

Board of Trustees  
School & Institutional Trust Lands Administration  
Salt Lake City, Utah  
September 18, 2014

Minutes

Attending:	Board	Staff
	David Ure	Kevin Carter
	Louie Cononelos	Ron Carlson
	Jim Lekas	Tom Faddies
	Tom Bachtell	Lisa Schneider
	Scott Ruppe	LaVonne Garrison
	Lonnie Bullard	Rodger Mitchell
	Mike Mower	Deena Loyola
		Kenneth Wintch
		Jeff Roe
		Michelle McConkie
		Nannette Johnson

Others in Attendance:  
Tim Donaldson, Utah State Office of Education  
Aaron Garrett, Utah State Office of Education  
Paula Plant, Utah State Office of Education  
Karen Rupp, Utah State Office of Education  
Ken Matthews, Governor's Office  
Rob Simmons, Office of Energy Development  
Stuart Clawson, Office of Energy Development  
Margaret Bird, Universities  
Trudy Henderson, UEA

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## 1. Welcome and Approval of the Minutes of August 21, 2014

Chairman Ure welcomed those in attendance and excused Mike Mower who was unable to attend. Board Member Lonnie Bullard joined the meeting by phone.

The Board approved the minutes of the last meeting held on August 21, 2014.

“I move we approve the minutes of August 21, 2014, with changes as noted.”

Motion:	Bachtell/Cononelos	Unanimous
Roll Call:		
Dave Ure – yes	Louie Cononelos – yes	Jim Lekas – yes
Tom Bachtell – yes	Scott Ruppe – yes	Lonnie Bullard – yes

## 2. Confirmation of Upcoming Meeting Dates

October 22-23	West Desert Tour
November 20	Salt Lake City
December	No Meeting
January 22	Salt Lake City

Director Carter reviewed the schedule including details for the October Board tour. An itinerary for the tour was distributed to Board members.

## 3. Public Comment Period

No one in attendance requested time on the agenda to address the Board members.

## 4. Consent Calendar

### Consent

There were no consent items for September.

### Notification

#### a. Minor Transaction - Green Springs Open Space Sale

Rodger Mitchell provided responses to Board member inquiries for acreage, an access road, and definition of drainage areas. The Board did not have any additional comments and the transaction will proceed with minor amendments.

### Follow-up after Six Months

There were no follow-up items for September.

## 5. Chairman's Report :

### a. Annual Prudent & Profitable Management Report - Enormous Opportunities

Tim Donaldson provided an overview of his report presented to the School Board and the legislature. His presentation proposed legislation to address the access to funds by teachers for purchase of classroom supplies and consideration for a change in the 2% cap. Following the discussion the Board asked the Administration to provide a summary response to the report with concerns and/or suggestions for Board consideration at the October meeting.

## 6. Director's Report

### a. Budget Review

Director Carter reviewed the budget process and said the Board is charged with approving an annual budget to fund operations of the agency. He reviewed changes to the capital and stewardship budget. He also outlined an annual request for funding of a position related to the county road claims and funding for two ongoing positions in the agency. A position in the Legal group will be funded, more appropriately, from the stewardship budget.

The budget under consideration will begin spending in July 2015 and continue through June 2016.

The Board asked questions related to the budget reports provided with meeting materials. Director Carter pointed out the reports are based on past reports to summarize work group projections related to actual spending. The Administration is willing to provide as much detail in the financial reports as is requested by the Board. Lisa will expand the monthly reports sent to the Board members to add detail for work group expenditures and stewardship account items.

Margaret Bird asked if there are adequate controls in place to designate how funds are spent. Director Carter said it is a reasonable request, based on the increase in the stewardship budget, for the agency to designate guidelines for the spending of those funds.

Louie Cononelos asked about the proposed decrease in the spending for sage grouse issues. Director Carter said past spending went to lobbying and strategizing efforts to forestall the listing. There does not appear to be an ongoing need for the spending since the state is now heavily engaged in the issue. Lisa noted the legislature appropriated additional funds, without a request from SITLA, to fund efforts related to addressing sage grouse listing concerns.

The Board voted to approve the budget as presented.

"I make the motion the Board approve the fiscal year 2016 budget appropriation request as presented."

Motion:	Ruppe/Bachtell	Unanimous
Roll Call:		
Dave Ure – yes	Louie Cononelos – yes	Jim Lekas – yes
Tom Bachtell – yes	Scott Ruppe – yes	Lonnie Bullard – yes

Director Carter asked the Board to consider a closed session to discuss Director Carter's performance evaluation. Louie Cononelos asked to include the recruitment process for a future director in the closed session discussion.

### b. Directors Performance Evaluation

"I move we go into closed session for the purpose of personnel discussions and recruitment process."

Motion:	Bachtell/Lekas	Unanimous
Roll Call:		
Dave Ure – yes	Louie Cononelos – yes	Jim Lekas – yes
Tom Bachtell – yes	Scott Ruppe – yes	Lonnie Bullard – yes

Present for the closed session discussion were Board members Dave Ure, Louie Cononelos, Jim Lekas, Tom Bachtell, Scott Ruppe, and (by phone) Lonnie Bullard. Also present were Kevin Carter and Nannette Johnson.

Director Carter and Ms. Johnson left the discussion temporarily and returned for discussion of future director recruitment.

### **9. Review and Approval of Capital Budget Projects for Development**

The Board continued in closed session to review capital budget for development projects.

Mr. Bullard left the meeting at the end of the closed session. The Board returned to open session.

“I move we return to open session to take action on closed session items.”

Motion:                   Lekas/Ruppe                   Unanimous  
Roll Call:  
Dave Ure – yes           Louie Cononelos – yes   Jim Lekas – yes  
Tom Bachtell – yes   Scott Ruppe – yes

Chairman Ure commented for the record that the performance evaluation for Director Carter was completed in closed session.

The Board made a motion to approve specific capital budget spending for development projects.

“I move we approve the part of the expense projections including the \$170,240 for archeological clearance on the Green Springs project, \$97,500 for archeological clearance for Sienna Hills, and part of the South Block request to approve spending of \$377,500 for planning, engineering, and some infrastructure. The approval for the South Block is \$400,000 less than the full request for infrastructure.

Motion:                   Bachtell/Ruppe                   Unanimous  
Roll Call:  
Dave Ure – yes           Louie Cononelos – yes   Jim Lekas – yes  
Tom Bachtell – yes   Scott Ruppe – yes

### **10. Roundtable Discussion “Deed Restrictions”**

The Board decided to carry-over the deed restriction discussion to the next meeting and adjourn.

“I move we adjourn.”

Motion:                   Lekas/Ruppe                   Unanimous  
Roll Call:  
Dave Ure – yes           Louie Cononelos – yes   Jim Lekas – yes  
Tom Bachtell – yes   Scott Ruppe – yes