of the Land Board, we thank you for your time today. I am Todd Smith, chairman of the Madison County Board of County Commissioners as well as chairman of the East Idaho Solid Waste District. As been said earlier by Mr. Purkiss and Mr. Arial, we have been working on this for 10+ years. We have found what we feel is a very win-win situation for both entities as the endowment lands will receive more acreage, higher revenue, and we will have a long-term solution to our landfill issues as we meet those requirements that will serve the counties around. I have no more to add other than just thank you for your time. We are certainly open to any questions you may have.

Attorney General Wasden: I have a question for Mr. Arial actually. Cameron, it is nice to see you again. It was great seeing you at the event recognizing Ken Harvard. You and I had a very brief conversation about this; basically you indicated that you would be speaking today and making a presentation on this matter. I just wanted that on the record that we had a conversation. My recollection is, and I am asking for your confirmation, that I made no commitment at all in the matter, you simply told me that you were going to be here today. Is that correct?

Mr. Arial: Mr. Chairman and Attorney General Wasden, that is correct and it was good to be with you as well.

Attorney General Wasden: Thank you very much, I appreciate that. I do have a follow up question as well. It appears to me that we have a double whammy on this matter and that is first of all, the standard by which the Land Board is to measure – is this in the best interest of the beneficiaries – and the numbers in this instance prove or show that it is in the best interest of the beneficiaries. That is whammy number 1. Whammy number 2 is the way that this exchange is structured also provides benefit to the region itself. We are fortunate in the way that it is structured that we are able to accomplish both of those things at the same time, and I just wanted to see if that was your view of this as well.

Mr. Arial: I really appreciate that summation. That is exactly what this exchange represents. It is a win for the state and the endowment where you are getting more acreage at a higher value. Check that box, great benefit to the state, but then you also get the trickledown of what this can mean to the region and the citizens out there that really need this solution and will be extremely beneficial for a number of reasons for many years.

Governor Little: My only question is on Mr. Lemoyne's title review there were some exceptions. Do we put language in the deeds that it is as-is, that the acquirer of the state land recognizes that they have access; we are not warranting access. Do the closing documents reflect that they are acknowledging that they have access and that the state would not have any liability as far as some of those exceptions that Mr. Lemoyne pointed out in his analysis?

Josh Purkiss: Mr. Chairman, Mr. Governor, yes. The Department of Lands or the Land Board does not warrant any type of deed when we transfer title. The instrument we use is a quit claim deed

and there are no warranties provided. In addition, I know Mr. Lemoyne called out a number of title issues. We have resolved all of the title issues he calls out on his memo with the exception of perfecting access to the proponent's land. The last item that needed to be addressed was a title exception referencing a lack of access to the land that we were acquiring. It is a county maintained road; our records indicate that it is a public road. We just need to work with the title company to address the issue that they are referencing as a U.S. Forest Service easement. That will be resolved prior to closing.

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

7. Trident Holdings, LLC Request for Rescission and Contested Case Hearing – *Presented by Steve Strack, Office of the Attorney General; Alec Williams, Trident Holdings; and Nick Warden, Bailey Glasser, LLP*

Discussion:

Steven Strack: Mr. Chairman, Governor, members of the Board, I am Steven Strack; I am a Deputy Attorney General in the Natural Resources Division. I have been asked here today to address a very limited question. I am not going to address the substance of the exchange at all, but the question is Trident's request for a contested case hearing and the assertion that it would aid the Board in its consideration of Trident's exchange proposal. The starting point for my discussion is going to be Idaho Code § 58-122 which provides that when the Board is making decisions about endowment lands, those decisions do not have to be made through a contested case procedure unless the Board in its discretion decides that a contested case would be useful under the particular circumstances. With that question in mind, I have been asked to make a short presentation on what the purpose of a contested case is and would it render any information of assistance to the Board in its consideration of this particular exchange. The APA defines a contested case as a proceeding by an agency that may result in the issuance of an order. In turn the APA, Administrative Procedure Act, defines an order as an agency action of particular applicability that determines legal rights, duties, privileges, immunities, or other legal interest of one or more specific persons. The basic concept is that when an individual's legal rights or its legally protected interests are affected by an agency action, then that particular individual is entitled to have their concerns heard by an unbiased hearing officer in a contested case. That hearing officer is charged with making findings of fact, with making conclusions of law, and then applying those conclusions to the facts. The purpose of the contested case is to determine whether the agency owes some sort of legal duty to that individual. An example from the Board's own statutes is the Lake Protection Act. If a person who owns lakeside property has a legal right to a dock, if they can make certain factual findings before the Board – they own lakefront property, that lakefront property is 25 feet wide or more – they can put a dock in without interfering with the littoral rights of the neighbor. Those are the kind of particular facts that a hearing officer makes determinations on, applies the law, and then determines whether or not that individual has an entitlement or a legal right to a dock permit. And so if there is an entitlement, then the agency has a legal duty to issue that dock permit. On the other hand, if an agency action does not affect or change an individual's legal rights, or their legally protected interests, then holding a contested case really does not yield any kind of useful information. An extreme example I am going to give is let us say an individual sees that the Department of Lands has some very nice trucks. He contacts the director and says I would like to make a trade for one

of those trucks. Well, there is no statute entitling that individual to trade with the Department for one of those trucks. The Department says no, we are not trading cars with you, we are not trading vehicles. That is not a determination of that applicant's rights because there is no statute to impose any duty on the Department to trade trucks. There is no legal duty to trade, then there is no contested case that would provide any information. It would be just a useless paper exercise. To go back to the law, a contested case is a mechanism that is designed for a single purpose which is to determine what legal duties an agency has to an individual. You may have a legal duty to grant that individual a permit, you may have a legal duty to impose a penalty on that person if they have taken certain actions that are prohibited by the law, but in either event, a contested case is heard before a hearing officer who is required to make unbiased findings of fact and conclusions of law and then determine what legal duties are owed to that individual. One of the key features of the contested case is that the hearing officer must give equal weight to the concerns of the agency and the concerns of the individual. That is one of the key reasons why we have Idaho Code § 58-122 which exempts the Land Board from contested case requirements. Our courts have held time and again – we saw in the Wasden decision, we saw in the Idaho Watershed Project decisions – that the Board, the State, the legislature are all prohibited from giving equal weight to the concerns of individuals versus the concerns of the beneficiaries when we are looking at the lease or acquisition of endowment lands. The Board has to keep its thumbs on the scales in favor of the beneficiaries. It has a sacred duty, the court has said, to the beneficiaries. But it does not have a similar duty to applicants to exchange lands or acquire lands. That concept is embodied in the constitution and statutory provisions that address exchanges. The Board has a clear authority to enter into exchanges, no question about that, but there are no statutes that obligate the Board to exchange land upon an application. There are no statutes that create any kind of expectation or entitlement to exchange lands. There is no enforceable expectation that if you submit an exchange proposal that that exchange is going to move forward if the applicant meets certain criteria. Back to the example of the encroachment permit: if they meet certain criteria, like they have the 25 feet of littoral property, and can put a dock in without interference with a neighbor, they are entitled to have that go forward through a contested case procedure and ultimately a permit. But in the context of an exchange, there is no similar entitlement to the applicant. It is a proposal that the Board has the discretion to say no to at any stage of the proceedings. They could say we are not receiving any applications or they could take a quick look at it and say no. At that point, there is no legal rights, there is no legal duty to the applicant to move forward, no entitlement. In short, there is nothing in the statutes to address exchanges that obligate the Board to have those exchange proposals vetted by a neutral unbiased hearing officer in a contested case. There is certainly no obligation to hold a contested case for the purpose of questioning the credibility of the Department and its employees or the motivation of those employees; that is not what a contested case is designed for. Again, there is no law to apply to the facts there. If the Board has concerns about how the Department has handled a particular exchange analysis or proposal, it has the ability to direct the Department to address those concerns. That is certainly within your discretion but putting the matter before a hearing officer in a contested case really would not be of any benefit because again the purpose of the contested case is to apply the law to the facts, to determine whether the Board has a legal duty to the petitioner. Here the Board has no legal duty with regard to an applicant to move that exchange forward if the Board chooses not to do so, or if it simply appears that it is not a good deal for the Board. In fact you could argue that the Department, as the Board's arm here, is required by law to be biased in favor of beneficiaries. The Department is

required, it should be required, to examine exchange proposals with a very skeptical lens to ensure compliance with the Board's fiduciary obligations. Only proceed if the benefit to those beneficiaries is unquestionable. Even if Trident is correct in asserting that the Department was not a neutral forum, and it certainly is not a neutral forum, then holding a contested case does not provide the Board any information that decides it how to apply or how to proceed because there is no law that really applies here. There are no legal standards against which a hearing officer could say that the Department did not do its duty in this case. In conclusion, how the Board moves forward from this point to fulfill its duty to the beneficiaries is left to the Board's discretion and the Board's business judgment. The Board could stand pat, the Board could direct the Department to examine the proposal further, the Board could request Trident to sweeten the deal, but in any event that is a policy decision. That is an exercise of business judgment, and a contested case is simply not a useful vehicle for making those kinds of policy decisions. I would certainly stand for any questions the Board has.

Attorney General Wasden: I do have a comment. Steve, I know that soon you will be moving off into the land of retirement and maybe that is not public, I may be speaking out of turn. I wanted to thank you for many, many years of solid legal service that you have provided the Land Board and the Department of Lands and the great way in which you present legal matters; I wanted to make a public statement to that effect. Thank you very much.

Mr. Strack: Thank you, General Wasden, I appreciate that.

Secretary of State Denney: Thank you, Steve.

Director Miller: Mr. Chairman, next we will hear from Mr. Williams.

Alec Williams: I appreciate it, Director. We have Nick Warden from Bailey Glasser online and we might give him a moment to address some of the points we just heard from the Deputy Attorney General before I begin the substantive part of our presentation.

[Editor's note: Due to technical issues, Mr. Warden did not speak at this time.]

Mr. Williams: Perhaps we will do this. If it makes sense, maybe I can discuss some of the substantive concerns I raise, and then if we can get Nick on the line, or we can send a letter responding to the Deputy Attorney General's points. Is that a fair way to proceed?

Secretary of State Denney: That is fine. Please identify yourself.

Mr. Williams: I am sorry. Governor, Chairman, and Land Commissioners my name is Alec Williams; I manage Trident Holdings as the financial sponsor for Preserve McCall. The only initial comments I might make to the Deputy Attorney General's statement is that he is absolutely right; the Department is required to view exchanges in a skeptical lens in order to meet its fiduciary duty. But statute does not allow the Department to view an exchange with even more additional skepticism in order to avoid that same fiduciary duty. We submitted the Preserve McCall land exchange in February. Today, we seek a contested case hearing for that application. I ask that our application be processed fairly, without bias, and using standards of valuation that are customary to these types of real estate transactions. On the screen, this is the reason we are here: \$6.4 million of net cash flow from doing an exchange beats \$779,000 of revenue the endowment currently gets. There is an alternative path that requires no contested case. To do

so, I ask that you rescind the letter rejecting our application, due to its many errors, and we will share some of those errors with you today. We will also discuss the benefits our proposed exchange offers the endowment that went unexamined in IDL's analysis. Having IDL's normal existing timber advisor evaluate the exchange's financial effects on the larger portfolio would ensure all its benefits are considered. It is why \$6.4 million beats \$779,000. Lastly, there is cause to question the new \$488,000,000 gross land valuation reached in IDL's August 10th rejection letter. That delta, compared to the valuations reached by our expert consultants and IDL's own \$39,000,000 valuation from March, is so wide that it warrants a qualified independent third-party appraisal. That lets us value the property's highest and best use today. In March, this Board acted by a 5-0 vote...

Attorney General Wasden: *[speaking on phone with Mr. Nick Warden]*...what I am going to do is put you on speaker, and I am going to put you on the microphone here. I just did not want to miss the opportunity to hear what you had to say. Alec, I did not mean to interrupt you; I wanted to make sure we have an opportunity to hear what [Mr. Warden] had to say. Can I put you on speaker and put you on the microphone? I will put you on speaker phone so you can hear Alec's presentation and then I will hold you up to the microphone and we will hear what you have to say. Okay, Mr. Warden, I have you on speaker phone now and I am just going to let you hear what Mr. Williams is saying.

Mr. Williams: In March, this Board acted by a 5-0 vote; it directed the Department to "begin the process of vetting applications immediately, including the Trident proposal, and hiring third-party experts and negotiating for their payment with applicants as necessary to assist in the evaluation and a recommendation of the applications." Land Board members, do you believe the Department did that? We remain ready to start funding these diligence costs. Why is an appraisal necessary? If you do not know what your asset is worth, it is impossible to make sound investment decisions about what to do with it. Several miscalculations led to the \$488,000,000 valuation. Due to time, we will share only the most startling, but they all emphasize the need for an independent third-party's input. IDL classified lakefront endowment lands as Tier I, captured within the pink boundary line you see in this map. IDL priced that land using lineal lake feet. That meant the three-foot wide strip of land which separates the shore from both East Side Drive and Warren Wagon Road was mistakenly valued using lakefront home lots as comps. The land in this highlighted stretch has no development value because it is impossible to build on land three feet wide. Nonetheless it was valued at \$63.4 million per mile. More than two miles of shore are in this tier, all narrowly sandwiched between a cliff, a road, and a waterline. We disagree that unusable land should be valued by useable lakefront home comps. The comp sets used to determine land values for each tier also had several defects. Tier IV is the land furthest away from the lake. It includes no waterfront. The comps should therefore not include lands with waterfront. However, the Hait Reservoir Waterfront that became the Blackhawk Lake Communities Phase V was used as a comp in Tier IV shown on the left; 44 acres adjoining the Payette River was also used in the Tier IV data set shown in the middle. A peninsula or waterfront home site within the Blackhawk Lake development shown on the right influenced the 1,700 endowment acres in IDL's Tier II. The Department classified Tier II as land 300 to 1,000 feet away from Payette Lake. It is inappropriate to have waterfront comps listed in non-waterfront tiers. One of the largest causes for concern is found in the comp set for Tier IV. Tier IV captures over 17,700 acres, or 83% of the total exchange area. It is all the remote uphill lands that are farthest away from the lake and roads. Two of the 10 sale comps for Tier IV are located right in town,

next door to the schools. These lots were sold with conceptual drawings for a subdivision already in process; they already have access to horizontal infrastructure – things like water, sewer, power, and roads – which would take hundreds of millions of dollars to bring to the 17,000 endowment acres in Tier IV. These data points are not apples to apples. While I am only showing you this one example here, there were many instances across all the tiers of inapt comps corrupting the final valuation. Examples include valley floor infrastructure-served sales being used to value the uphill acres in Tier III, existing subdivision home sites used in Tier II, and multiple waterfront lots in non-waterfront tiers. Industry practice uses a weighted average of comparable sales weighted by size to avoid outliers impacting the result. IDL used the median of each tier's comp set to arrive at the per acre value applied to each tier. The use of the median gave too much weight to smaller, less representative lot sizes. For example in a 17,000 acre Tier IV, only two of the comp sets 10 data points were over 1,000 acres. Half, or five, were under 100 acres. This led to a median price per acre of \$9,108. The price premium associated with these smaller lots located on the valley floor skewed the data set. I want you to just ignore for a moment the issues with the actual comp selection. If just the weighted average of these same 10 comps, instead of the median, had been used, it would result in a per acre value of \$4,338. When applied to Tier IV 17,000 acres, this math error alone overstates value by \$57.8 million. Most of the comps used to value the Payette parcels have access to horizontal infrastructure. Subject land does not. Just for this the cost of the infrastructure investment should have been deducted to accurately reflect the value of the bare land as it exists today. Outside experts estimated running infrastructure would cost hundreds of millions of dollars to achieve the parcel sales outlined in IDL's letter. This is only worth \$488,000,000 million after you spend several hundred million dollars on infrastructure first. Now we have watched the other land exchanges the Department pursues. In the recently approved DeAtley exchange, the subject lands were valued on an as-is basis, with no attention paid to how the land was sandwiched between the hospitality outfitters ownership and may have development value someday. We seek the same treatment for our proposed exchange that the as-is highest and best use land value be computed on both sides of the trade. It is unlikely that a qualified third-party appraiser would make these same errors valuing the Payette parcels. We have assembled a team of expert economists, foresters, and valuation specialists to advise us on every element of this exchange. They are all here today for your questions. This team includes, among others here, Mr. Kevin Boling and Mr. David New. Kevin has 45 years of industry experience buying, selling, trading, and managing lands for companies like Potlatch Deltic and Webster Industries. Importantly, IDL has previously hired both men as asset advisors. Each of these experts valued the Payette parcels using various industry standard methods, and each time arrived at a vastly different conclusion than IDL's new \$488,000,000 value. Here is one example. Based on data from recent LiDAR flights we flew, we determined what is actually on each of these 20,000 acres of exchanged lands down to the sand, rock, and individual tree level. It is pretty cool data. This LiDAR flight allowed these experts to break down the various land classifications so we can see what acreage is productive and what is not. From there we used market pricing for each land type and reached a value of approximately \$44,000,000. In March, IDL released the Payette Endowment Land Strategy. It used thoughtful values for the first 5,300 acres, to determine which lands needed to be transitioned. These values were arrived at by IDL parcel by parcel. This parcel by parcel valuation to determine which parcels needed transition reached a result of \$39.2 million in value, all based on IDL's numbers applied to the entire exchange area. I will now let Kevin Boling speak to the work he did on

assembling his broker's opinion, and you can see that tabbed as the second blue tab on your spiral bound books we handed out.

Kevin Boling: Good morning. Mr. Chairman, Governor, fellow Land Board members, I am Kevin Boling; most of you know me. I have spent over 30 years working for different corporate interests managing their timberlands, and then the last 10 years or so I took my broker's license and opened my own company, the Boling Company, and have helped organizations and individuals buy and sell timberland. Over the course of my career, I have worked with IDL several times. Once in the early 2000s to help them stand up their first asset management program and then a few years ago I was retained through Northwest Management, Northwest Rural Properties, as their first designated broker to help them acquire timberland with the assets associated with the sale of commercial property here in Boise. I spent three days on the property back in October of 2020, and I did my best to look at the lion's share of that 20,000+ acres. I looked at it through my pickup window, over the handlebars of my ATV, and walking the property as well. I thought I saw enough of the property to make a qualified market value appraisal of the property, not appraisal but broker's price opinion, which I did. I used a cost approach which I have used hundreds of times, even provided to the IDL when I worked for them in 2017 and '18, to take delivered log values. My estimate of the logging volume that was there, I delivered it to Evergreen Forest Products as the most likely mill that could take the volume, although I got log prices from both IFG in Grangeville as well as Evergreen Forest Products in Tamarack just outside of New Meadows. Anyway, that is how I evaluated the timberland. Then I walked the Deinhard place, 75 acres. There is a mix of commercial surrounded by residential properties. There are even neighbors on the Deinhard property that are mowing the lawn outside of their backyards adjunct to their property. I appraised it originally as timberland, then I decided that really it is commercially developable both for residential as well as commercial opportunities. I found six sold comparables using the intermountain MLS and used one of those comparables as a benchmark to value the Deinhard property, which was about \$15,000 an acre, making the Deinhard property a little over \$1 million. For the lake lots, there is six of them; there is three on the lake in Pilgrim Cove, three off the lake in Pilgrim Cove. There was no sold comparables, frankly, for lake lots on Payette Lake that were immediately available based on the MLS information, so I used the Valley County Assessors information for the neighboring lots and arrived at about \$13,000 per front foot for the lots on Pilgrim Cove that were on the lake and about \$647,000 an acre for the off-lake lots using an appreciation of about 10% for the lake lots from 2019-2020; the off-lake lots actually had appreciated 41% in that same time frame. I was very comfortable with those numbers. As far as Cougar Island and Shellworth Island, I used Corbett Bottles, the primary broker used by IDL to develop the lake lot sales which we were appraised of earlier today; they developed a reserve auction value for the Cougar lake lots and offered those lots in late 2020. There were no bids, but I used that as a benchmark for both the Cougar Island lots and the Shellworth Island lots to develop the values for those properties. In total, the value of the 20,000 acres plus the lake lots and the Deinhard property, I determined in normalized log markets was about \$38,000,000 based on log prices as they were in October of 2020, the fourth quarter of 2020; there was about a \$9 million upside so the difference in the values were \$38 million in normal log markets, \$47 million in really strong log markets. If you average those two together that is a \$43 million value. I am usually within plus or minus 5% on market value of timberland properties and the like, sometimes I am plus or minus 10%. I have never been 1,000% low compared to what the IDL has provided to you. I will answer questions at the end of the presentation. Thank you.

Mr. Williams: You know, we commissioned Mr. Boling's broker's opinion of value back in October not because we ever thought it would be a public document; we commissioned it as an internal document. You see handwriting all over it for that reason. We did so because we had an incentive not to be wrong or not to be off on what a true, fair third-party independent appraisal valuing this land as highest and best use would come back at, at the end of the process. You will notice something. All three of these methods reached values within a pretty narrow range of \$39.2 – \$44.2 million. IDL's new value is 12 times greater. The discrepancy between the values we reached using standard industry methods and the new value IDL cited as the reason to reject our proposal is simply too wide to accept without third-party verification. To be fair, IDL also valued our north Idaho lands at \$74 million. We were flattered but that number is extremely overstated. I wish it were true, but it is definitely not. That land approximates the same value as the Payette parcels which should by every standard be closer to \$44 million. Several portfolio level benefits went unexamined in the Department's rejection letter. Members of the Land Board, the consultants who evaluated the Department's work on this exchange on behalf of the Department were never shared all the information needed to reach these conclusions; they stated that in their own formal recommendations to IDL. Perhaps that helps us understand why their work took only three hours and 15 minutes to perform. That is the third blue tab in your books. While we made more than a few attempts over the last several months to provide the north Idaho land data to the Department for their consultants' use, our offers went dismissed. As I mentioned, I feel it is impossible for you to make a fiduciary decision here if not all the data and benefits are considered. Our proposed exchange provides \$6.4 million to the endowment in year one and \$3 million on an averaged annualized basis in perpetuity. Using the endowment's standard discount rates, that is \$80 million of total net present value on an estimated \$40 million of land. That doubling effect is possible because the proposed north Idaho lands were curated to specifically increase the endowment's allowable cut, improve its physical access, and free up Land Bank funds for the EFIB all while reducing the required reserve. \$6.4 million of year one net cash flow for the endowment from an exchange beats \$779,000 of revenue these lands produce today. The reason we cannot compare net cash flows on both sides of this are because IDL's expenses still remain unpublished two years into this. You can see that in their letter; expenses are not mentioned. Do you really want to cast aside Idaho's largest state park and \$6.4 million next year for schools to instead pursue some yet to be determined way of making money? Of course, evaluating this exchange means looking at all possible management strategies for this land; that includes development. The question must be if development by IDL is potentially profitable is it more profitable than performing a land exchange. Our team of economists evaluated the benefits of an exchange against a development strategy. The findings overwhelmingly favor an exchange. Here is why. An exchange creates the new economic benefits for the endowment we just shared without incurring any capital costs to produce those benefits, all at a significantly lower risk level. That means the risk adjusted return, from dividing the IRR by the risk, is three times greater in an exchange since the risk tracks timber, but it still produces those other new income streams. Developments even at its most successful cannot do this for the endowment. That is why an exchange offers lower risk, lower costs, and higher sooner returns; it is an investment that uniquely benefits the endowment for a reason. It is because only the endowment owns the adjacent north Idaho parcels. Only the endowment balances timber assets with equity assets to quell volatility. Only the endowment balances out tree ages to ensure consistent distributions to schools each year. These exchange benefits were never quantified in the rejection letter; this is important. Certain consequences flow from the new IDL

valuation. The earlier \$39 million PELS valuation was the basis for not transitioning many hillside acres this decade, because at the old values, some parcels produced enough income to meet the required rate of return. That is why the PELS values were essential to deciding, in your vote last March, which lands would face transition – shown in red, Tiers I–III. At this new half-billion dollar valuation, every acre now faces transition. Honestly, looking back in time is far more troubling. Land Commissioners, if these lands are really worth \$488,000,000 schools statewide have been deprived of \$19 million each year and we just now found out. Worse, the land value here increases so much that Idaho's entire land endowment would no longer meet its required return. An admission like that deserves more than a 7-page letter. Thankfully though we live in the world on the left side of the page, with land values closer to \$40 million. Everyone can breathe easy that lease rates need not go up twelve-fold over night. An exchange remains a compelling fair investment for the Trust. It is a compelling offer for Valley County as well, to host Idaho's largest park while addressing its housing shortfall. It provides a working forest trust to improve the environment while reducing fire risk. The community council and the working forest trust are co-equal partners alongside Trident in the larger Preserve McCall project. We are grateful for the direction of Gerry Ikola, our community council chairman, in crafting that structure. But most importantly, this remains the only plan that protects both what makes Idahoans want to live here and their continued ability to do so. That is what it really means to Preserve McCall. I hope you will consider the following path forward. Today's evidence merits rescinding the August 10th rejection letter. As you know we were compelled to file a contested case petition to aid the Land Board in evaluating this exchange consistent with your fiduciary obligation. That was not a filing we took lightly. To be clear, we are asking for a contested case in the alternative; should you rescind the rejection letter, there is no more contested case to contest. Judicial review to cure the defects in the Department's process also becomes unnecessary. We can instead follow a transparent, fair review process led by this Land Board and experts. IDL's own timber advisor, and a qualified third-party appraiser will be able to process this application and provide you the missing data needed to make a sound unbiased investment decision that meets your constitutional duty. I am very, very grateful for your time. Mr. Boling, myself, and our forestry, real estate, and land value land experts here today will stand for your questions.

Attorney General Wasden: Mr. Warden, I would like to make a record of my attempted phone call. I was concerned there would be a potential claim that there had not been an adequate hearing; therefore, because we were not able to hear Mr. Warden, I personally made a phone call on my cell phone in order to include him in the hearing. During that period, I put him on speaker phone and the line went dead. I made a second call, not realizing that he was in the room. I wanted to make certain everyone knew why I had made that phone call; it was to make certain that our process here today had provided adequate and meaningful opportunity for the party making the claim here. I just wanted to make that record.

Secretary of State Denney: Mr. Warden.

Nicholas Warden: Thank you Mr. Attorney General for all of your help and trying to facilitate my participation here today. I am going to be brief. I just wanted to take...

Secretary of State Denney: Please state your name.

Mr. Warden: I am sorry. My name is Nicholas Warden; I am an attorney with Bailey and Glasser, counsel of record for Trident Holdings LLC. I am largely going to defer to Mr. Williams for purposes of Trident's presentation today. I just briefly wanted to make a couple of remarks, offer a couple of thoughts in response to Mr. Strack's presentation. First of all, I wanted to thank Mr. Strack for all of his years of service and for his presentation here today. I was personally involved with public service myself and that is a laudable calling; I have nothing but the highest respect for all of the attorneys at the Attorney General's Office. With that said, I actually do not disagree with a lot of what Mr. Strack said, although I think we diverge on certain key points. First of all, I agree that when considering whether a contested case is appropriate here, Idaho Code section 58-122 is the place to start. I also agree with Mr. Strack that the way that statute reads, it allows the Land Board to hold a contested case proceeding if the Land Board, in its discretion, determines that doing so would assist the Land Board in exercising its constitutional authorities as a fiduciary to endowment lands under Idaho Constitution sections 7 and 8. Where I diverge slightly from Mr. Strack is his conclusion that a contested case proceeding here would be "a useless paper exercise." I do not believe that would be the case here. I think a contested case proceeding would formalize the process a bit more, would allow the parties to build out a record, and would certainly aid the Land Board in determining whether or not to approve the proposed exchange. I also do not agree with his conclusion that the law is such that contested case proceedings are not applicable to land exchange proposals. The authority granted to the Board under the constitutional provisions speak specifically to land exchanges; Idaho Code section 58-122 talks about contested case proceedings in aid of the Land Board's fulfillment of its duties and obligations under those constitutional provisions in their entirety; there is no parsing out or carve out for land exchanges or any other type of disposition of land under the scope of those constitutional obligations. I would also note that I think this particular exchange...if a contested case is not appropriate here, then it really is not appropriate for any proposed land exchange. In this particular case the project is complex, it is large, we have diverging valuations. There has been evidence put in the record raising concerns regarding the process pursuant to which the proposal has been reviewed to date. I think a contested case proceeding would facilitate not only a formalization of the process and a more robust record but it would increase transparency. I would also note that the APA has a variety of provisions applicable to contested cases that would directly address or respond to some of the concerns raised by Trident to date regarding impartiality and prejudice. Not only do I think it is within the Land Board's authority to hold a contested case here, I think it is perfectly appropriate. I think it would in fact assist the Land Board in its determination. Lastly, I would say there are certain things that the Land Board could do as part of a contested case, or that the presiding officer could put in an order as part of a contested case proceeding in this case, even though as Mr. Strack pointed out Trident does not have a right to the proposal that it has proposed; there are however state endowment land beneficiaries who do have rights pursuant to the constitutional obligations of the Board and an order reviewing the record and making a determination both factual and legal as to whether the constitutional obligations of the Board to the endowment beneficiaries are being fulfilled as part of a consideration of this project is something that could be put in a final order. There are also provisions of parameters in the Ethics in Government Act and other statutory provisions that I believe could be addressed more formally in an order as well. I would just gently push back on Mr. Strack's position that a contested case is useless when it comes to land exchange proposals. With that I would stand for any questions.

Attorney General Wasden: Thank you for being here. I want to make certain that we are on the same page and that is that the matter before the Board today is not whether the exchange is approved or not approved, but the matter before the Board today is a very narrow issue and that is in the exercise of the Board's discretion, should it select a contested case hearing? In my view that is the question; do you agree that is the question before the Board today?

Mr. Warden: I would disagree with that framing slightly. The reason is because our request was intended to be a request for rescission of the denial letter and a contested case. Mr. Strack pointed out, and he and I agree about this, that because the decision to hold a contested case is entirely discretionary, the Board could instead opt not to hold a contested case but rescind and provide instruction or guidance to the Department of Lands for further consideration of this application. That is an alternative and I believe Mr. Williams included that ask in his final slide. The question that you raised is part of the ask here today, but it is a bit broader than that.

Attorney General Wasden: I did not intend to ignore the rescission aspect of that request. There were actually two requests: one, rescission of the letter and two, the contested case matter, which is a legal decision made by this body based upon its discretion based upon the facts that are before the body. Do you agree with that?

Mr. Warden: Yes. It is simply our position that the facts justify the exercise of that authority in favor of holding a contested case here.

Attorney General Wasden: If this body made the determination that a contested case hearing would be granted, it would go forward with a contested case. If this body made the determination that no contested case would be appropriate for them, which in their discretion they can make that choice, that does not end the matter either because your entity has other options available to it which are other forums where it can raise this issue; is that also correct?

Mr. Warden: Are you referring to a judicial forum?

Attorney General Wasden: Correct.

Mr. Warden: Well, yes, we have filed a petition for judicial review related to IDL's denial of the application. I would agree that all remedial options would not be exhausted by a decision here today. I certainly believe that the judicial review proceeding would be mooted by a rescission and moving forward with consideration of this application. Again, I think this is a proposal that we should all take a hard look at and a contested case proceeding would help us do that effectively. That is really all we are saying.

Attorney General Wasden: Mr. Warden would you also agree with me that even given all of the elements of the Trident proposal, if all of those were established clearly by a contested case hearing or by a judicial proceeding or whatever, that still the Board would have an option of whether it chose to engage in this exchange or whether it was not going to, the question being is it in the fulfillment of the fiduciary duty. That is not a decision that any other entity can make; that is our exercise of business judgment, our exercise of our belief in what we have and all the stuff that goes into that decision; it is still a discretionary matter for this Board consistent with its fiduciary duty about whether to engage in that exchange or not. Would you agree with that?

Mr. Warden: I would say that I agree with you that of course the Board makes decisions consistent with the confines of any applicable statutory or constitutional obligations.

Attorney General Wasden: Great, that is what I am asking. Thank you very much.

Mr. Warden: Thank you for your time and again thank you for your help today.

Mr. Williams: Thank you Chairman, thank you Land Commissioners. I think this conversation is right on that there are legal ways to do this, but there is a really simple alternative which is rescind the letter, get an appraisal, and have an independent unbiased third party evaluate the portfolio-level benefits. Providing meaningful oversight to ensure an unbiased process is I think the piece that is missing in all of this. With that and with those other elements we would really appreciate your help on behalf of the income and the benefits. We believe in the thousands of hours and two-years' worth of work we have done to assemble this exchange in order to benefit the endowment that the beneficiaries deserve. We are very grateful for your time.

Secretary of State Denney: Thank you. Any further questions.

Controller Woolf: Mr. Chairman, I wonder if Mr. Strack has anything additional to add after what he has heard.

Mr. Strack: Mr. Chairman, Governor, members of the Board, I do agree with Mr. Warden that the questions here regarding valuation are complex. They are complex because they are interlaced with policy decisions and the Board's fiduciary obligations to the beneficiaries. The question before the Board is, is a contested case the vehicle to make those kinds of decisions. General Wasden hit that right on the nose here; this is something that the Board has to consider through the lens of its discretionary obligations to the beneficiaries. A hearing officer simply is not empowered to make those kinds of policy determinations or to exercise that kind of discretion. That is a vehicle that the Board does and has created the Department to exercise those kinds of discretionary reviews on the part of the Board. That is why a contested case decision does not make sense here. Also, as the Board's attorney, I have to look at this through the lens of what is the least risky vehicle to proceed. If you hold a contested case, you are opening up the potential door for additional judicial review because a contested case results in an order of some kind. That order is reviewable; the court can decide if there is substantive evidence to support the hearing officer's decisions rather than having the Board, when that is the question that really is properly addressed to the Board, not a court: is this the kind of thing that we want to proceed, is it in the best interest of the fiduciaries. Again that is a discretionary decision that a hearing officer simply should not, and is not, empowered to make. Thank you very much.

Mr. Warden: Briefly, to reiterate, I think a contested case proceeding would actually facilitate and help the meaning of any sort of subsequential judicial review proceeding because it would actually build a formal record and ensure that the application process is formalized and not in the dark or in the shadows. A hearing officer would be in a position to help ensure that impartiality and an absence of prejudice or bias could be maintained as part of the process and that pushes back on some of the concerns that we have had with consideration of the application to date.

Board Action: A motion was made by Attorney General Wasden that the Land Board deny the request for rescission and deny the contested case hearing. Attorney General Wasden requested the opportunity to speak to his motion if seconded. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.

Attorney General Wasden: I respectfully disagree with Mr. Warden. I respect his legal acumen; however, I believe a contested case hearing in this instance would not facilitate the Board, in that essentially what a hearing officer would be doing would be supplanting themselves for the Department. It is the Department's responsibility to make a recommendation to us; they have made the recommendation, it may be good, it may be bad, but nonetheless that is essentially what the Department's responsibility is. They have engaged outside experts; those outside experts have reviewed the matter and they have made recommendations to us. As a consequence, a contested case hearing would only prolong the matter, not really move the matter in another direction. I recognize that there are differences of opinion on that matter but that is my view, and that ultimately there is no legal right in play here because there is not a right to this exchange. That was the point I was attempting to make. We have an obligation under the constitution to exercise fiduciary responsibility to the beneficiaries; that means we need to be careful in how we do things. We approach things from a skeptical perspective, but we also have to take into account all of the relevant facts. I think that a contested case hearing does not assist us in doing that in this instance, in addition to the fact the Department has acted, and has acted in accordance with the outside experts we have received, and therefore from my perspective it is to deny a rescission and to deny a contested case hearing.

8. 2021 Grazing Rate Methodology – *Presented by Dustin Miller, Director*

Recommendation: Adopt the 2021 Grazing Rate Formula Proposal.

Discussion: None.

Board Action: A motion was made by Attorney General Wasden that the Land Board table item 8, the 2021 Grazing Rate Methodology until a date certain, that is at the Land Board meeting in October. With his motion, Attorney General Wasden made two requests. Number one, if there is anybody in this audience that traveled here for this matter, they be given an opportunity to address this Board today rather than having to come a second time. The second request is that the Department resolve these issues and publicly announce the result by a week from today, next Tuesday [9/28], giving the Land Board at least three weeks to be prepared for the October meeting. 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 10:57 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.

