

**FEDERAL MINERAL LEASE SPECIAL SERVICE DISTRICT
MEETING MAY 6, 2025
160 N MAIN ROOM 101, MANTI, UTAH 84642**

Present: Chair Brian Nielson, Mike Black, Gail Buchanan, James Erickson, Jim Cheney, Stacey Lyon, and Ashlyn Sunderland

Meeting called to order by chair Brian Nielson at 11:01 AM, Brian welcomes everyone to the Federal Mineral Lease Special Service District meeting here on May 6, 2025

Review/Approval of minutes from December 17, 2024: Motion made by Gail Buchanan to accept minutes from last meeting, seconded by James Erickson, all in favor, motion carried

Review and Approval of Finances: Haven't had any expenditure activity, in the Utah Heritage account we have \$584.31, and then in the PTIF we have \$2,841,741.72 and 1.2 of that needs to go to SSD #1. Stacey has been working with David Adams with the hotline and compliance department, he has had a complaint, the same complaint, asked for a copy of the most current resolution, and the minutes from when it was adopted, Stacey sent both of those to him. Brian asks if it's the resolution passed by the commission for SSD#3, Stacey says yes, they had adopted one in 2023 and amended it again in 2024, but he is saying it wasn't legally adopted. Brian asks, by the commission? Stacey says yes. Stacey had reached out to Kevin Daniels, because he is the one that spearheaded that, and forwarded that email to him and asked him to respond to it, because if he feels we've followed the process we won't have to redo it. Brian had talked to Kevin and he had felt like we had followed the process and the commission had followed the process. Stacey hasn't heard from Kevin yet. Also three checks they are questioning, one to Special Service district 1, can't figure out how we came up with the allocation on it and two checks for reimbursement for the wages, sent supporting documents for that as well. Jim says we need to get Kevin and that auditor together so they can work out the resolution. Brian asks if we need to do anything on the SSD 1 transfer? Need another signer on the bank accounts to allocate that. Brian thanks Mike Black for joining us, Mike apologizes for being late. Stacey hasn't made the allocation yet to SSD 1 because haven't had a second signer, now hesitant to make it at all because of the whole resolution mess. Brian will talk with Kevin. Jim says that if Kevin feels the resolution is correct we move forward with business as usual. Brian says in the past they have paused our ability to operate, so there is some concern. Mike asks what the issue is, Stacey says, feels the commission didn't meet requirements on five things, one is the code says we need to indicate that when we are adding a service to an existing special service district the same process needs to be followed as if creating a new SSD, he feels like the commission didn't do that, and then also we need to give an overview of the notice and public hearing and filing notice period for the protest, he feels the commission didn't meet that requirement, we needed to give more detail requirements for notice, and the protest process. Brian says and just for clarification this did come from a complaint from someone in the county. Stacey says yes. Brian says, so the payment to SSD 1 has been ratified by this body and so if we get resolution we should proceed with that because it was passed through this body through proper means, all of the things were covered. Stacey says yes, and then the other

three checks they are questioning are the same checks we cleared up during the audit as well, so just provided additional information from the county's side. Mike says we appreciate Stacey for the work she's put into this. Both Brian and Jim will talk with Kevin. Stacey says other than that we are pretty good. Brian asks if there is anything in the finances that needs action today. Stacey emailed everyone regarding the Treasurers bond, if we could just ratify that, it was for \$245 to Risk Managers. Brian says this puts us under an umbrella of protection, we talked about it in three or four different meetings now, so Brian would entertain a motion to pay that. Stacey says this is just for the Treasurers bond. Motion made to ratify payment by Mike Black, seconded by James Erickson, all in favor, motion carried. Thank you Stacey

Adoption of new resolution for authorization on the PTIF account: Stacey says there was herself, Reed Hatch and Lisa Roberts on the PTIF account so she needs someone else on there since they are both gone. Motion by Brian Nielson to table this until after a couple other items on the agenda, seconded by James Erickson, motion carried
Brian Nielson entertains the idea to take the items on the agenda out of order, Mike Black makes a motion seconded by James Erickson, motion carried

Appoint new chairman: Brian opens nominations to appoint a new chair for SSD #3. Brian Nielson nominates Mike Black, motion by Jim Cheney to close nominations for chair, seconded by James Erickson, motion carried. Motion made by James Erickson to put Mike Black in as chairman, seconded by Gail Buchanan, Mike Black abstains, motion carries

Appoint new vice chair: Mike Black makes a motion to put in by acclamation Brian Nielson, seconded by James Erickson, Brina makes a substitute motion to open nominations for Vice chair. Brian nominates Jim Cheney. Jim Cheney makes a motion to close nominations, seconded by James Erickson, all in favor of closing nominations for vice chair, motion carries. Brian says if Mr. Cheney is willing Brian would like to take his name out of the running, if you go back up further into motion and look for authorization for PTIF it's very healthy to have someone who's here frequently, so if Mr. Cheney accepts I would make a motion to appoint James Cheney as vice chair seconded by Mike Black, all in favor, motion carried

Ratify hiring Ashlyn Sunderland as new secretary: Motion made by Brian Nielson to ratify the hiring of Ashlyn Sunderland as the new secretary, seconded by James Erickson, all in favor, motion carries. Brian would like to say thank you for being willing to help us. Very excited to have you.

Adoption of new resolution for authorization on the PTIF account: Brian would move that the chair and vice chair would be the new signers, if that works, is that acceptable. Or does it work best to have the chair or vice chair and Ashlyn. Stacey says it works best if Ashlyn is on there and then an alternate just in case she is not available. Brian Nielson makes a motion that Ashlyn authorized as a signer on PTIF as well as Mr. Cheney, seconded by James, all in favor, motion carried

Approval of new signature authorization on Utah Heritage Credit Union account: Brian Nielson makes a motion for same two to be the signees on the Utah Heritage account, seconded by James Erickson, all in favor, motion carried

Miscellaneous Business: James Erickson brings up he will be retiring after today, it's been three years. Gail will also be done after this meeting. Mike would like it to be put how much we appreciate both James and Gail and all the time they have put in, thank you for your service to the county. Brian says we will need to get with the commission to get new board members, Jim will put that on the next commission agenda. Mike would again like to say we have so much gratitude for these two, they don't receive any thanks, been here through thick and thick, it's appreciated and recognized.

Motion to adjourn made by Mike Black seconded by Brian Nielson, all in favor, motion carried.