

BOARD OF TRUSTEE'S MEETING

March 19, 2026



Items

1 - 3

AGENDA

1. Welcome
2. Approval of Minutes
3. Confirmation of Upcoming Meetings



TLA Board of Trustees - 2026

Item

4

AGENDA

Trust Lands Funds in Action

Marla Kennedy

Communications Director
Trust Lands Administration



My computer class is funded by Trust Lands

Over **\$3.1M** given to Central Utah Schools* this year.

The Utah Trust Lands Administration generates revenue from its lands to support public schools and vital state programs, boosting education and the economy.



Learn more at
TrustLands.Utah.gov

*North Sanpete, South Sanpete, Sevier, Wayne, Piute, Garfield, and area Charter Schools

Trust Lands–Funded Literacy Intervention Impact

Adele C. Young Intermediate
Improving Reading Outcomes
Through Targeted Intervention



Program Launch (Last Year)

Tier 3 Literacy Intervention Program



FUNDING

Launched with Trust Lands funding



IMPACT

Served 80 students

- 6th Grade SPED
- 6th–7th Grade ELD
- 6th Grade General Education



INSTRUCTION

Instruction used:

- Linguistic phonics approach
- Grade-level texts aligned with: ELA, Science, Social Studies

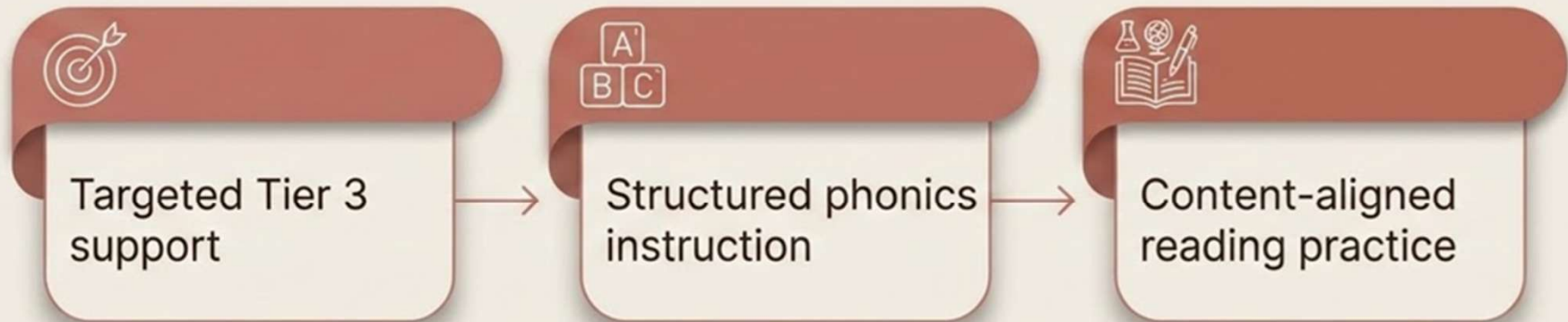
Strong Results



80%

of participating 6th grade students finished the year reading on grade level

Demonstrates effectiveness of:



Expansion This Year

Program Growth Through Trust Lands Funding



80

Sixth Grade
General Education
Students



40

Sixth Grade
SPED Students



25

Sixth–Seventh
Grade ELD Students



Significantly increasing the number of students receiving intensive reading support.

Building Instructional Capacity

Sustainable Literacy Instruction



Trust Lands Funding Utilization

- Hire **instructional paraprofessionals**
- Provide **weekly professional development**
- Training led by our **Instructional Coach**



Key Focus Areas

- Linguistic phonics instruction
- **Teaching reading and writing with grade-level texts**
- Maintaining **instructional fidelity**

Impact

Why This Matters



Expands access to **intensive reading intervention**



Builds **long-term instructional capacity**



Helps more students reach **grade-level literacy**



Supporting students who need it most.

Item
5

AGENDA

Social Media Minute

Joelette Organista
Communications Specialist
Trust Lands Administration



A close-up photograph of a person's hands holding a dark blue smartphone. The person is wearing a dark jacket over a green shirt. The background is blurred, showing some bokeh lights. The text "Social Media Minute" is overlaid in the center of the image in a white, bold, sans-serif font with a thin black outline.

Social Media Minute

Item

6

AGENDA

Public Comment

Trust Lands welcomes comments from the county advisory committee, the public, and other interested parties.

The Board sets aside 15 minutes at each board meeting to hear from anyone wishing to speak. Each presenter is allowed one opportunity and has up to three (3) minutes for remarks. Any member of the public participating electronically who desires to comment shall use the “raise hand” feature during the Zoom meeting.

The public comment segment of the board meeting is not the time for a question-and-answer discussion. Trust Lands staff is available for dialogue outside of board meetings.

Item
7

AGENDA

Chair's Report

Tiffany A. James

Chairwoman
Trust Lands Administration Board of Trustees



Item
8

AGENDA

Director's Report

Michelle E. McConkie

Executive Director
Trust Lands Administration



DIRECTOR'S REPORT

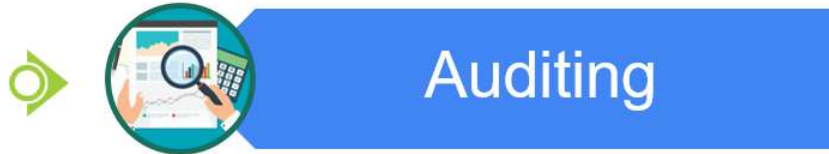
Finance Team

Structure and Oversight

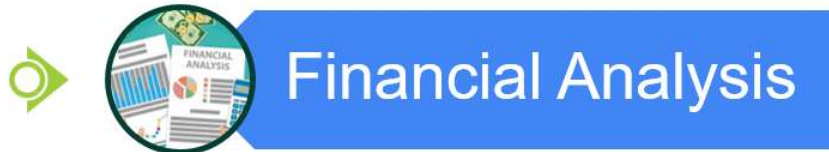
Board of Trustees
March 2026



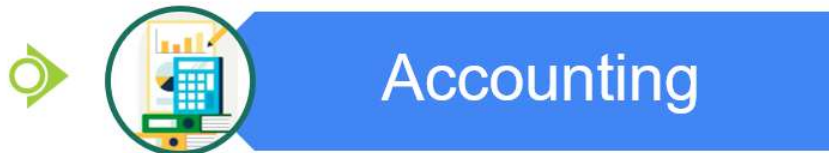
FINANCE TEAM



Auditing – conducts regular reviews of commodities produced and payments received



Financial Analysis – provides data driven valuations and cash flow models to aid decisions



Accounting – handles all aspects of the day-to-day financial transactions and budgeting

ACCOUNTING STANDARDS AND POLICIES



- GAAP
- GASB
- State of Utah statutes
- IRS Regulations
- DGO Statewide Accounting Policies
- Agency and Board Policies

OVERSIGHT

Legislature : Budget appropriations; performance measures

Legislative Fiscal Analysts Office (LFA) : Budget requests; fiscal notes; fees; performance measures; accountable budget review

Governor's Office of Planning & Budget (GOPB) : Budget set-up and review; compensation set-up; budget hearing

Dept of Gov Ops – Div of Finance : Statewide accounting system; procurement/purchasing; travel and purchasing cards audits



OVERSIGHT

Treasurer's Office : Bank accounts; wire transfers

Office of the Utah State Auditor : Financial audit; performance audits; internal controls

Office of the Legislative Auditor General (OLAG) : Performance audits

I





**TRUST
LANDS**
ADMINISTRATION

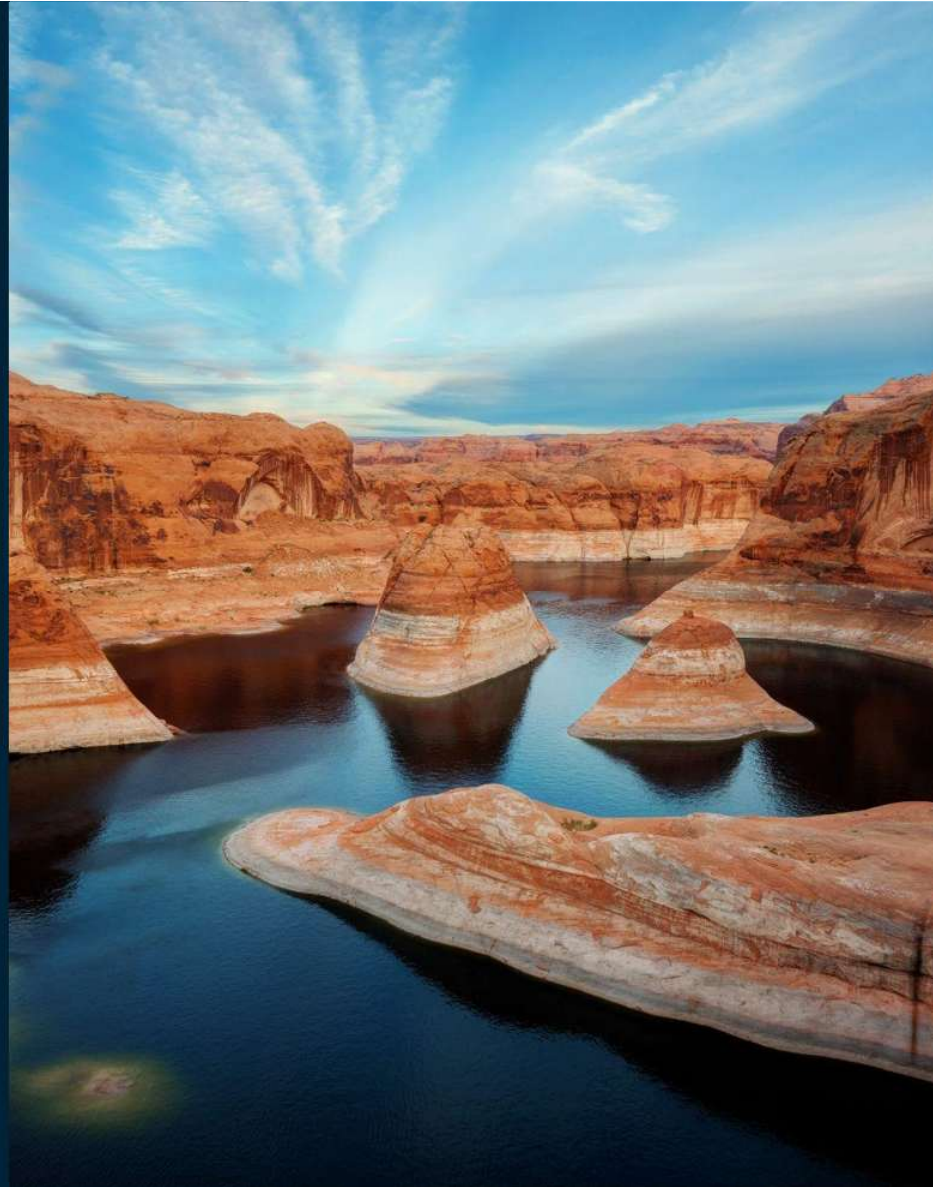
INTERNAL ACCOUNTING PROCEDURES:

- **Cash receipting**
- **Separation of duties**
- **Access to systems and documents**
- **Required approvals on expenditures**
- **Reconciliations**



**Thanks for your
time**

ANY QUESTIONS?



Legislative General Session Update - 2026

March 19, 2026 Board of Trustees
Meeting

Michelle McConkie, Executive Director



Highlights

Energy:

- [SB21](#)– Geothermal Amendments; Sen. McKell; sent to Governor 3/13/2026

Development/Land Related:

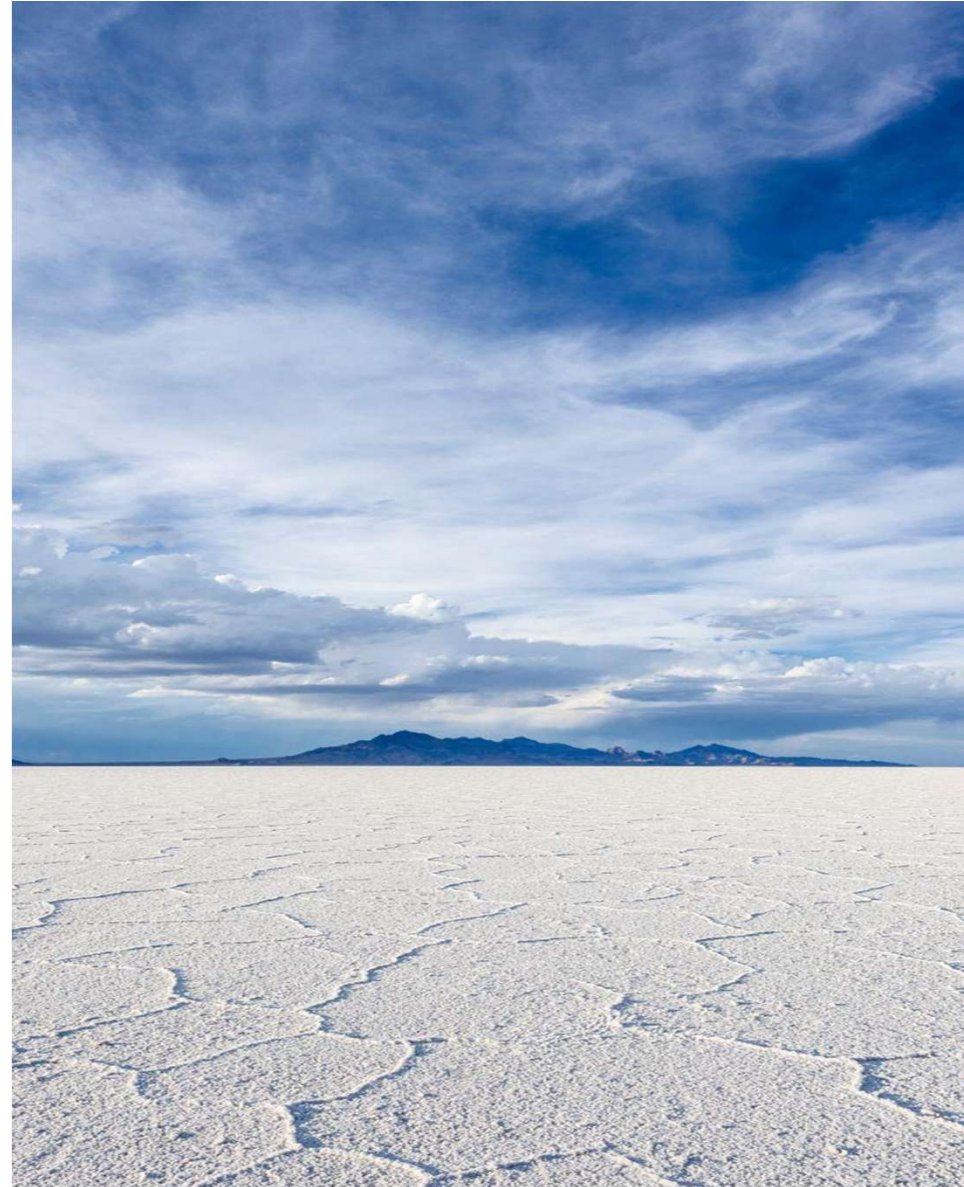
- [HB475](#)– Development Planning and Coordination Amendments; Rep. Roberts; sent to Governor 3/16/2026
- [HB211](#)– Real Property Recording Amendments; Rep. Chew; signed by Governor
- [HB64](#)– School and Institutional Trust Lands Amendments; Rep. Albrecht; filed with the House

State Employment:

- [SB229](#)– State Employee Benefits Amendments; Sen. Fillmore; sent to Governor 3/13/2026
- [HB329](#)– State Employee Maternity and Leave Amendments; Rep. Defay; sent to Governor 3/16/2026
- [SB193](#)– State Legal Holiday Amendments; Sen. Stratton; sent to Governor 3/13/2026

Budget/Appropriations:

- TLA's proposed budget approved
- 2.6% cost of living adjustment for state employees
- \$3 million appropriation Division of Facilities and Construction Management for potential POST training site on trust lands
- \$50 million non-lapsing appropriation Department of Natural Resources for potential purchases of trust lands



Item

9

AGENDA

Advocate Report

Kim Christy

Executive Director

Utah Land and Trusts Protection and Advocacy Office



**Utah Land Trusts
Protection &
Advocacy Office**

Item
10A

AGENDA

Major Development Transaction in Washington County, Utah

Gregg McArthur

Commercial and Economic Development Manager

Trust Lands Administration



Sage Haven

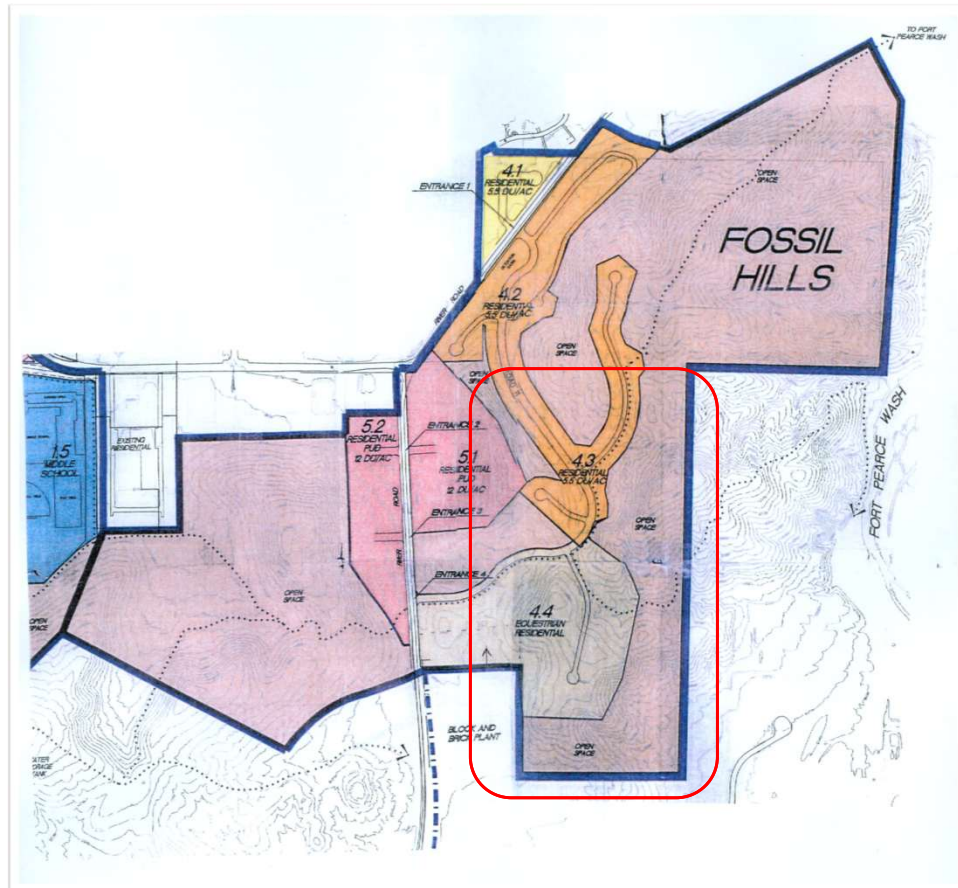


Parcel Location

Fossil Hills 65.04 Acre



Fossil Hills Master Plan



**St George
Approved 2005**

**~265 Acre
Master Plan**

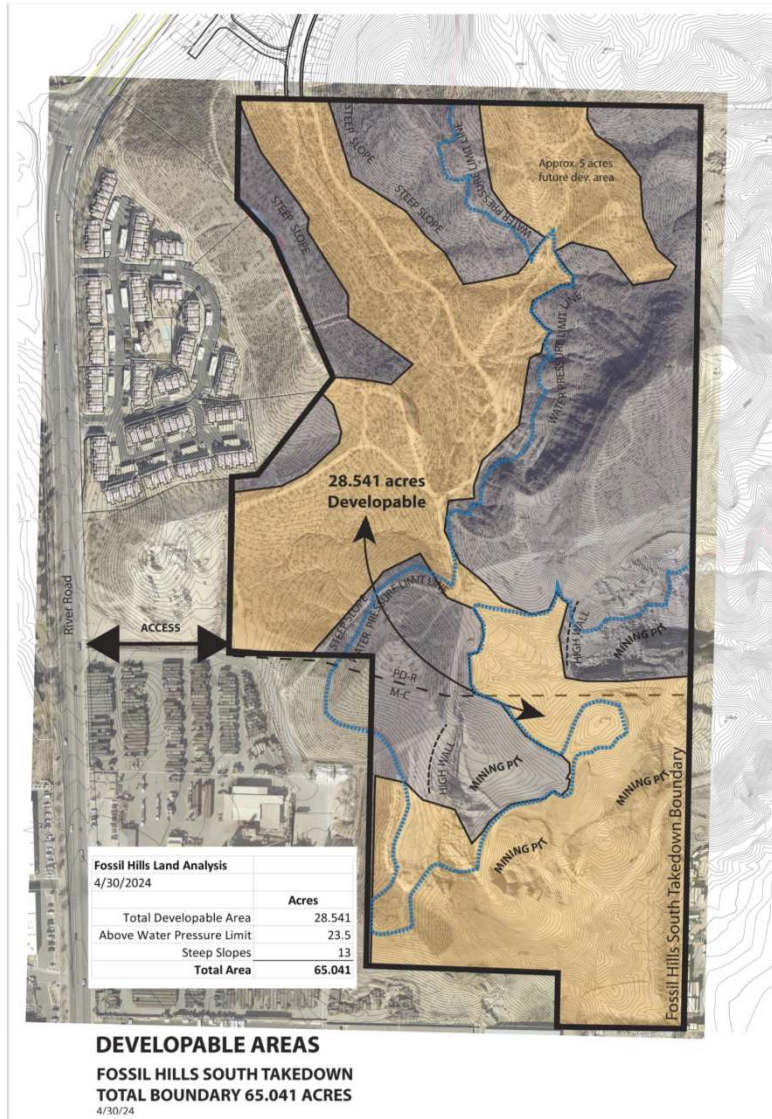
- **Dark Pink High Density Apartments**
- **Orange – Townhomes**
- **Grey – Equestrian Property**
- **Purple (light Pink) – Open Space**



**Usable
Acrage = 28.54**

**Unusable
Acrage = 36.5**

- **23.5 acres – No Water Pressure**
- **13 Acres – Steep Slopes**



The History



- **2006:** Dry Canyon Homes, LLC Purchased 13.5 Acre Parcel for High Density Project
 - Project Excavation went over budget by \$1,000,000
- **2015:** Quality Development Purchased 91.5 Acre Parcel
 - Developed 10 Acre Townhouse Area
 - Provided Access Point to 65 Acre Parcel
 - Asked For an Received First Right of Refusal
- **2015 through 2025:** No Offers on 65 Acre Parcel
- **June 2025:** Quality Development Offers \$6,500,000 to purchase 65 Acre Parcel
- **July – November 2025:** Trust Advertises with NAI Excel
 - Received one offer for \$6,200,000.

The Appraisal



Land Value Ranges & Reconciled Value				
Number of Comparables:	5	Unadjusted	Adjusted	% Δ
Low:		\$195,213	\$174,329	-11%
High:		\$308,094	\$249,446	-19%
Average:		\$240,861	\$206,914	-14%
Median:		\$200,000	\$212,543	6%
Reconciled Value/Unit Value:			\$210,000	
Subject Size:			28.54	
Indicated Value (Rd):			\$5,995,000	
Contributory Value of Inutile Land			\$550,000	
Reconciled Final Value:			\$6,545,000	
Six Million Five Hundred Forty Five Thousand Dollars				

Combined Value: **\$6,545,000**

The Offer



- **Purchase : \$6,545,000**
- **Close: 60 Days**

The Trust will meet its fiduciary responsibility by selling this property at or above market value.

Major Development



- Utah Administrative Code Rule R850-140-600 requires that Major Development Transactions exceeding \$5,000,000 receive approval from the Board of Trustees prior to negotiation and again following negotiations once a final offer has been structured.
- In this instance, staff received a direct offer to purchase the property. Through an independent appraisal and comprehensive marketing efforts staff has verified that the offer represents the highest and best available at this time.

Recommendation



“Move to approve the final terms of the purchase agreement with Quality Development for the sale of the Fossil Hills 65.04-acre parcel and waive Utah Administrative Code Rule R850-140-600 in order for the agency to execute and take all further actions necessary to finalize the transaction.”

Item
10B

AGENDA

Oil Shale OBA ML 54691 - OBA

Chanse Rinderknecht and Andy Bedingfield

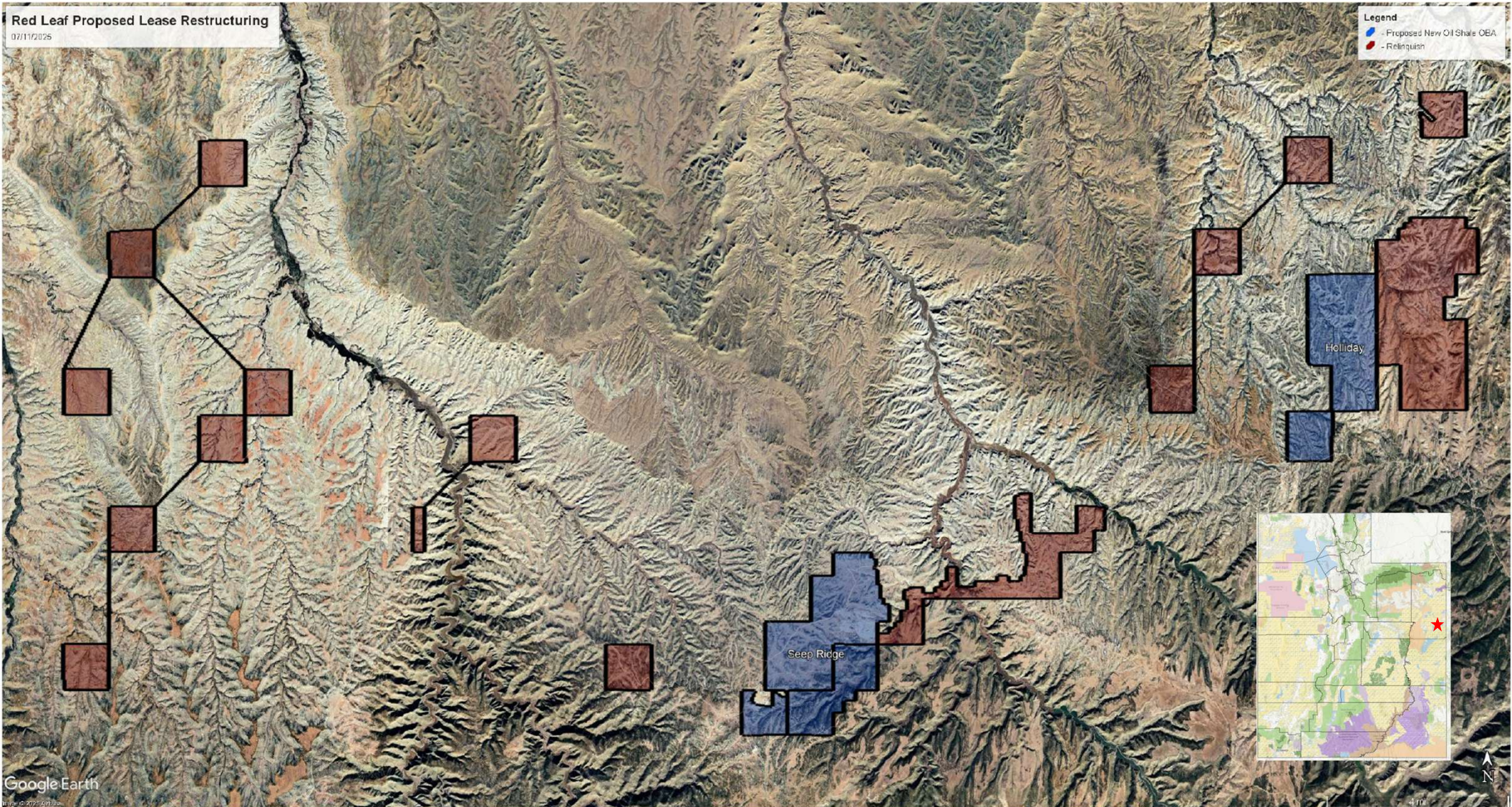
Energy and Minerals
Trust Lands Administration



Sunrise pumpjack

Red Leaf Proposed Lease Restructuring
07/11/2025

Legend
- Proposed New Oil Shale O&A
- Relinquish



Google Earth
© 2025



Relinquished Leases

- Seep Ridge: ML 48811 and ML 53644 OBA
- Holliday: ML 49949, ML 49953, ML 53645 OBA
- Other: ML 48804, ML 48805, ML 48807, ML 48808, ML 48809, ML 48810

Consolidated Leases

- Seep Ridge: ML 43374, ML 48811 (continuous with Seep Ridge) ML 50150, ML 52803
- McCook Ridge: T13S R23E Section 31, T14S R22E Section 1, and T14S 23E Section 6
- Holliday: ML 48570, ML 48812, and ML 49924



Appendix A



Mineral Lease No. 54691 OBA

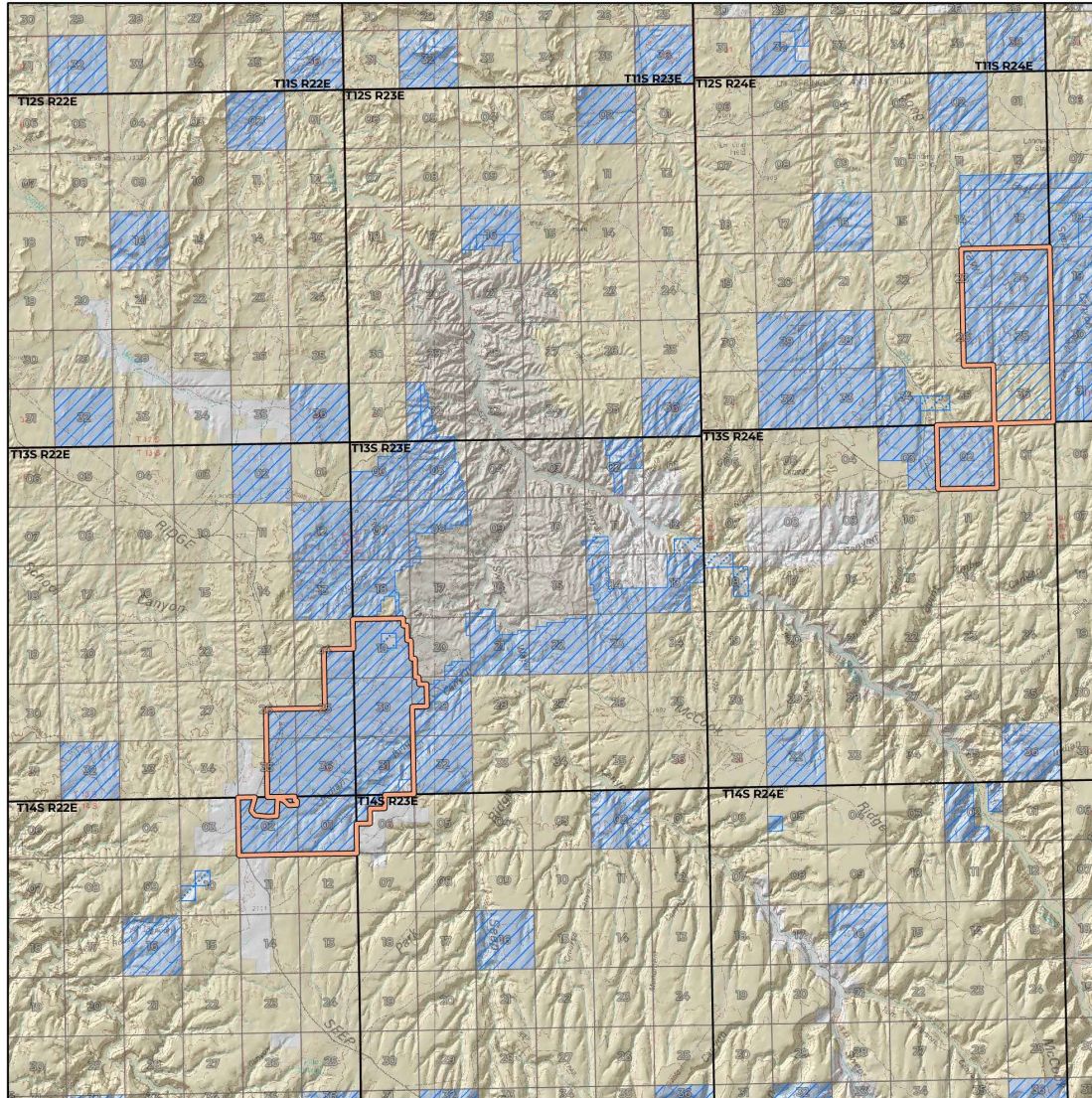
Oil Shale
Read Leaf Resources Inc.

Within Uintah County

Mineral Lease No. 54691 (8,862.33 Acres)

Land Ownership & Administration

- Bureau of Land Management
- Private
- State Trust Lands
- State Wildlife Reserve/Management Area
- Tribal Lands



Data represented on this map is for REFERENCE USE ONLY and is not suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information. The Trust Lands Administration provides this data in good faith and shall in no event be liable for any incorrect results, or any special, indirect or consequential damages to any party, arising out of or in connection with the use or the inability to use the data hereon. Land parcels, lease boundaries and associated Trust Lands Administration data layers may have been adjusted to allow for visual "best fit." The Surface Ownership Land Status data (if present) are maintained by the Trust Lands Administration to reflect current trust lands status and surface ownership. Lakes, rivers, streams, highways, roads, county and state boundaries are distributed by the Utah Geospatial Resource Center and/or other sources as specified. Contour lines (if present) were generated from USGS 10 meter DEM. Please Note: While the Trust Lands Administration seeks to verify data for accuracy and content, discrepancies may exist within the data. Acquiring the most updated Trust Lands Administration ownership GIS data may require contacting the GIS staff directly 801-538-5100 or TLA-GIS@utah.gov. The Trust Lands Administration GIS department welcomes your comments and concerns regarding the data and will attempt to resolve issues as they are brought to our attention. Produced: February 24, 2026 - nicholaswilcox

Path: V:\GIS\GIS_Group\Nrc\Projects\2026_Edit\And\Projects\Surface_Surface_Edit.aprx
User: nicholaswilcox

OBA Terms

10 Year Primary Term

Bonus Payment:

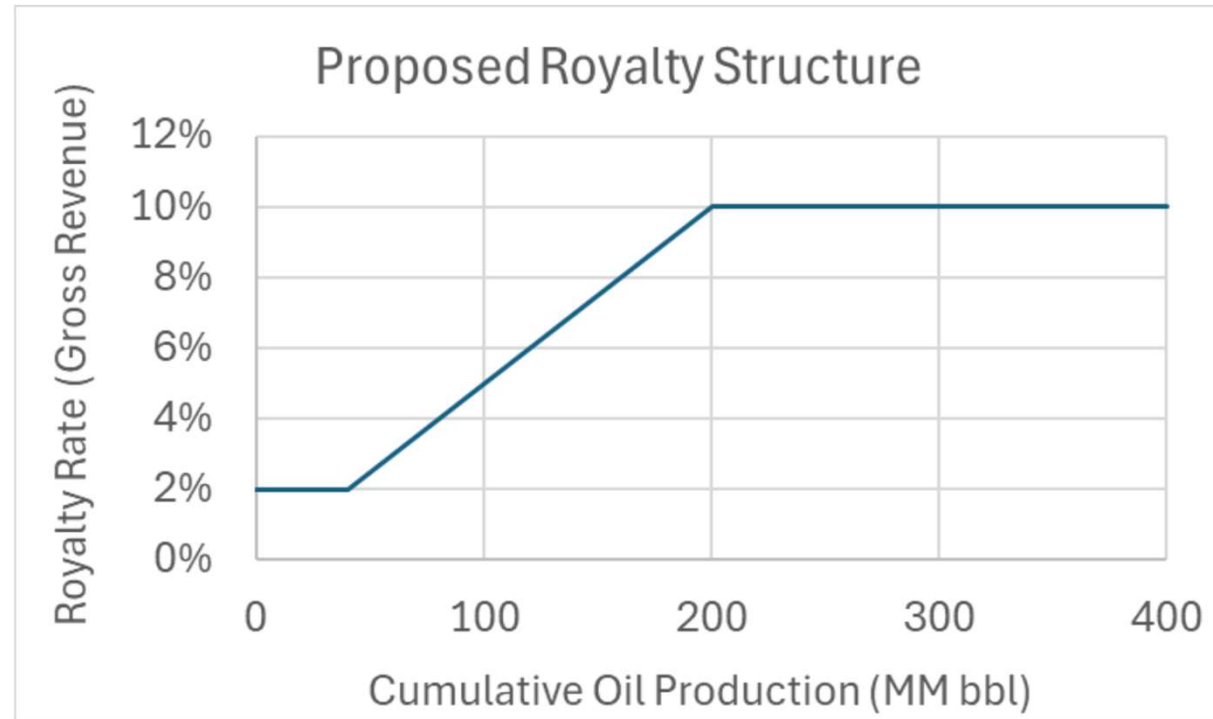
- \$4.00/acre upon execution

Rental Payment:

- \$4.00/acre upon anniversary

Production Royalty:

- 2% on first 40 MM bbl
- 2-10% (linear scale) 40-200 MMbbl oil
- 10% on final 200-400 MMbbl oil production



Work Expenditure

- 2026-Q2 Investor Commitment to stage-gated development project
- 2027-Q2 Small Commercial Demonstration Project (SCDP) operations (~\$60 MM)
- 2028-Q2 Commercial Plant design and engineering complete (~\$40 MM)
- 2029-Q4 Seep Ridge Commercial Mine opening
- 2030-Q3 Seep Ridge Phase 1 construction complete (~12,500 bpd capacity) (~\$1.2B)
- 2030-Q4 Seep Ridge Phase 1 commissioning and startup
- 2032-Q3 Seep Ridge Phase 2 construction complete (~12,500 bpd capacity) (~\$1.1B)
- 2032-Q4 Seep Ridge Phase 2 commissioning and startup
- 2034-Q1 Holliday Commercial Mine opening
- 2034-Q3 Holliday Phase 1 construction complete (~12,500 bpd capacity) (~\$1.1B)
- 2034-Q4 Holliday Phase 1 commissioning and startup
- 2036-Q3 Holliday Phase 2 construction complete



Benefits to TLA

- Continued revenue
- In-depth Plan of Development
- Active oil shale exploration
- Continued partner with Red Leaf



REDLEAF
RESOURCES, INC.

“I move to approve ML 54691 Red Leaf OBA on the terms set forth in the Board Memorandum and to have the agency take all further actions necessary to finalize the transaction.”

Item
10C

AGENDA

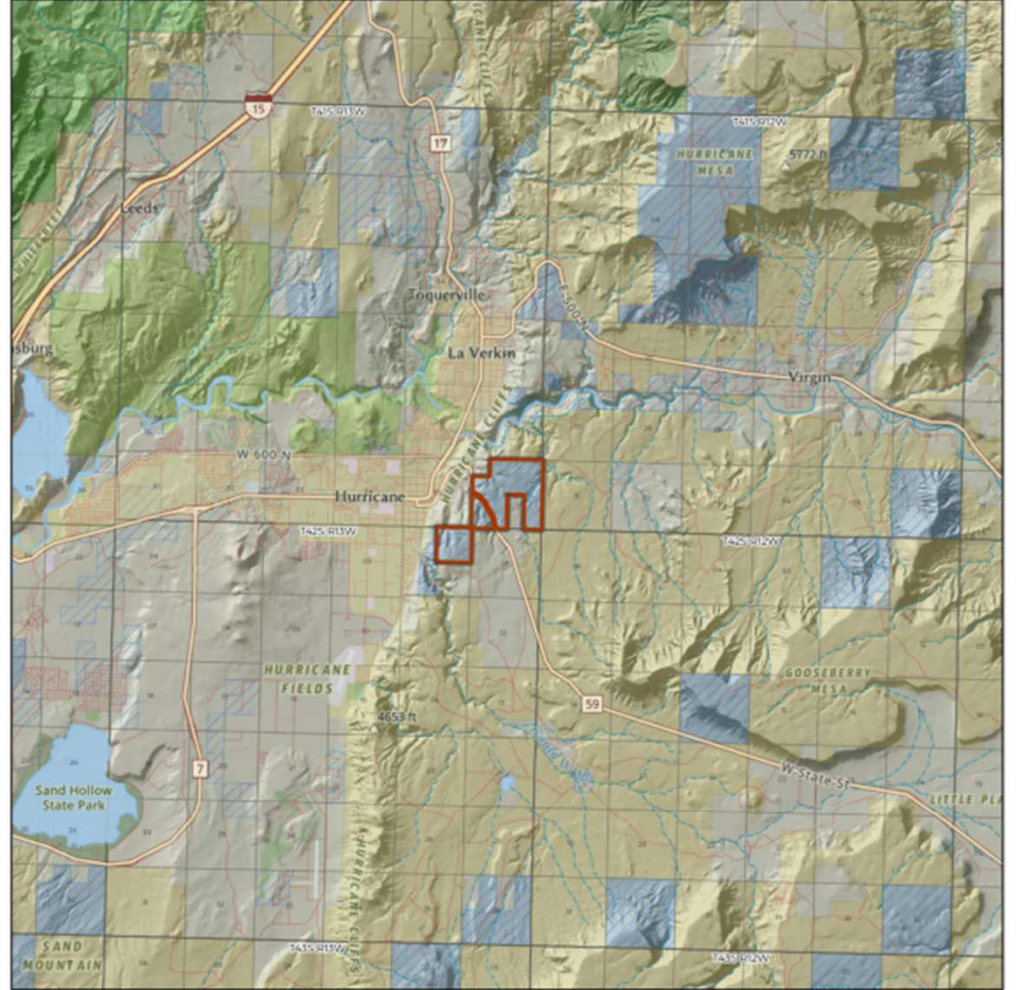
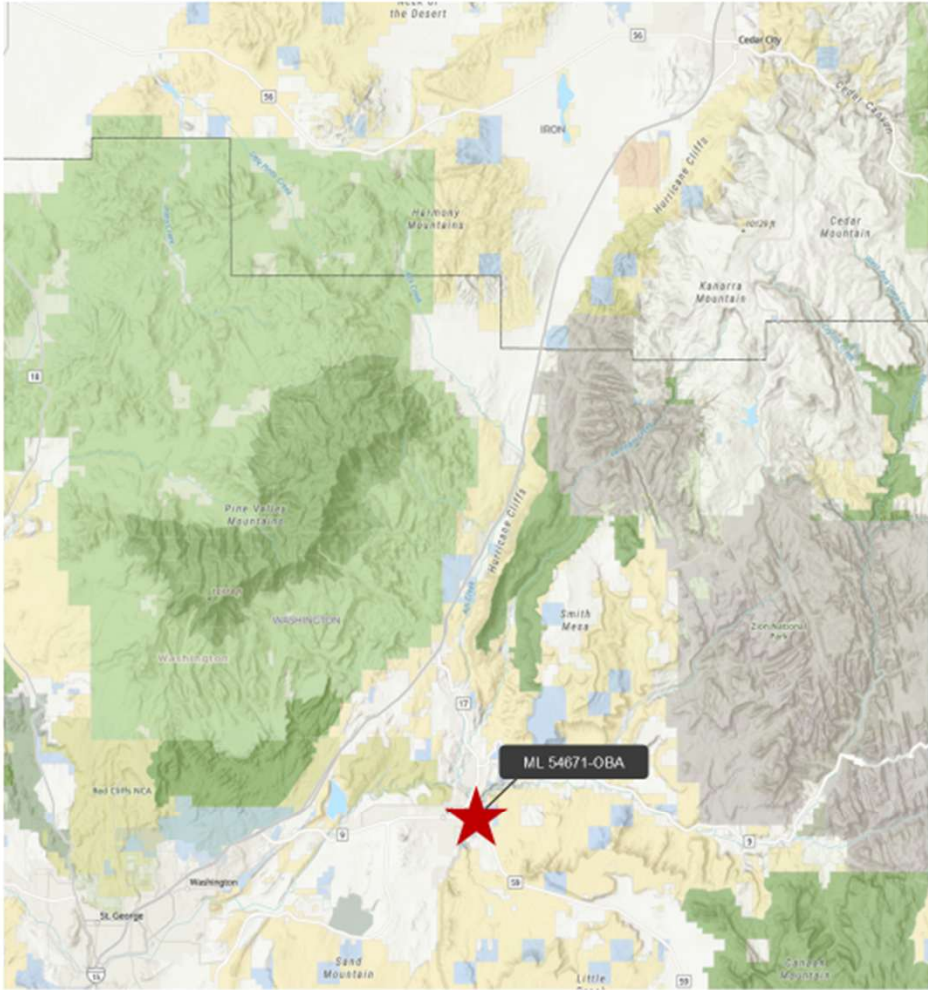
Exploration Agreement with Option to Lease

Andy Bedingfield

Managing Director of Energy and Minerals
Trust Lands Administration



Sunrise pumpjack





Staker Parson dba Western Rock Products

Highway construction, concrete, excavation, construction management etc.

Concrete aggregates are difficult to find in the Colorado Plateau region due to chemistry issues – Alkali-Silica Reactivity (ASR)

Limestone is resistant to ASR and makes a much longer lasting aggregate for concrete and other uses

Location of OBA is half a mile from Hurricane

Proposed Other Business Arrangement

Terms

1. 3-Year Exploration Agreement Period
2. 10 Year Lease may be executed upon submittal of exploration data and a \$10,000 bonus payment
3. Annual Rental \$10/acre for 680 acres (\$6,800)
4. Minimum Royalty of \$5,000/year
5. Royalty Rate of \$0.70 per short ton
6. Mass grade for future residential development
7. Final grading plans approved by TLA staff

Item
10D

AGENDA

Lithium, Potash, and Mineral Salts Brine Exploration Agreement with Option to Lease

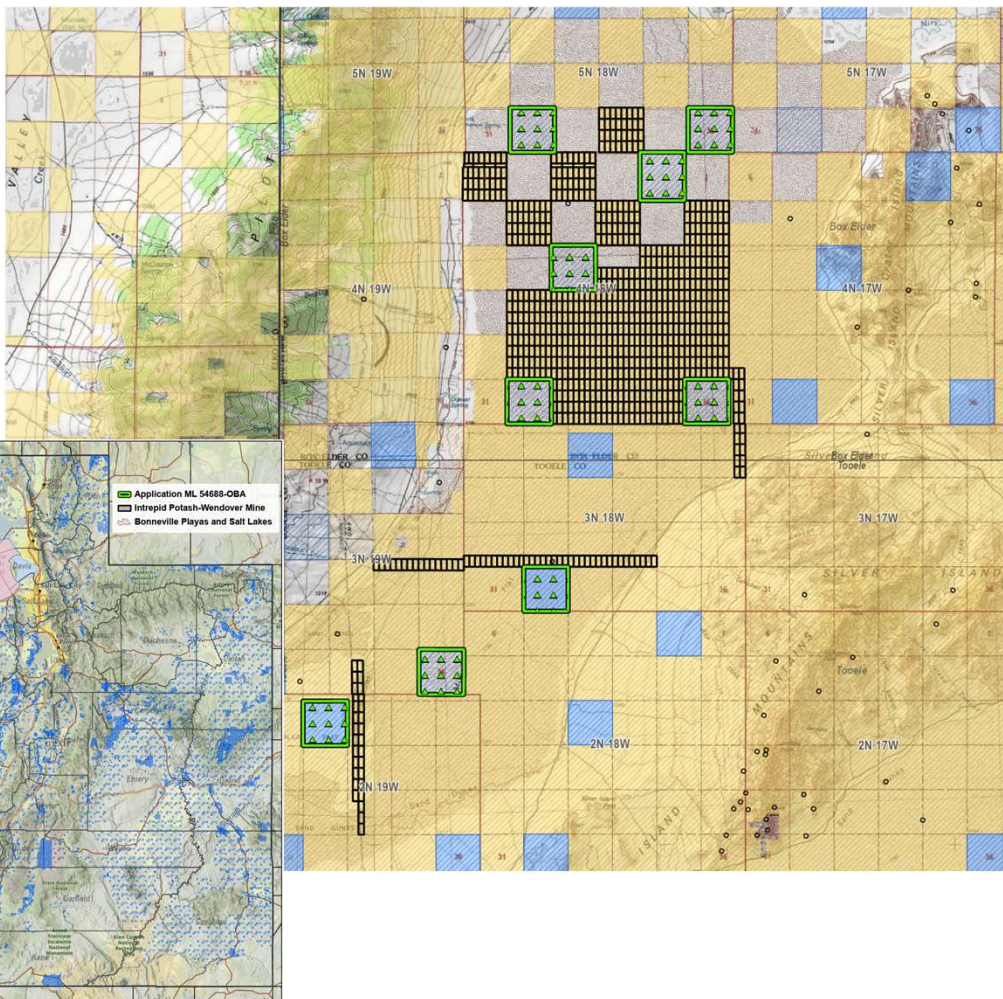
Tyler Wiseman

Geoscientist and Lease Manager
Trust Lands Administration



Sunrise pumpjack

Pilot Valley Brine Project

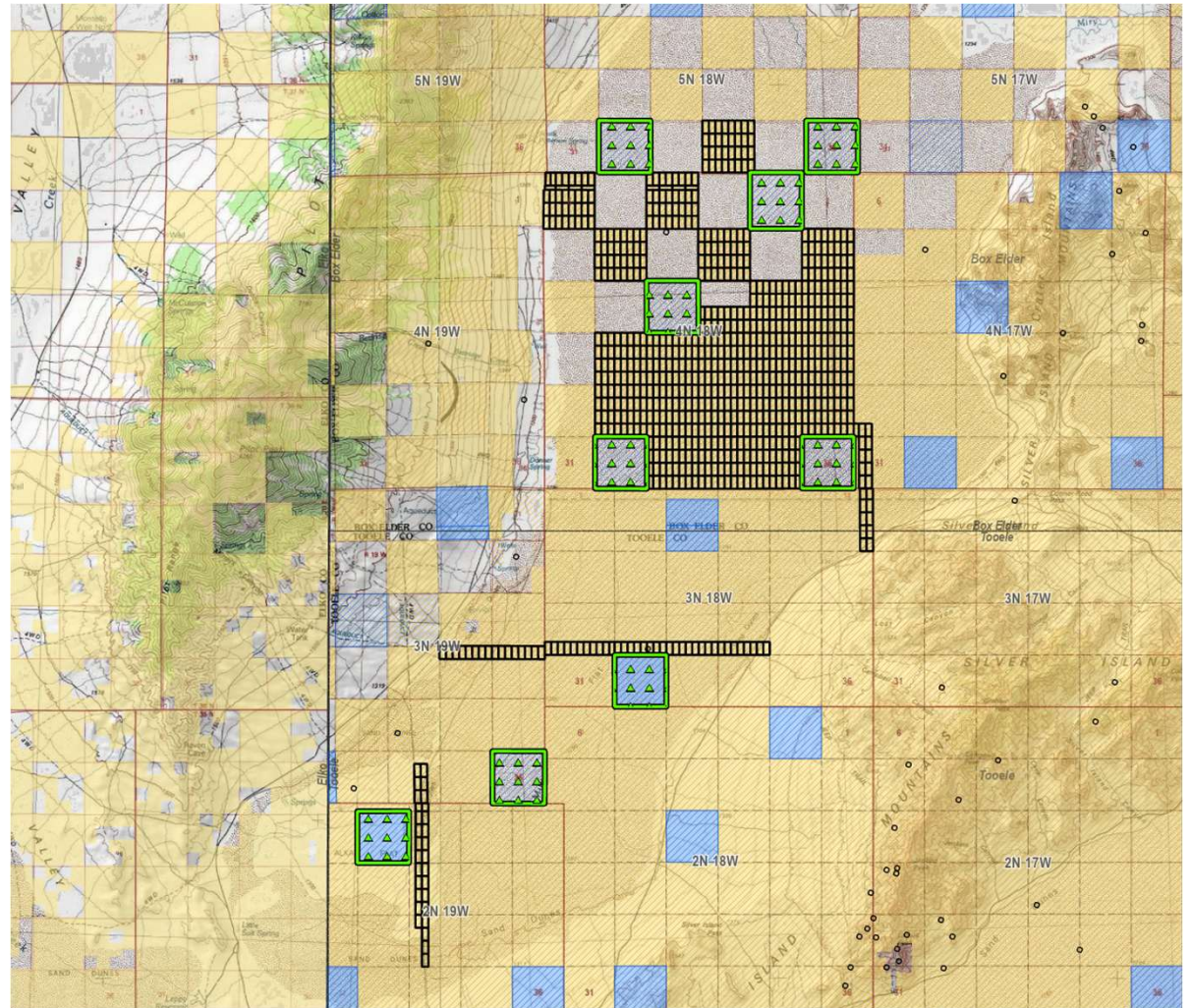


Geologic Overview

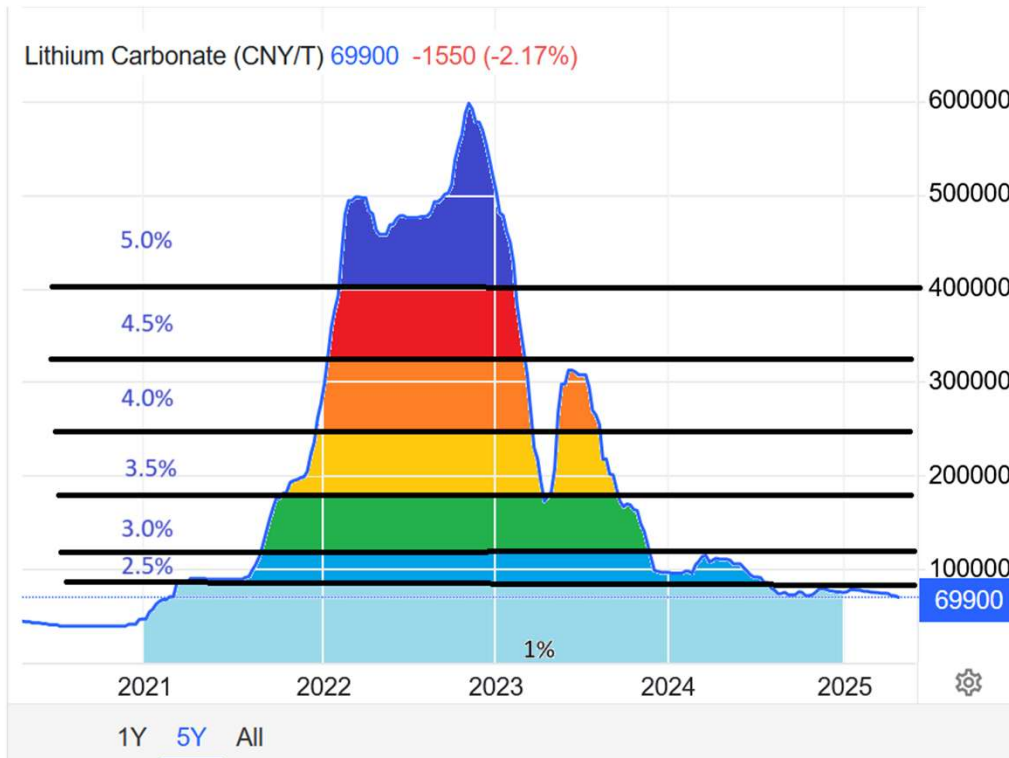
- ❑ Basin and Range Province
- ❑ Lake Bonneville Basin Playas and Salt Lakes
 - Currently producing Potash and Magnesium (Intrepid Potash, Compass Minerals, US Mag)
 - Lithium potential in brine
- ❑ Great Salt Lake Desert
 - Large lacustrine evaporite deposits
 - Shallow and deep brine aquifers
- ❑ Pilot Valley
 - Known Potash resource
 - Prospective Lithium-rich brines
 - ~800 unpatented mining claims

Overview & Proposed Terms

- ❑ 5,814.00 total acres (100% Schools)
- ❑ Three-year Exploration Agreement with work commitments
- ❑ Option to Lease (Ten-year Primary Term) contingent on completion of work commitments, annual progress reports, and JORC resource report
- ❑ Three-year annual rental at \$4.00 per acre
- ❑ 5% gross royalty on Potash and other Mineral Salts
- ❑ 1% to 5% sliding-scale gross royalty on Lithium based on the published spot price per kilogram
- ❑ Pugh Clause ensuring only producing acreage is held by the lease



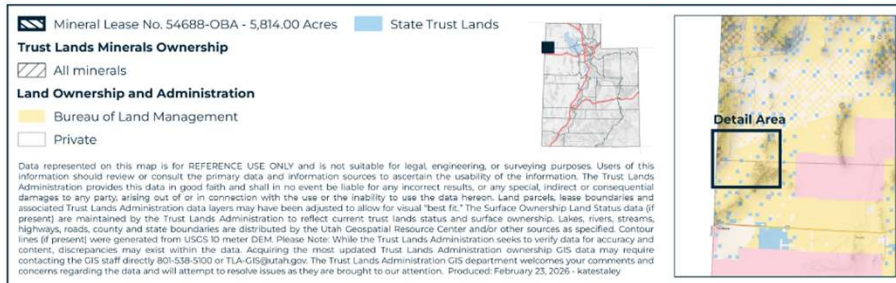
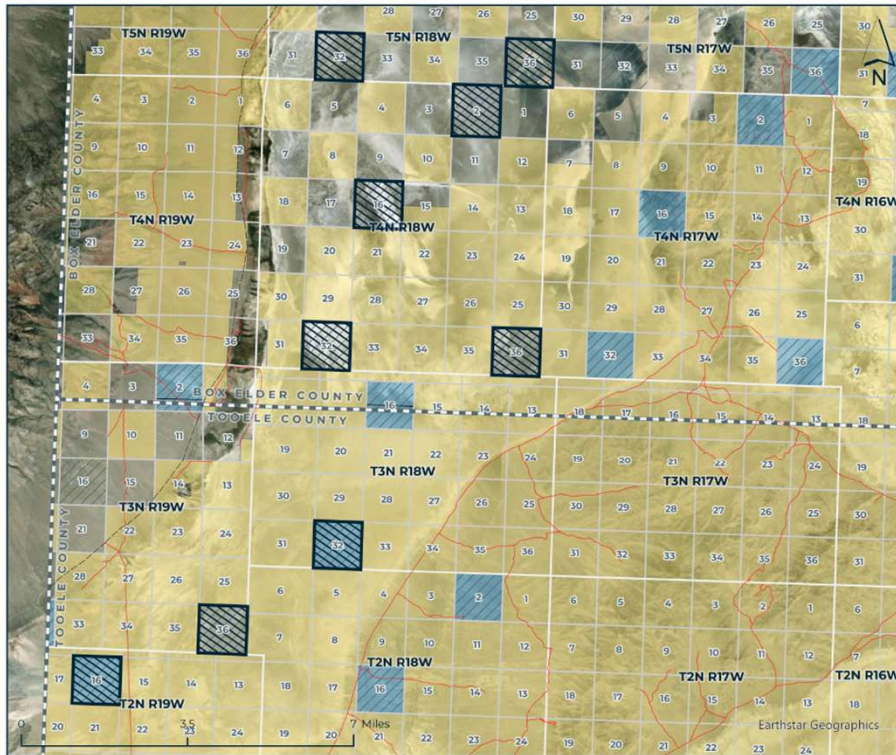
Overview of Lithium Variable Royalty



Price per kilogram (kg) of Li ₂ CO ₃ and LiOH	Gross Royalty Rate
\$55.01 per kg and above	5%
between \$45.01 and \$55.00 per kg	4.5%
between \$35.01 and \$45.00 per kg	4%
between \$25.01 and \$35.00 per kg	3.5%
between \$15.01 and \$25.00 per kg	3%
between \$12.01 and \$15.00 per kg	2.5%
up to and including \$12.00 per kg	1%

- Variable-rate (sliding-scale) royalties are payments that change based on market conditions and adjust more to volatile mineral prices.

- Lithium is an emerging market in the United States and a locatable mineral under the 1872 Mining Law.
- TLA staff has held several meetings with various organizations to analyze what lithium royalty would provide a fair return to the beneficiaries while allowing industry to invest in the development of projects on Utah's Trust Lands.



Rationale & Recommendation

- ❑ White Plains Corp has an experienced team with a successful track record of mineral exploration in Australia, South America, and western Utah with access to sufficient capital to complete the negotiated exploration program.
- ❑ The company has staked nearly 800 placer mining claims with the BLM on over 15,000 acres of adjacent federal lands with ongoing basin-scale exploration with positive lithium assay results.
- ❑ The company has agreed to a short exploration period of 3 years with a requirement to specifically test Utah's trust lands mineral potential.

This OBA proposal was reviewed by the Energy & Minerals Committee on February 24, 2026.

The agency requests that the Board approve the OBA and offers the following proposed motion:

"I move to approve ML 54688-OBA on the terms set forth in the Board Memorandum and to have the agency take all further actions necessary to finalize the transaction."

Item
10E

AGENDA

2026 – 2027 Grazing Rates

Jim Davis

Managing Director of Surface Resources
Trust Lands Administration



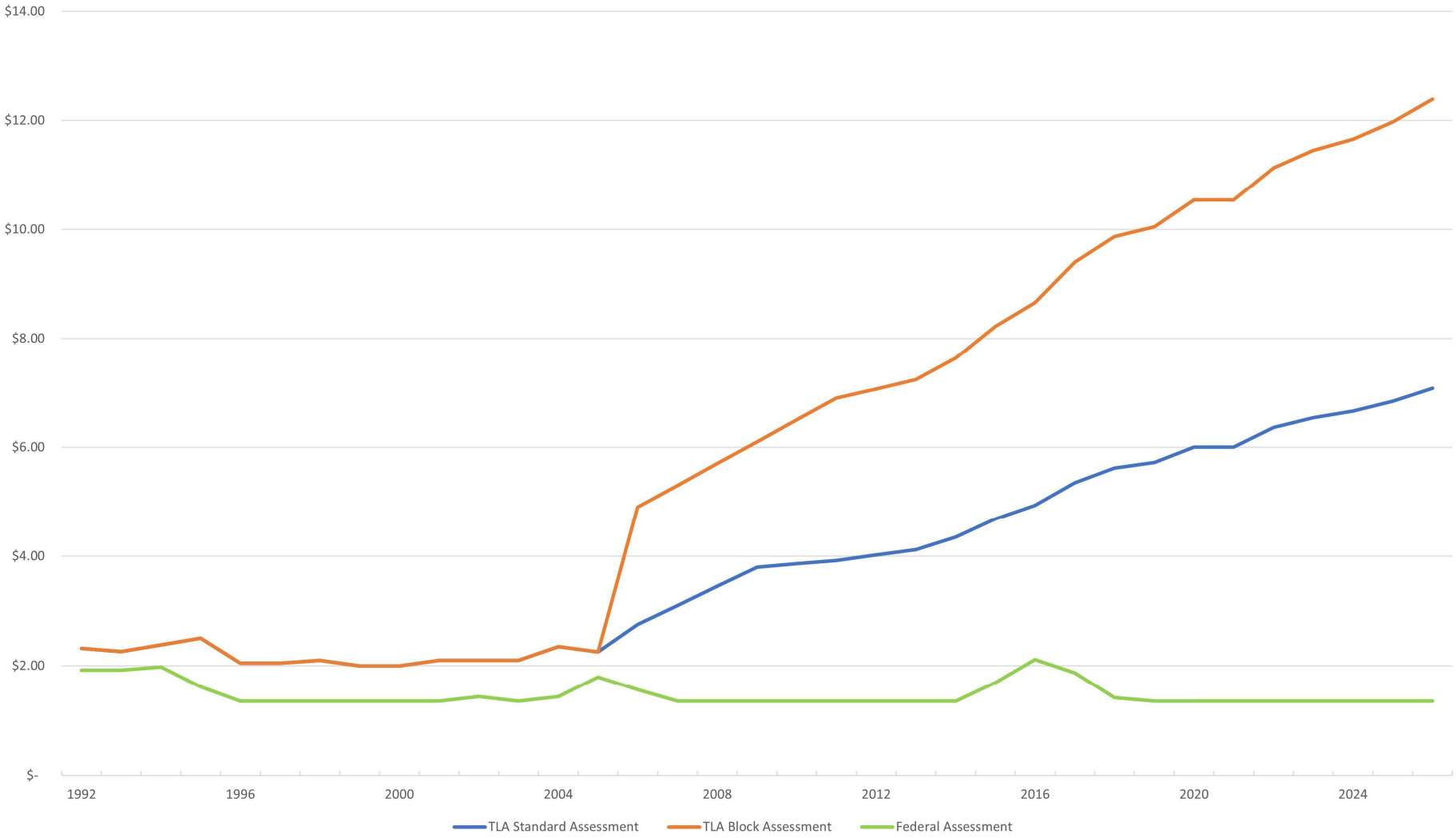
LaSals

Historical Perspective



- **Administrative Rule R850-50-500**
“An annual assessment shall be charged for each AUM authorized by the agency. This assessment shall be established by the board and shall be reviewed annually and adjusted if appropriate.”
- **2003** – Board directed agency to evaluate creating separate grazing assessment structures for high value land blocks vs. scattered sections
- **2005** – After two years of analysis, a new structure and formula for calculating grazing adjustments was adopted.
 - Structured to reflect market changes occurring in Utah’s private lease rates and contained an automatic inflationary factor to increase rates over time
 - The formula, although complex, did its job – TLA rates are now significantly higher than rates on federal lands and more balanced between federal and private lease rates
- **2020** – Board adopted a new simplified formula that tracks private lease rates, automatic inflationary factor removed.

Trust Lands vs. Federal Grazing Assessments (1992-2025)



Current Grazing Assessment Formula

The formula is a percentage of the USDA National Agricultural Statistics Service (NASS) private lease rate averaged over a three-year period. Taking a three-year running average smooths out any drastic sways in the data.

- Standard Assessment – 36% of the 3-year running average of private lease rates
- Block Assessment – 63% of 3-year running average of private lease rates

The \$0.10/AUM weed fee established in state statute (53C-5-104) is added to the assessments calculated per the formula



2026-27 Proposed Grazing Assessments

Standard Assessment

36% of the NASS 3-year average private lease rate

- $\$19.50$ (2023) + $\$20.50$ (2024) + $\$21.00$ (2025) = $\$63/3 = \$20.33 \times 36\% = \mathbf{\$7.32/AUM}$
- Last year's assessment was $\$7.08/AUM$ (3.4% increase)

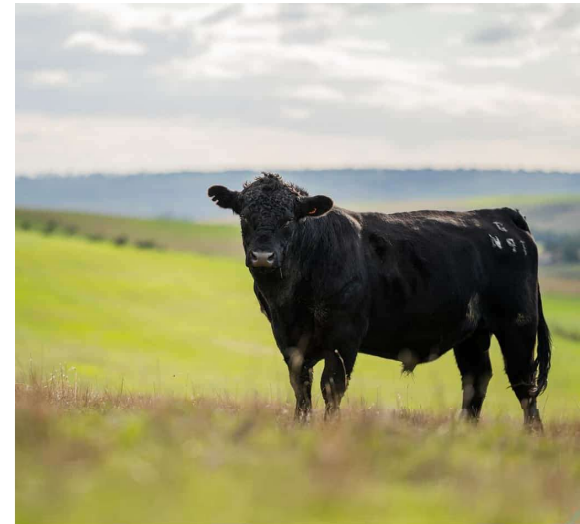
Block Assessment

63% of the NASS 3-year average private lease rate

- $\$19.50$ (2023) + $\$20.50$ (2024) + $\$21.00$ (2025) = $\$63/3 = \$20.33 \times 63\% = \mathbf{\$12.81/AUM}$
- Last year's assessment was $\$12.39/AUM$ (3.4% increase)

Weed Fee

The $\$0.10/AUM$ weed fee is established in state statute (53C-5-104) and will be added to these assessments. The weed fee is used for the payment of costs incurred in controlling noxious weeds, new and invading plant species, insects, and disease infestations.



Requested Action

Surface Committee Discussion

The committee reviewed the proposed grazing rates and had no comments or concerns

The agency requests that the Board approve the 2026/2027 grazing assessments and offers the following proposed motion:

“Move to approve the grazing assessments for 2026/2027 with the standard assessment being set at \$7.32 per AUM and the block assessment being set at \$12.81 per AUM.”



Item
10F

AGENDA

Expenditure of Capital Account Funds for Acquisition of Water Right

Jim Davis

Managing Director of Surface Resources
Trust Lands Administration



LaSals



Requested Board Action

The Request:

- Approval of a \$100,000 expenditure from the Capital Account
- Requesting approval for the Agency to complete all actions necessary to finalize the transaction

Purpose:

- Acquisition of 10 acre-feet from Water Right No. 61-1882

Current Location:

- Strawberry Valley area, northwestern Kane County

Policy Compliance:

- Board Policy 2013-03 requires approval for capital expenditures exceeding \$100,000

Water Right Overview

Water Right No. 61-1882

Seniority: 1879-priority diligence claim

Validity: Long history of diversion and use

Flexibility: Multiple smaller portions (0.25-1 AF) have been sold and successfully approved through permanent change applications



Overview

WR 61-1882 is an 1879-priority diligence claim currently owned by Strawberry Valley Investment Corporation and historically used for irrigation south of Duck Creek Village.



Validity

Although not adjudicated under the Cox Decree, the right has a long history of diversion and use.



Transfer History

Over the past 12 years, multiple portions have been sold and permanent change applications have been approved.



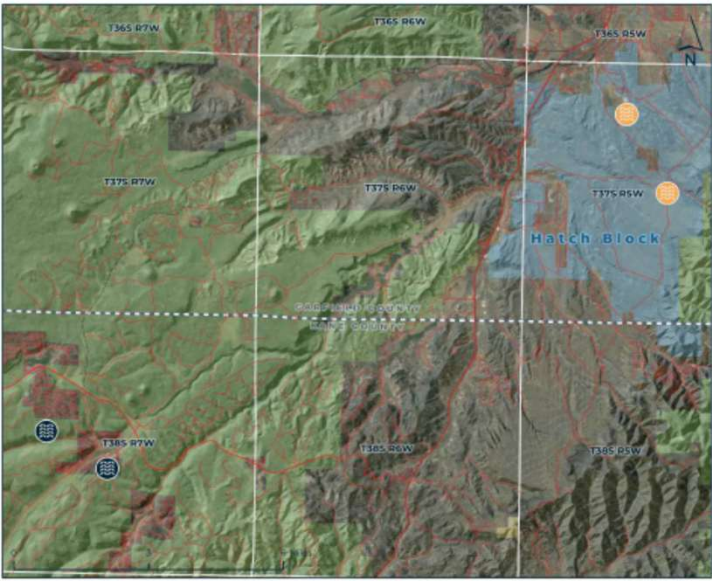
Strategic Relevance

Several transferred portions have been moved to lands near TLA's Hatch Block.



Due Diligence

- Reviewed with the Utah Division of Water Rights
- Independent water rights engineer has reviewed the right
- Water right is currently in good standing
- Purchase contingent upon approval of a Permanent Change Application



The Hatch Block Asset

- **Scope:** 13,874 acres of contiguous land located in Garfield County
- **Acquisition History:** Part of the 1999 Grand Staircase-Escalante Exchange
- **Primary Objective:** Future residential and commercial development
- **Critical Need:** Water availability is a bottleneck to the block's value
- **Impact:** Direct long-term revenue potential for **Public Schools**

Strategic Use Cases

Immediate & Long-Term Utilization

- **Short-Term (10-20 Years): Agricultural Preservation**
 - Maintaining “beneficial use” to protect the right
 - Irrigation of up to 3.33 acres of fallow fields via existing wells/ponds
 - Managed by grazing permittee or TLA staff
- **Long-Term Development Ready**
 - Conversion to culinary use for residential/commercial projects
 - Capacity: Supports 22 full-time or 40 seasonal residences
 - Transferable within portions of the Upper Sevier River drainage



Financial Analysis

Valuation & Market Comparison

Negotiated Price & Funding

- Total purchase price: \$100,000
- Cost per acre-foot: \$10,000
- Funding source: Capital account

Market Benchmarks

- Small parcels (1–5 AF): \$18,000–\$22,000 per AF
- Fractional parcels (¼ AF): Equivalent to \$20,000–\$22,000 per AF
- Recent comparable sales (0.25 AF): \$5,000–\$5,500
- Agency's 2015 acquisition: \$12,699 per AF

Value Proposition

- Negotiated price is below current market rates
- Lower than the Agency's 2015 purchase cost

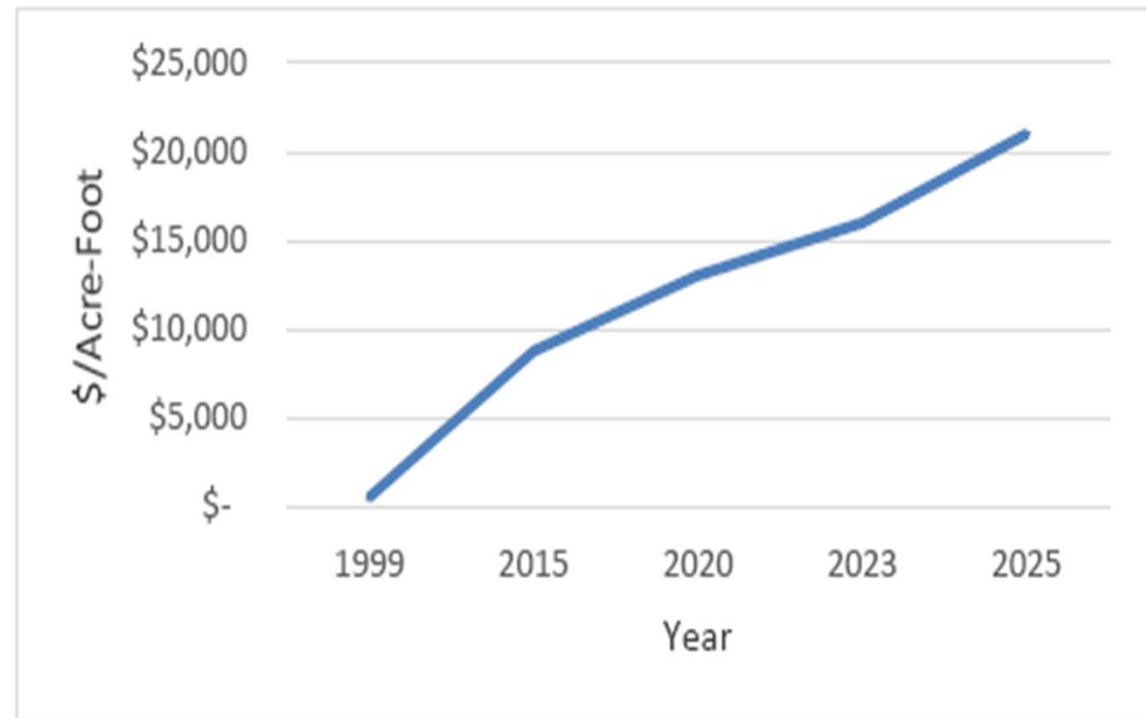


Figure 1 - Prices for Hatch area water rights

Risk Mitigation & Structure

- **Contingency-Based Purchase:** The purchase is final only upon UDWRi approval of Permanent Change Application.
- **“Wet” Water:** The change application process demonstrates that we are buying valid water, not just “paper” rights.
- **Closing:** Conveyance via Special Warranty Deed.

Questions?

Suggested Motion:

Move to approve the expenditure of \$100,000 from the capital account to purchase a 10 acre-foot portion of Water Right No. 61-1882 and to have the agency take all further actions necessary to finalize the transaction.



Item
10G

AGENDA

**Vote Regarding Re-
Appointment of Director**



Item
10G

AGENDA

**Vote Regarding
Re-Appointment of
Director**



Range Creek

Meeting Adjourn

