TRUST LANDS
ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Board Meeting Materials

May 21, 2026

TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Board of Trustees Meeting Agenda

Thursday, May 21, 2026, at 9:00 a.m.

102 Tower – 6th Floor Boardroom
102 South 200 East, Salt Lake City, Utah 84111

1. Welcome

2. Approval of Minutes

April 16, 2026 Board Meeting Minutes

3. Confirmation of Upcoming Meeting Dates

June 18, 2026 - Regular Meeting and Board Tour
July 2026 - No Board Meeting
August 20, 2026 - Regular Meeting

4. Trust Lands Funds in Action by Marla Kennedy, Director of Communications, Trust Lands Administration

5. Social Media Minute by Joelette Organista, Communications Specialist, Trust Lands Administration

6. Public Comment Period

Trust Lands welcomes comments from the county advisory committee, the public, and other interested parties. The Board has allotted 30 minutes for public comments. Each presenter is permitted one opportunity to speak and may provide remarks for up to three (3) minutes. Members of the public participating electronically who wish to comment should use the "Raise Hand" feature during the Zoom meeting. The board meeting's public comment portion is not intended for question and answer discussion. Trust Lands staff are available for dialogue outside of Board meetings.

7. Chair's Report by Bryan Harris, Board Chair, Trust Lands Administration Board of Trustees

8. Director's Report by Michelle McConkie, Executive Director, Trust Lands Administration

A. Progress Update on August 2024 Legislative Audit

9. Advocate Report by Liz Mumford, Director, Land Trusts Protection & Advocacy Office

10. Notification Items

A. Proposed Sale of Trust Lands in Grand County, Utah - Book Cliffs Roadless Area Block by Michelle McConkie, Executive Director; and Chris Fausett, Deputy Director, Energy and Land Resources

B. Notice of a Minor Development Transaction for Coral Canyon Commercial Lots 3A and 3B, located in Hurricane, Washington County, Utah (3.02 +/- acres) with St. George K, LLC by Aaron Langston, Managing Director, Residential and Commercial Real Estate

C. Notice of a Minor Development Transaction for Township 43 S Range 2 E Within Section 13, SLB&M, located in Big Water, Kane County, Utah (2.72 +/- acres) with Mr. Mark Gangola, by Bryan Torgerson, Assistant Managing Director, Surface Resources

D. Notice of a Minor Development Transaction for Proposed Brixton Park Development Lease, located in Saratoga Springs, Utah County, Utah by Alexa Wilson, Project Manager, Residential and Commercial Real Estate (Note: This board memo contains information for both items 10D and 11A)

11. Action Items

A. Proposed Water Tank Cost Share Agreement, located in Saratoga Springs, Utah County, Utah by Alexa Wilson, Project Manager, Residential and Commercial Real Estate (Note: This board memo contains information for both items 10D and 11A)

B. Proposed Board Adoption of Resolution 2026-1 on Electronic Meetings Authority and Procedures for Participation by Mike Johnson, General Counsel

12. Adjourn

Note: Board members may participate in this meeting electronically but may be seen and heard via electronic means at the anchor location specified above. Interested parties, including members of the public or representatives of county governments or Utah Tribes, may attend the meeting in person or through the registration link: https://utah-gov.zoom.us/webinar/register/WN_91_dOWNITFaK-z-dIENk0g.
Those wishing to provide public comment electronically will be asked at the beginning of the designated comment period to use the "raise hand" feature at the bottom of the screen within the Zoom meeting, so they may be called upon to provide their comments.
Please call Imaan Ahmed at 801-538-5110 or email ifahmed@utah.gov with any questions before 4:00 p.m. on May 20, 2026.

Items may be heard in any order, at any time, at the Board's discretion. Please be aware that the public portions of this meeting may be broadcast live over the Internet. Also, please note that an audio recording of the public portions of this meeting, along with any materials presented or distributed in the public portions of this meeting, will be posted on Utah's Public Notice website. Witnesses with questions, concerns, or handouts should contact staff.

Pursuant to the Americans with Disabilities Act, individuals needing auxiliary communicative aids and services for this meeting should contact Imaan Ahmed at 801-538-5110 or by email at ifahmed@utah.gov at least three (3) days in advance.

I, Imaan Ahmed, Trust Lands Administration Board of Trustees Executive Assistant, hereby certify that the foregoing agenda was posted on the Utah State Public Notice website, https://www.utah.gov/pmn/index.html.
Dated: May 11, 2026

Board Meeting Minutes

April 16, 2026

TRUST LANDS
ADMINISTRATION
SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Board of Trustees Meeting Minutes

Thursday, April 16, 2026

Board Members
Present at Anchor Location

Ms. Tiffany James, Chair
Mr. Bryan Harris, Co-Vice Chair
Dr. Mike Nelson, Co-Vice Chair
Mr. John Baza
Mr. Mike Mower
Mr. Brian Tarbet
Mr. Dan Simons

Board Members
Absent

Attending Public

Sheri Mattle, Utah PTA
Margaret Bird, ASTL
Lizz Bennett, LTPAO
Jessie Stewart, LTPAO
Paula Plant, USBE
Rochelle Waite, Riverton High School
Marni Davis, Riverton High School
Jeremy Anthony, PABCO
Greg Stevenson, PABCO

Welcome

At 9:04 a.m., Co-Vice Chair Mr. Harris welcomed the board, staff, and visitors, and opened the meeting.

Approval of Minutes

Mr. Tarbet seconded Mr. Baza's motion to approve the minutes from the March 19, 2026, board meeting. The motion passed with a unanimous vote.

Yea	Nay	Excused
Co-Vice Chair Mr. Harris Co-Vice Chair Dr. Nelson Mr. Mower Mr. Baza Mr. Tarbet		Chair James Mr. Simons

Confirmation of Upcoming Meeting Dates

May 21, 2026 - Regular Meeting
June 18, 2026 - Regular Meeting and Board Tour
July 2026 - No Board Meeting

Trust Lands Funds in Action

Ms. Rochelle Waite, the Riverton High School principal, credits Trust Lands funding for significantly boosting school programs. The funds, aligned with the school's mission of high-level learning for every student, are strategically used for personnel, technology, and professional development to enhance educational opportunities and increase the graduation rate. Specifically, the funds provide technology access, improve instruction, allow for hiring "high touch" support roles for struggling students, and create unique college tour opportunities for first-generation students, drastically increasing college curiosity and applications. Ultimately, this funding is critical in helping many students reach graduation.

Chair James praised the school's effective use of "trust dollars," noting the funds created valuable opportunities, like college tours benefiting busy parents, and broadened students' perspectives beyond just trade skills.
Trustee Tarbet asked about the level of student interest in various trade professions. Ms. Waite confirmed that the district provides numerous programs and options, many of which are housed at the Jordan Applied Technology Center (JATC). The JATC features several campuses specializing in different trade programs, such as welding, diesel mechanics, aviation, etc.

Social Media Minute

Ms. Joelette Organista shared two recent social media posts focused on educating the public about activities on Trust Lands. The first post utilized a popular trend to address land misuse, emphasizing the importance of community reporting. The second post is part of an ongoing educational segment about geothermal energy, developed in collaboration with a colleague ("Chance") to explain the complex processes, equipment, and relevance of geothermal energy on Trust Lands.

Trustee Baza raised a point about the subjectivity of defining "misuse," noting that different individuals may perceive the same action as either misuse or routine. He stressed that the management of Trust Lands should be held to a standard similar to the community's care for its local schools.
Ms. Organista confirmed that she frequently shares photographs of Trust Lands misuse on social media to promote public education.
Chair James commended the communications team for doing a great job.

Public Comment Period
Margaret Bird, co-founder of the nonprofit Advocates for School Trust Lands (founded in 1999), addressed the Board of Trustees. Her organization focuses on educating beneficiaries, particularly considering high educator turnover, about the significant portion of their education budget derived from School Trust Lands. Ms. Bird aims to correct the common misunderstanding that these funds are simply for "public education" in a general sense, or that the lands are merely "state lands." To further this educational mission, the organization is hosting a two-day conference on June 25th and 26th, which will feature the governor as the kick-off speaker. Ms. Bird extended an invitation to the Board of Trustees to attend the conference and provided registration details.

Mr. Jeremy Anthony, Vice President of PABCO Clay Products (operating Interstate Brick), made a public comment requesting the board not to approve certain Other Business Agreements (OBAs) which may impact their current leases. His primary concern was that implementing a multiple mining arrangement—specifically, a clay operation alongside a metalliferous one—could cause conflicts, as the desired halloysite clay is intermixed with the current clay deposit. He noted that the OBAs would grant metalliferous rights to a third party, which would render their company's planned exploration drilling—indicated by the discovery of pathfinder minerals—futile.

Following the comment, Chair James confirmed that no items relevant to Mr. Anthony’s concern were on the current meeting's agenda before proceeding.

Chair’s Report
Chair James emphasized the importance of the Board and Agency’s daily work—reviewing leases, projects, and transactions—in consistently funding the beneficiaries, highlighting the recent $35.8 million quarterly distribution as evidence of real impact. This success is attributed to the strategic work detailed in the meeting's packet, such as mineral exploration and geothermal agreements, which contribute to the portfolio's long-term value. Chair James announced she will be stepping down from the Board a year early, in July, due to a full-time move to North Carolina. The Advocacy Office has been engaged to ensure a replacement is identified through the current nomination process.

Director's Report

Director McConkie introduced and welcomed two new hires, Brandon Anderson (GIS) and Ginger Checketts (Operations), and highlighted the agency's successful financial performance, noting over $118 million made by the end of March, including $9 million in oil and gas royalties the previous month. Her report also acknowledged the hard work of staff in dealing with several large, time-consuming state initiatives, such as new reimbursement and performance management programs, as well as crucial internal projects like ADA compliance efforts. Finally, Ms. McConkie mentioned ongoing, significant land planning and water initiatives led by team members like Troy, Josh, Elise, and Kyle, and expressed intent to schedule a presentation for the board on the impactful data visualization capabilities of the GIS group, which had recently given a great presentation during agency's Lunch & Learn. It was also noted that the April Board Tour has been postponed due to inclement weather.

Advocate Report

Ms. Jessie Stewart reported on the nominating committee processes for both SITFO and SITLA. For the vacant SITFO board seat (set to begin July 1), two nominees have been forwarded to the state treasurer. For the pending vacant SITLA board seat of Mr. Harris, two nominees will be forwarded to the governor as interviews have been completed. Interviews are also underway to fill the pending vacant seat currently held by Chair James.

The Advocacy Committee is discussing the dissolution of the Public Buildings Trust due to minimal assets and revenue (Surface estate has less than an acre left, and just over 7,000 acres in the Mineral estate). A memo was presented; the committee will consider a formal request to begin dissolution in August.

Finally, Ms. Stewart indicated the Advocacy Committee has completed interviews for the director of the Advocacy office and will nominate two candidates to the Treasurer for the final selection and appointment.

Action Items

Item 10A.

The motion to appoint Mr. Dave Donegan as a new member of the Land Trusts Protection and Advocacy Committee was proposed by Mr. Simons and seconded by Co-Vice Chair Harris. The motion passed unanimously.

Yea	Nay	Excused
Chair James		
Co-Vice Chair Mr. Harris		
Co-Vice Chair Dr. Nelson		
Mr. Mower		
Mr. Baza		
Mr. Tarbet		
Mr. Simons		

Item 10B.

Mr. Tyler Wiseman presented terms of the Proposed Metalliferous Minerals five-year Exploration Agreement with Option to Lease two Trust Lands sections in the Confusion Range of Millard County, Utah, to BCM Resources Corp. The area is an underexplored, emerging mining district historically known for gold and silver, but the company is seeking a deeper porphyry copper, lithium, and gold system. This item was reviewed in the Energy & Minerals Committee meeting in March and recommended to be presented to the full board. Details of Mr. Wiseman's presentation can be found on the Public Notice Website.

Dr. Nelson stated the definition of "ore" is dependent on the fluctuating profitability of mining.

Mr. Tarbet made a motion to approve the above-mentioned OBA lease on the terms set forth in the Board Memorandum and to have the agency take all further actions necessary to finalize the transactions. Dr. Nelson seconded the motion, and the vote was unanimously passed.

Yea	Nay	Excused

Chair James
Co-Vice Chair Mr. Harris
Co-Vice Chair Dr. Nelson
Mr. Mower
Mr. Baza
Mr. Simons
Mr. Tarbet

Item 10C.

Mr. Tyler Wiseman shared details of presentation regarding the Proposed Metalliferous Minerals Exploration Agreement with Option to Lease, located in Basin and Range Province of Millard County, Utah, with BCM Resources Corp. The company has the surrounding mine claims and has completed initial reconnaissance in the unexplored area, which revealed positive geochemical anomalies, justifying further exploration. This item was reviewed in the Energy & Minerals Committee meeting in March and recommended to be presented to the full board. The full presentation can be found on the Public Notice Website.

Mr. Baza asked if mineral assays encompass non-ferrous materials. Mr. Wiseman responded by detailing that the leases include a preference right lease provision, which allows a company that discovers a potential commodity it wants to explore and develop to apply for an additional lease from the agency.

A motion to approve ML 54716 - OBA as stated in the Board Memorandum was made by Mr. Baza and seconded by Dr. Nelson. The motion passed by unanimous vote.

Yea	Nay	Excused

Chair James
Co-Vice Chair Mr. Harris
Co-Vice Chair Dr. Nelson
Mr. Mower
Mr. Baza
Mr. Simons

Mr. Tarbet

Item 10D.
Mr. Chanse Rinderknecht reviewed a presentation outlining a proposed Geothermal Exploration Agreement with Prometheus Energy Group, LLC, for the Wendover block, an underexplored area in the Basin and Range province. Prometheus, a company with a strong background in oil and gas, has proposed a geothermal project. To validate the resource potential, they plan to conduct extensive seismic, gravity, and magnetic surveys, followed by exploratory drilling.
The item was reviewed in the Energy & Minerals Committee meeting in March and recommended to be presented to the full board. Full details of this presentation can be found on the Public Notice Website.

Mr. Harris asked for clarification on the 99-year lease term commonly used for geothermal projects. It was clarified that this term, which is standard for oil and gas leases, indicates the lessee's intent to maintain production for the maximum feasible duration. However, the lease's actual duration is "so long as it's producing," meaning the lease will terminate if production stops before the 99-year limit is reached.
Chair James asked whether existing contracts have mechanisms to address the end-of-life for production plants, especially given the long timeframe involved. Ms. Keli Beard explained that typical oil and gas resource leases have an indefinite "so long thereafter as it is producing" term. If a lessee repowers a facility, they can generally continue under the existing lease after a reasonable repowering period. The lease can only be terminated if production stops for an excessive duration. Geothermal and most mineral leases allow renegotiation and a new contract every 10 years.

Following a motion by Mr. Mower, seconded by Mr. Tarbet, the RNBL 2020 - OBA was unanimously approved as outlined in the Board Memorandum. This approval authorizes the agency to finalize the transaction.

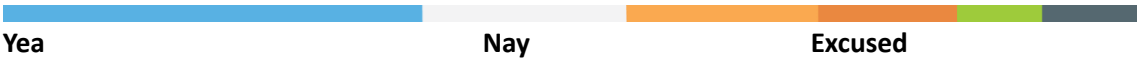
Yea **Nay** **`Excused**

Chair James
Co-Vice Chair Mr. Harris
Co-Vice Chair Dr. Nelson
Mr. Mower
Mr. Baza
Mr. Simons
Mr. Tarbet

Item 10E.
Mr. Chanse Rinderknecht presented a new tar sands lease agreement, north of Sky Quarry in Uintah County, Utah, with Silica Energy. Given the historical difficulty in economically producing tar sands, the agreement with Silica Energy focuses on an initial two-year period of mandated geologic exploration and literature study, including drilling up to 32 wells, to determine economic viability before full-scale production. The item was reviewed in the Energy & Minerals Committee meeting in March and recommended to be presented to the full board. Full details of this presentation can be found on the Public Notice Website.

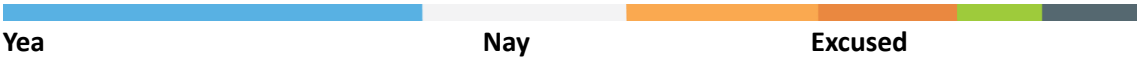
Key lease term questions were answered: Minimum royalties continue through year 10 because advanced royalties are annual, independent of production; the five-year primary term dictates when production must begin. Failure to commence production after five years automatically terminates the agreement without required board review or approval.

A motion to approve ML 54697 - OBA as stated in the Board Memorandum was made by Mr. Baza and seconded by Dr. Nelson. The motion passed by unanimous vote.



Chair James
Co-Vice Chair Mr. Harris
Co-Vice Chair Dr. Nelson
Mr. Mower
Mr. Baza
Mr. Simons
Mr. Tarbet

Item 10F.
Closed Session
The motion to move into a closed session was proposed by Mr. Mower and seconded by Mr. Tarbet. The vote was unanimously in favor, and the board entered the closed session at 10:31 am.

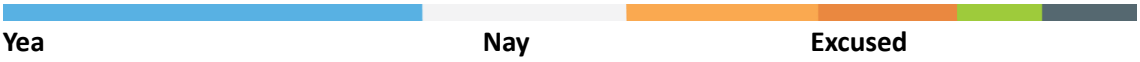


Chair James
Co-Vice Chair Mr. Harris
Co-Vice Chair Dr. Nelson
Mr. Mower
Mr. Baza
Mr. Simons
Mr. Tarbet

Chair James read the following statement:
Pursuant to Utah Code Section 53C-1-201(8)(a)(i), the board may conduct a strategy session to discuss market conditions relevant to the sale of particular trust assets if the terms of the sale of any trust assets are publicly disclosed before the board approves the sale and a public discussion would: (A) disclose the appraisal or estimated value of the trust assets under consideration; or (B) prevent the board from completing a contemplated transaction concerning the trust assets on the best possible terms. In this closed session regarding a potential sale, the Board may also, pursuant to Utah Code Section 52-4-205(1)(e), conduct a strategy session to discuss the sale of real property, including any form of a water right or water shares, if public discussion of the transaction would: (A) disclose the appraisal or estimated value of the property under consideration; or (B) prevent the public body from completing the transaction on the best possible terms.

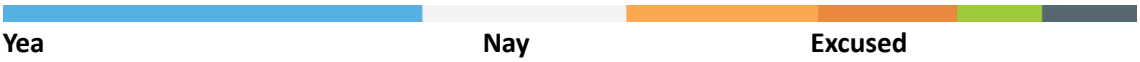
Closed Session Attendees:
Chair James
Co-Vice Chair Dr. Nelson
Co-Vice Chair Mr. Harris
Mr. Dan Simons
Mr. John Baza
Mr. Brian Tarbet
Mr. Mike Mower
Ms. Michelle McConkie
Mr. Mike Johnson
Ms. Stephanie Barber-Renteria
Mr. Kyle Pasley
Mr. Chris Fausett
Mr. Jim Davis
Ms. Marla Kennedy

Mr. Simons made a motion to return to public session at 1:08 pm, which was seconded by Mr. Tarbet. The motion passed unanimously.



Chair James
Co-Vice Chair Mr. Harris
Co-Vice Chair Dr. Nelson
Mr. Mower
Mr. Baza
Mr. Simons
Mr. Tarbet

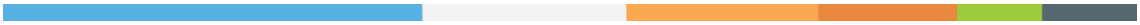
Mr. Baza moved, and Dr. Nelson seconded, the motion to appoint Mr. Bryan Harris as Chair for the remainder of his term, and Dr. Nelson as Vice-Chair. The motion passed by unanimous vote.



Chair Harris
Co-Vice Chair Dr. Nelson
Ms. James
Mr. Simons
Mr. Baza
Mr. Tarbet
Mr. Mower

Adjourn

The meeting was adjourned at 1:09 p.m. following a motion by Mr. Mower, which was seconded by Mr. Harris. The motion passed unanimously.



Yea **Nay** **Excused**

Chair Harris
Vice Chair Dr. Nelson
Ms. James
Mr. Mower
Mr. Baza
Mr. Tarbet
Mr. Simons

Respectfully Submitted,
Imaan Ahmed
Executive Assistant to the Executive Director and the Board of Trustees
Audio of this meeting can be found at https://www.utah.gov/pmn/files/1420197.m4a

Notification Item 10A

Proposed Sale of Trust Lands - Book Cliffs Roadless Area Block

Grand County, UT

TRUST LANDS
ADMINISTRATION
SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

GRAND COUNTY COMMISSION
Melodie McCandless (Chair) · Bill Winfield (Vice Chair) ·
Brian Martinez · Trish Hedin · Mike McCurdy
Mary McGann · Jacques Hadler

May 5, 2026

Dear Trust Lands Board of Trustees:

As the Grand County Commission, we write in strong support of the proposed sale of the roadless portion of the Book Cliffs block to the Utah Division of Wildlife Resources (DWR).

We know how much work goes into preparing a sale like this, and we appreciate the careful, thoughtful approach your board and staff have taken. This proposal honors the long-standing purpose of Trust Lands while carefully considering the impacts on local people and the land. Transferring surface stewardship to UDWR will keep habitat intact, protect wildlife migration corridors, and preserve remote, non-motorized hunting and fishing opportunities with low-impact public access — all while allowing the Trust to realize immediate financial benefit.

We recognize that much of the Trust Land in the roadless Book Cliffs produces little revenue. The financial analysis by your agency shows that selling this underperforming surface asset now and investing the proceeds in the permanent fund to begin earning interest immediately makes sound fiscal sense: it should deliver stronger, steadier long-term returns for beneficiaries than continued ownership or modest lease or permit revenues.

Funding from Trust Lands matters to our communities — over the last 10 years, schools in Grand County have received over $4.8 million from the Trust — and increasing that support will help equip and prepare our students for generations to come.

For these reasons, the Grand County Commission strongly endorses the proposed sale and urges timely approval consistent with required legal and administrative procedures.

Sincerely,

Melodie McCandless, Chair
Grand County Commission

Bill Winfield, Vice Chair
Grand County Commission

Commission's Office · 125 E. Center St. · Moab, UT 84532 · (435) 259-1346
www.grandcountyutah.net

Mike McCurdy
Grand County Commission

Mary McGann
Grand County Commission

Trisha Hedin
Grand County Commission

Brian Martinez
Grand County Commission

Jacques Handler
Grand County Commission

cc: The Honorable Spencer J. Cox
The Honorable Mike Shultz
The Honorable J. Stuart Adams
Joel Ferry, Executive Director, Utah Division of Natural Resources

ADVOCATES
SCHOOL TRUST LANDS

801-597-6701
margaret@schooltrustlands.org
schooltrustlands.org

TO: The Board of Trustees, State of Utah School and Institutional Trust Lands Administration
FROM: Advocates for School Trust Lands
DATE: May 20, 2026
REGARDING: Agenda Item 10 – Proposed Sale of Trust Lands in Grand County (Book Cliffs Roadless Area Block, C-27330)

Advocates for School Trust Lands is a federally recognized non-profit organization of education beneficiary leaders in twenty states committed to the productive use of 45 million acres of school trust lands, the prudent investment of $134 billion in permanent school funds, and the annual application of over $5 billion in distributions to schools for academic improvement.

Advocates for School Trust Lands are committed to examining all actions by state land boards for conformance with the requirements of their state Enabling Act and their state constitution. We are dedicated to finding a solution, in situations such as this, that allow you as trustees to uphold your oath to the constitution. Numerous legal questions are at hand:

- Under Bogert's Law of Trust and under the Restatement of Trusts, is it a breach of trust for a trustee to be the sole allowable purchaser of trust assets?
- Does an appraisal meet the standards required of a trustee for "fair market value" without a public auction?
- May the Board of Trustees legally and constitutionally sell school trust lands to the State without advertising and without competitive bidding?
- Is it ever constitutional for a state to act as both seller and purchaser of school trust lands without a public auction?
- May the legislature constitutionally deduct $50 million of income tax revenue from the Public Education Economic Stabilization Restricted Account and disburse those funds to the Division of Wildlife Resources, given the Utah constitutional requirements on income tax revenue and the current statutory restrictions on the use of that restricted account?
- This is the question behind HB 262. "May Utah enact legally enforceable provisions on school trust lands that are not equally applicable to private lands that put the school trust lands at an economic disadvantage?" A 1989 Attorney General opinion answers in the negative.

Before the Board of Trustees proceeds, we ask that you get the legal advice you need from the Attorney General, as to legally researched responses to the above questions. Just because someone claims an action is in the best interest of the beneficiary, does not make it so. Please let's find a solution that allows you as trustees to not violate the constitution and maintain your integrity.

TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Board of Trustees Memorandum

Date: May 21, 2026

From: Michelle McConkie, Executive Director

Re: Proposed Sale of Trust Lands in Grand County – Book Cliffs Roadless Area Block Certificate of Sale No. 27330

Purchaser: State of Utah, Division of Wildlife Resources, by and through the Utah Department of Natural Resources

Location: See attached legal description and map

Acreage: 50,608.59 +/- acres

Beneficiary: Public Schools Trust

Summary

The agency proposes the sale of 50,608.59 acres of trust land in Grand County, known as the Book Cliffs Roadless Area Block (Subject Property), to the State of Utah, Division of Wildlife Resources (DWR), by and through the Utah Department of Natural Resources (DNR). Pursuant to Utah Administrative Code R850-80-630(7), the sale of an "Eligible Property" under Utah Code Section 53C-4-104 must be approved by the board before the director may execute the transaction.

The Subject Property has been nominated for sale by DWR pursuant to the terms of a Purchase and Sale Agreement between TLA and DWR contemplating the sale of five large blocks of trust land to DWR pursuant to Section 53C-4-104. The property provides exceptional benefits and opportunities important to DWR including protecting and improving wildlife habitat; preserving public access, recreation opportunities, and open space; protecting watersheds; and conserving, protecting, and preserving wildlife species.

Key Information and Background

Director's Finding

The attached Director's Finding Concerning Potential Sale of Large Land Block Pursuant to Section 53C-4-104 (Roadless Area of the Book Cliffs) presents key information and analysis relevant to the proposed sale of the Subject Property. As stated in the Director's Finding, the director has found that it is in the best interest of the Public Schools Trust beneficiary to proceed with the proposed transaction and now, pursuant to Utah Administrative Code R850-80-630(3), presents the written finding to the board for consideration.

Notice

Pursuant to Utah Administrative Code R850-80-630(5), notice of the proposed sale was provided to the Grand County Commission, lessees and permittees of interest on the Subject Property, adjacent landowners, the affected beneficiary institution, and the Land Trusts Protection and Advocacy Office at least 30 days prior to the meeting where the board will consider the sale. A courtesy notice was also provided to the senator and representative of the legislative districts where the property is located.

Cultural Resources

Similar to TLA, DWR is subject to Utah Code Section 9-8a-404 which imposes certain requirements upon state agencies regarding the evaluation of cultural resources. Since DWR is also subject to Section 9-8a-404, a cultural resource survey of the Subject Property was not required.

Identification and Recording of Public Roads

Pursuant to Utah Code 53C-2-106(5) and Utah Administrative Code R850-80-250, the agency has undertaken a notification process to determine the existence of any temporary easements or rights-of-entry granted pursuant to Utah Code Section 72-5-203 on the Subject Property prior to finalizing the sale. If a temporary easement or right-of-entry claim is brought forth by a "responsible authority," the agency will evaluate the claim and either grant a permanent easement to the "responsible authority" or the claim will automatically be extinguished upon sale.

Board Consideration of the Proposed Transaction

Pursuant to Utah Code 53C-4-104(1)(c)(ii) and Utah Administrative Code R850-80-630(4) the board must consider the proposed sale at an open meeting and take public comment on the terms of the proposed sale and the director's finding that waiving the advertising requirements pursuant to Subsection 53C-4-104(1)(c) is in the best interest of the affected beneficiary. Per Board Policy 2012-01, the board

will not take action on the proposed transaction during the meeting where the proposal is first presented.

Material Terms of the Transaction

Purchase Price: The purchase price for the Subject Property is $29,675,000, which is the fair market value of the property as set forth in the Director's Finding. This will be a cash sale. In addition to the purchase price, the following closing costs will be assessed:

Processing Fee: $750
Appraisal Costs: $124,750
Property Inspection Costs: $1,870

Total Closing Costs: $127,370

Transaction Structure: The purchaser will execute a certificate of sale and upon payment of the purchase price in full, the agency will issue a patent for the Subject Property. The certificate and patent will include the following reservations to the State of Utah, for the benefit of the Public Schools Trust beneficiary:

A. All coal, oil, gas, and other hydrocarbons, geothermal resources of every kind and all other mineral deposits located in or on the Subject Property, along with the right to use and occupy so much of the surface as may be reasonably necessary or appropriate under accepted industry practices for any purpose incident to exploring for, developing, or extracting those mineral deposits. In exercising such surface use rights, SITLA shall consider commercially reasonable ways to avoid or minimize impacts to wildlife, wildlife habitat, or public recreation.

B. All sub-surface voids and pore spaces in the Subject Property, whether naturally existing or created upon the removal of coal, oil and gas and other mineral deposits, and the right to reasonably access and use the property and to use those sub-surface voids and pore spaces for any purpose.

C. All sub-surface resources of every nature and every kind, whether known or unknown as of the date of the Patent, that are not necessary for the use and enjoyment of the surface of the Subject Property and the right to reasonably access and use the property to explore for, develop, and use such subsurface resources.

D. An access and utility easement across the Subject Property as may be necessary and reasonable to access lands administered by the School and Institutional Trust Lands Administration.

Requested Action

Per Board Policy 2012-01, this proposed transaction is presented for the board's consideration, and no action is requested at this time.

PROPERTY DESCRIPTION

Township	Range	Section	Meridian	Legal Description	Acres
17S	20E	12	SLB&M	N2SW4, NE4SE4, SW4SW4	160.00
17S	20E	13	SLB&M	E2, E2SW4, NW4NW4, SE4NW4	480.00
17S	20E	14	SLB&M	E2NE4, E2SE4, NW4SE4, SW4SE4, W2NE4	320.00
17S	20E	23	SLB&M	E2SE4, NE4NE4, W2, W2NE4	520.00
17S	20E	24	SLB&M	E2, E2W2, W2SW4	560.00
17S	20E	25	SLB&M	ALL	640.00
17S	20E	26	SLB&M	E2NE4, N2NW4, NW4SW4, S2NW4, SE4, SE2SW4	480.00
17S	20E	27	SLB&M	N2SE4, NE4, SW4SE4, W2	600.00
17S	20E	34	SLB&M	E2SE4, NW4NE4, SE4NE4, W2	480.00
17S	20E	35	SLB&M	ALL	640.00
17S	20E	36	SLB&M	ALL	640.00
17S	21E	7	SLB&M	LOTS 5, 6, 7, 8, NE4SW4, SE4SW4, N2SE4, SW4SE4, W2SE4SE4, NE4SE4SE4	404.10
17S	21E	15	SLB&M	S2	320.00
17S	21E	16	SLB&M	S2	320.00
17S	21E	17	SLB&M	S2NW4, N2SW4, W2SW4NE4	260.00
17S	21E	18	SLB&M	LOTS 1, 2, 3, 6, 7, 8, W2NE4, E2NW4, N2SE4, SE4NE4, W2NE4NE4, SE4NE4NE4	577.92
17S	21E	19	SLB&M	LOTS 1, 2, 3, 4, 5, 6, 7, 8, E2	668.31
17S	21E	20	SLB&M	ALL	640.00
17S	21E	21	SLB&M	ALL	640.00
17S	21E	22	SLB&M	ALL	640.00
17S	21E	23	SLB&M	S2, S2N2, SW4NW4NW4	490.00
17S	21E	24	SLB&M	SW4	160.00
17S	21E	25	SLB&M	W2, SW4NE4, W2NW4NE4, SE4NW4NE4, W2SE4, SE4SE4, W2NE4SE4, SE4NE4SE4	540.00
17S	21E	26	SLB&M	ALL	640.00
17S	21E	27	SLB&M	ALL	640.00
17S	21E	28	SLB&M	ALL	640.00
17S	21E	29	SLB&M	ALL	640.00
17S	21E	30	SLB&M	LOTS 2, 3, 4, 5, 6, 7, 8, SE4NW4, E2SW4, W2SE4, NE4, E2SE4	749.54
17S	21E	31	SLB&M	LOTS 1, 2, 3, 4, 5, 6, 7, 8, E2W2, E2	837.32
17S	21E	32	SLB&M	ALL	640.00
17S	21E	33	SLB&M	ALL	640.00
17S	21E	34	SLB&M	ALL	640.00
17S	21E	35	SLB&M	ALL	640.00

17S	21E	36	SLB&M	ALL	640.00
18S	20E	1	SLB&M	LOTS 1, 2, 3, 4, NW4SE4, S2N2, SE4SE4, SW4	560.08
18S	20E	2	SLB&M	LOTS 1, 2, 3, 4, S2N2, S2	640.08
18S	20E	3	SLB&M	LOTS 1, 2, S2NE4, SE4, SE4SW4	360.10
18S	20E	9	SLB&M	E2SE4	80.00
18S	20E	10	SLB&M	E2NW4, NE4, NE4SE4, SE4SE4, SW4, W2SE4	560.00
18S	20E	11	SLB&M	ALL	640.00
18S	20E	12	SLB&M	E2, E2SW4, W2NW4	480.00
18S	20E	13	SLB&M	ALL	640.00
18S	20E	14	SLB&M	ALL	640.00
18S	20E	15	SLB&M	ALL	640.00
18S	20E	16	SLB&M	ALL	640.00
18S	20E	21	SLB&M	E2E2, SE4SW4	200.00
18S	20E	22	SLB&M	ALL	640.00
18S	20E	23	SLB&M	ALL	640.00
18S	20E	24	SLB&M	ALL	640.00
18S	20E	25	SLB&M	N2, N2S2, S2SW4, SW4SE4	600.00
18S	20E	26	SLB&M	ALL	640.00
18S	20E	27	SLB&M	ALL	640.00
18S	20E	28	SLB&M	E2NE4, NE4NW4, NE4SW4, NW4SW4, S2NW4, S2SW4, SE4SE4	400.00
18S	20E	33	SLB&M	E2NE4, NE4SE4, NW4	280.00
18S	20E	34	SLB&M	E2SE4, N2NW4, NW4NE4, S2N2, SW4, W2SE4	600.00
18S	20E	35	SLB&M	N2, N2S2, S2SW4	560.00
18S	20E	36	SLB&M	ALL	640.00
18S	21E	2	SLB&M	LOTS 1, 2, 3, 4, SW4NE4, S2NW4, S2	582.24
18S	21E	3	SLB&M	LOTS 1, 2, 3, 4, E2SW4, S2NW4, SE4, SE4NE4, SW4NE4, W2SW4	579.80
18S	21E	4	SLB&M	LOTS 1, 2, 3, 4, N2SE4, S2NE4, SE4NW4, SW4, SW4NW4	578.88
18S	21E	5	SLB&M	LOTS 1, 2, 3, 4, E2SE4, W2SE4, S2NW4, SE4NE4, SW4, SW4NE4	577.64
18S	21E	6	SLB&M	LOTS 1, 2, 3, 4, 5, 6, 10, 12, 15, E2SE4, E2SW4, NW4SE4, SE4NE4, SW4NE4, SW4SE4	533.76
18S	21E	7	SLB&M	LOTS 1, 3, 4, 7, 10, 12, E2SW4, N2NE4, NE4NW4, NE4SE4, S2SE4	473.64
18S	21E	8	SLB&M	ALL	640.00
18S	21E	9	SLB&M	ALL	640.00
18S	21E	10	SLB&M	ALL	640.00
18S	21E	11	SLB&M	N2S2, NW4NW4, SE4SW4, SW4SW4, W2NE4, E2NW4, SW4NW4	480.00

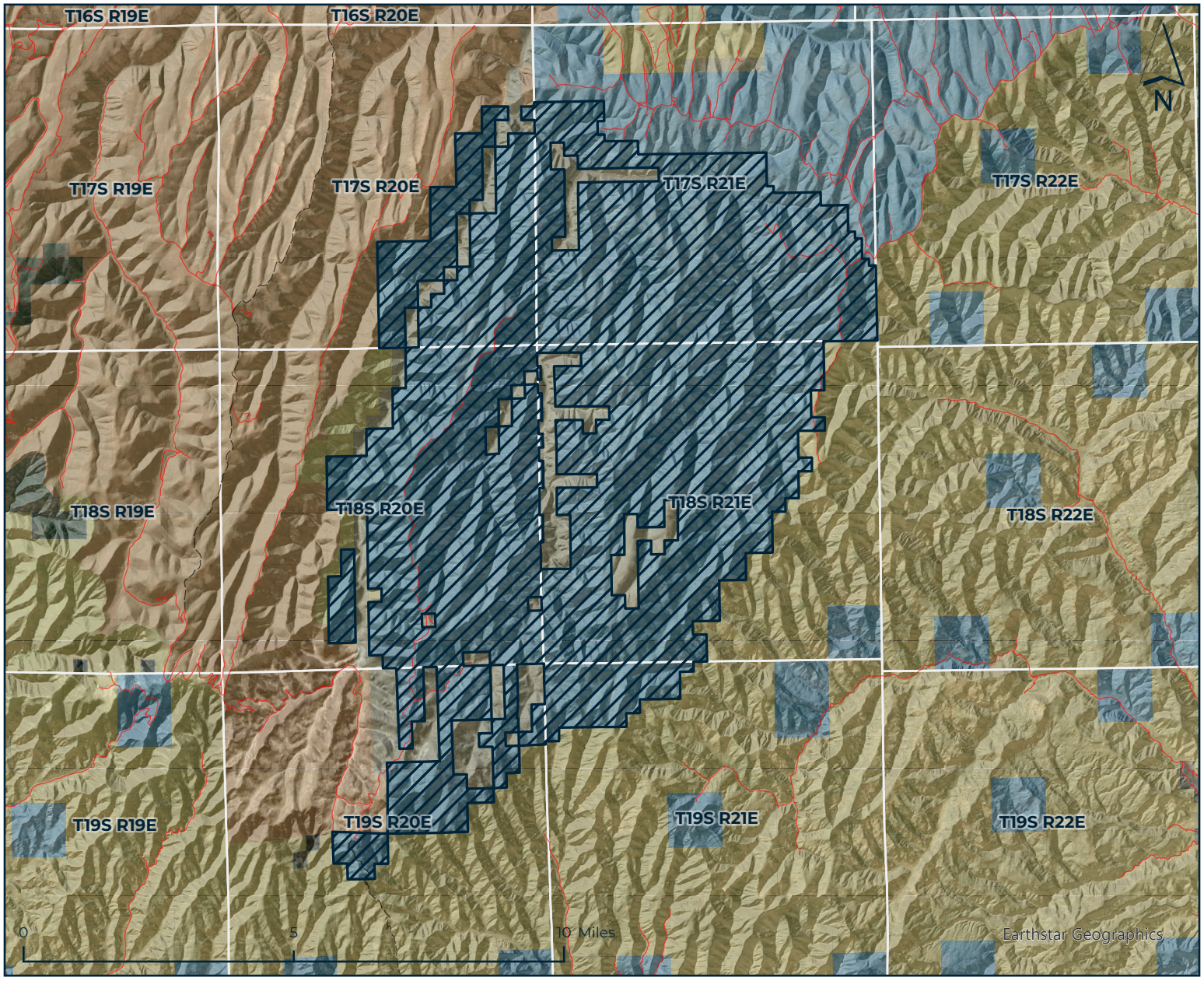
18S	21E	14	SLB&M	NW4NW4, NW4SW4, SW4NW4, SW4SW4, E2W2, SW4NE4	360.00
18S	21E	15	SLB&M	ALL	640.00
18S	21E	16	SLB&M	ALL	640.00
18S	21E	17	SLB&M	ALL	640.00
18S	21E	18	SLB&M	LOTS 1, 4, 6, 9, 12, E2NW4, NE4, SE4SW4, SW4SE4	542.80
18S	21E	19	SLB&M	LOTS 1, 4, 9, E2, E2W2	541.82
18S	21E	20	SLB&M	NE4NW4, NW4NE4, NW4NW4, NW4SW4, S2NE4, SW4NW4, SW4SW4, SW4SE4, NE4NE4	400.00
18S	21E	21	SLB&M	NE4NW4, SE4SE4, NE4, S2SW4, W2SE4, SE4NW4, NE4SW4, NE4SE4	520.00
18S	21E	22	SLB&M	ALL	640.00
18S	21E	23	SLB&M	NW4NW4	40.00
18S	21E	27	SLB&M	NW4	160.00
18S	21E	28	SLB&M	ALL	640.00
18S	21E	29	SLB&M	E2E2, NW4SE4, SW4SE4, SW4SW4, W2NE4	360.00
18S	21E	30	SLB&M	LOTS 3, 4, 5, 6, 7, 8, E2, E2W2	746.91
18S	21E	31	SLB&M	ALL	827.87
18S	21E	32	SLB&M	ALL	640.00
18S	21E	33	SLB&M	N2NE4, NE4NW4, NW4NW4, S2NW4, SW4, W2SE4	480.00
19S	20E	1	SLB&M	LOT 3, E2SW4, SE4NW4, SE4SE4	200.12
19S	20E	2	SLB&M	LOTS 1, 2, 3, 4, S2N2, S2	640.64
19S	20E	3	SLB&M	LOTS 2, 3, E2SW4, NW4SE4, SE4NW4, SW4NE4, SW4SE4	319.92
19S	20E	10	SLB&M	E2NW4, S2S2	240.00
19S	20E	11	SLB&M	SE4NE4, W2W2	200.00
19S	20E	12	SLB&M	E2NE4, N2NW4, SW4, SW4NE4, SW4NW4	400.00
19S	20E	13	SLB&M	NW4NW4	40.00
19S	20E	14	SLB&M	S2NE4, W2	400.00
19S	20E	15	SLB&M	ALL	640.00
19S	20E	21	SLB&M	N2, NE4SW4, NW4SE4	400.00
19S	21E	4	SLB&M	LOTS 3, 4, 5, 12	138.36
19S	21E	5	SLB&M	LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, S2NW4, NW4SW4	557.24
19S	21E	6	SLB&M	LOTS 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, S2NE4, SE4NW4, NE4SW4, N2SE4	999.50
				TOTAL	**50,608.59**

TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Exhibit B - Subject Property
Book Cliffs Roadless Area Block

Grand County



Book Cliffs Roadless Area Block

Tribal Lands

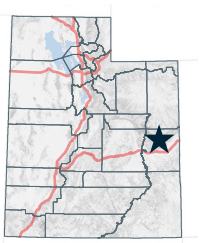
Land Ownership and Administration

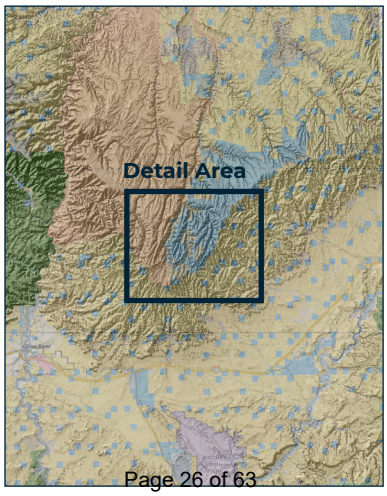
Bureau of Land Management

Private

State Trust Lands

State Wildlife Reserve/Management Area





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: May 07, 2026 - katestaley

Coordinate System: NAD 83 UTM Zone 12N

Reference - Utah Geospatial Resource Center (UGRC) Hillshade and Terrain 10-Meter

DIRECTOR'S FINDING CONCERNING POTENTIAL
SALE OF LARGE LAND BLOCK PURSUANT TO SECTION 53C-4-104
(Roadless Area of the Book Cliffs)

LEGAL DESCRIPTION OF LAND AFFECTED:

See legal description attached as Exhibit A.

AFFECTED BENEFICIARY:

Public Schools Trust

COUNTY: Grand **ACRES:** 50,608.59 acres, more or less

PROPOSED ACTION:

The State of Utah, Division of Wildlife Resources ("DWR"), by and through the Utah Department of Natural Resources ("DNR"), proposes to purchase the Roadless Area of the Book Cliffs Block (the "Property") via a negotiated sale pursuant to Utah Code Section 53C-4-104. The Agency ("TLA") has evaluated whether selling (or leasing) the property at this time, and whether proceeding under the authority and conditions of Section 104 ("Section 104 sale") without advertising in the event of a sale, is in the best interest of the affected beneficiary as required under Section 53C-4-102(2) and -104(1)(c)(ii)(B). That analysis is set forth below.

CRITERIA FOR EVALUATION:

The criteria for evaluating the proposed action are established generally in Utah Constitution Article XX, Sec. 2, Utah Code Title 53C, and Utah Admin. Code R850-80, and more specifically in Utah Code Sections 53C-4-101 through -104, and Utah Admin. Code R850-80-630 and -635.

BACKGROUND:

Property Characteristics and Access

The Property consists of 50,608.59 acres of land and associated water rights located in northern Grand County. The block was assembled from original school land grant sections and in-lieu selections largely completed in the 1960s, with a few small inholdings acquired by TLA from the Bureau of Land Management ("BLM") in the 2014 Recreational Land Exchange. The beneficiary of the block is the Public Schools Trust.

The Property consists of largely contiguous lands, interspersed with public land holdings owned by DWR located in the canyon bottoms. The Property is very remote and is characterized by rugged topography, steep slopes, and deep canyon bottoms containing perennial streams. Elevations range from 6,530 feet to 9,300 feet. About 85% of the block's acreage consists of very steep slopes exceeding 30%, with another 10% of the acreage containing slopes exceeding 15%. Vegetation consists of juniper trees, sage brush, and grasses interspersed with

areas of pine, oak brush, and aspen. Water rights on the Property are small diligence claims for livestock/wildlife watering directly on streams or springs.

Access to the Property from the south is from Interstate 70 at Thompson via the unpaved Sego Canyon Road to the Sego Canyon Trailhead, located about 14.2 miles north of I-70. From the trailhead, the Sego Canyon trail crosses 1.5 miles of Ute tribal land before entering the block. A tribal permit is required to cross the tribal lands. Several single-track trails leading from the Sego Canyon trail provide additional access to other portions of the Property.

The Property is accessed from the north by travelling about 70 miles of paved roads and an additional 24 miles of dirt roads from the Ouray turnoff from Hwy 191 between Vernal and Roosevelt. This leads to the Tenmile Knoll trailhead, located on the property, from which a series of trails provide access to the northern portions of the block.

TLA will continue to own the balance of the Book Cliffs Block to the north of the Property. TLA drew the boundary of the land to be sold to ensure that the entirety of Steer Ridge Road remains on, and benefits, the retained trust acreage. TLA also retained the tops of any ridges or points that can be accessed from that road for potential mineral drilling or other purposes.

Unique Characteristics Driving DNR's Interest in the Property

The Property possesses a number of unique characteristics driving DNR's interest in acquiring the land on behalf of the public. Due to its remote location, large contiguous acreage, the presence of important wildlife migration corridors, and lack of roads, the Property provides exceptional habitat for various wildlife species, including elk, mule deer, bison, black bears, bighorn sheep and mountain lions. It is a premier big game hunting unit in the state, with some of the state's largest mule deer and elk found there. Hunter success rates are very high. The Property also provides premier, remote backcountry angling for native Colorado River cutthroat trout. DNR desires to purchase the Property to promote its management objectives including protection and improvement of wildlife habitats and watersheds, increasing fish and game populations, expanding fishing and hunting opportunities, conserving, protecting, and recovering wildlife species in need of conservation and their habitats; and providing wildlife-related recreational opportunities.

The Enactment of Section 104

The Utah Supreme Court has observed that "unique scenic, recreational, archaeological, and paleontological values . . . exist in some of the state school lands", and "it might be necessary for the state to buy or lease the school lands from the trust so that unique noneconomic values can be preserved and protected and the full economic value of the school trust lands still realized." *National Parks and Conservation Ass'n v. Board of State Lands*, 869 P.2d 909, 914, 921 (Utah 1993). The fact that the Property features such unique public values has driven DNR's interest, prompted a large legislative appropriation of purchase-money, and created an opportunity for TLA to evaluate a Section 104 sale.

Utah Code Section 53C-1-204(1)(B)(vi) states that TLA is to have regard for, and seek, compensation for the general public's use of trust land resources. In the past, this has taken the form of agreements like the hunter access agreement whereby DNR pays for the public's use of trust lands (including the Property) for wildlife-related purposes, and a few land sales such as the sale of trust lands within the Utahraptor State Park. No further specific statutory provisions

to provide for or facilitate State purchases of land with unique public values existed until H.B. 262 was passed in the 2024 Legislative Session.

H.B. 262 (codified as Utah Code Section 53C-4-104) allows for the sale of large land blocks of 5,000 acres or more to DNR through a direct negotiated sale if certain requirements are met. These requirements include presentation of the terms of any proposed sale at a public Board meeting, and, under the implementing regulations, TLA obtaining multiple appraisals of the subject property from qualified independent third-party appraisers. The bill was intended in part to create more predictability in planning, and appropriating money, for such land purchases. The School and Institutional Trust Beneficiaries' Advocacy Office ("Advocacy Office") and Council, and key beneficiary representatives, supported H.B. 262's passage.

Legislative Appropriation of Purchase Funds

DNR's interest in purchasing certain blocks of trust land with unique characteristics, and Legislative support of that goal, have resulted in an initial appropriation of $50 million for such purchases. DNR's access to additional funding sources, such as out-of-state hunting and fishing license fees deposited in a dedicated account created by the legislature to help fund acquisition of land blocks, presents an opportunity and a market for potential sales of several underperforming large blocks of trust land. This funding presents an opportunity to monetize several such blocks that would otherwise be difficult to sell given the sensitivities surrounding lands with unique characteristics that are treasured by the public, and the pushback that would result if the lands were privatized and public access and use were restricted or lost. TLA sales of such lands should be evaluated through a risk analysis lens that considers key relationships with state, county and municipal executive and legislative bodies, and TLA's reputation in the community and marketplace. Sales that privatized lands with unique public values could harm TLA's standing in ways that may negatively affect other TLA programs and projects and the long-term best interests of the beneficiaries. This practical political and business reality influenced in part the passage of H.B. 262 and is a factor TLA and the Board of Trustees may weigh in analyzing the proposed sale.

DNR'S OFFER TO PURCHASE THE PROPERTY:

DNR has approached TLA about the purchase of five separate large land blocks within a five-year period under the authority of Section 104. Each of these blocks share similar characteristics in possessing unique wildlife habitat, hunting and fishing, and recreational values while not generating significant annual income for the trust. These five blocks are the Property (the Roadless Area of the Book Cliffs Block), the North La Sal Block, the South La Sal Block, the Sand Ledges Block, and the Phil Pico Block. This Director's Finding applies only to the sale of the first of these blocks (the Property), and a separate appraisal process, Director's Finding, and Board hearing will occur in connection with the sale of each of the four subsequent blocks. The sale of a second block, the South La Sal block, is anticipated in the next several months, with appraisals of that block presently being performed.

ANALYSIS OF SALES OPPORTUNITY:

Current Revenue

Presently, there are few revenue sources associated with the Property. There are four existing grazing permits with the following associated annual income:

GP 23437-OBA: $45,911

GP 23438-OBA: $1,579
GP 23542-24: $15
GP 23544-24: $10

The only other existing revenue from the Property is that part of the hunter access agreement with DNR attributable to this land (which allows the public to access, hunt, fish, and view wildlife on the Property), which represents $77,000 annually.

The total annual income presently realized from the Property is therefore $124,500.

Holding vs. Selling

Utah Admin. Code R850-80-200(2)(a) requires an analysis of land appreciation rates if the land is held vs. anticipated rates of return on the purchase price if the land is sold. Financial analyses performed by TLA staff indicate that selling the Property now and investing the purchase proceeds in the Public Schools Permanent Fund will yield greater returns for the beneficiary than holding the Property for land appreciation and ongoing revenue generation. Assuming a present value of $29,675,000 based on recent appraisals (see below), ongoing revenue figures for the Property noted in the prior section escalated at 3%, an annual land appreciation rate of 3.5% if the property were held, and a 7.5% permanent fund return rate on the sales proceeds if the land is sold or the ongoing lease proceeds if the property were held, the following are the future values associated with sell vs. hold scenarios at several time horizons:

Sale Year (X)		Future Value if Held and Sold in Year X	Future Value (In Year X) if Sold Today and Invested
Year 2		$30,847,463	$31,900,625
Year 15		$51,722,293	$81,678,777
Year 30		$97,688,203	$241,677,484
Year 40		$154,021,034	$498,104,922

Future Value shows how proceeds would grow over time assuming reinvestment at 7.5% in the permanent fund. This calculation excludes any annual distributions made to public schools from the fund. If such distributions are made, it would lower the principal amount to which the 7.5% rate is applied, but would also create value and direct financial benefits for affected institutions where none currently exist.

Stating this in terms of the net present value of the Property if sold now vs held and sold later yields the following:

Sale Year (X)		Today's Value of Sale in Year X (NPV)
Current Land Value		**$29,675,000**
Year 2		$26,693,315
Year 15		$17,480,378
Year 30		$11,158,047
Year 40		$8,535,746

The NPV represents the present value of holding the asset, including projected annual revenue and sale at the appreciated value in Year X, discounted at 7.5%. This is directly comparable to the current land value / sale price.

As these tables reflect, the expected growth of the sale proceeds in the Public Schools Permanent Fund will significantly exceed the expected land value appreciation and ongoing revenue generation over time, indicating that selling the land now is preferred over holding it. It

should be noted that the 3.5% land appreciation figure used may be liberal, as two of the three appraisals conducted on this Property (see below) assumed land appreciation rates of 2% and 3%, and appraisals obtained by TLA on large blocks in the past have evidenced a below-3.5% land appreciation rate.

Leasing vs. Selling

Utah Admin. Code R850-80-630(1)(a) requires that any proposed Section 104 sale be contrasted with the option of leasing the land to DNR instead.

Factors that might cause TLA to prefer to lease aren't present here. Due to the remoteness and severe topographic challenges discussed above, TLA does not anticipate that more lucrative development options will materialize in the foreseeable future such that TLA might want to hold the land for now under a lease scenario to await such opportunities.

Additionally, the legislature's appropriation of $50 million to DNR was specifically for a land purchase. And DNR is already leasing hunting and fishing rights on the Property from TLA for the public, but at rates that are much less lucrative for the beneficiaries than a sale.

The data that the summaries in the prior section are built upon indicate that holding (vs. selling) the land results in a loss of over $1 million during the first year, escalating quickly in subsequent years. Any potential lease revenue, and associated returns, would therefore have to offset these quickly accelerating amounts for a hypothetical lease option to break even with the sales option over a given amount of time. Under hypothetical leasing scenarios of 15, 30 and 40 years, the following are the lease rental rates that TLA would need to charge DNR to keep pace with returns generated under the sales scenario. These scenarios assume an immediate sale of the land at the end of each lease term at today's value escalated annually at 3.5% consistent with the hold vs sell analysis above.

Lease Term	Required Starting Annual Rent*	Annual Rent in Final Year of Term	Sale Price Necessary at End of Lease Term
15 Years	$1,135,903	$1,718,155	$81,678,777
30 Years	$1,165,947	$2,747,631	$241,677,484
40 Years	$1,182,158	$3,743,925	$498,104,922

*Initial lease rent in year one, escalating at 3% yearly with sale of land at end of term

As the table illustrates, TLA would need to lease the Property for more than $1.1 million per year (escalating annually from there), and then sell the Property immediately upon lease expiration, to offset the opportunity cost of selling the Property today. Given that the Property has been available for leasing (including the existing lease to DNR for hunter and other wildlife-related access) for decades and is only realizing $124,500 per year, potential surface leasing options that would produce a ten-fold increase in rents as reflected above are very unlikely. Additionally, there is presently no offer from DNR to lease that can be analyzed as an alternative to the proposed sale.

Mineral Presence and Retention

Consistent with statute, TLA will reserve all coal, oil, gas, and other hydrocarbons, and all other mineral deposits, including geothermal resources to the Public Schools Trust.

Among the fifty large blocks of trust land containing 5,000 acres or more, the Property is relatively high on the list for mineral resource presence. The most likely future development would be of natural gas. The Property hosts an extensive presence of Mancos Shale comprised of five stratigraphic intervals including the gas-prone Tununk, Juana Lopez, Lower Blue Gate, and Upper Mancos/Buck Tongue members, together with the primary liquids-rich Prairie Canyon Member (industry "Mancos B")—the key reservoir interval charged by underlying source rocks. Although topographic and other challenges would need to be overcome to permit future development of these resources, an analysis performed by TLA staff accounting for the aerial extent and thickness of these formations on the Property, and assuming efficient development, indicates that potentially hundreds of millions of dollars of future revenue could be realized. Recent exploration activity on trust lands just to the north of the Property, and technological advances in the drilling of three- and four-mile-long lateral wells from a single location, increase the prospects for future development.

Given the heavy hydrocarbon resources presence on the Property, preservation of the future ability to pursue development of the retained mineral estate to the maximum degree possible is of significant concern and is discussed further below.

Appraisal Process

The process for determining the fair market value ("FMV") of a property eligible for sale to DNR under Utah Code Section 53C-4-104 is defined in Subsection 53C-4-104(3) and Utah Administrative Rule R850-80-635. Subsection 53C-4-104(3) requires the director to promulgate administrative rules for determining the FMV of the property and further directs that the rules (1) shall establish the procedure for determining the FMV of the trust lands, (2) may provide that an appraisal demonstrates FMV, (3) shall require the acquisition of at least one third-party appraisal, and (4) may require that additional appraisals be completed.

On June 19, 2025, the Board of Trustees approved administrative rules which implemented Subsection 53C-4-104(3). The Advocacy Office and the beneficiaries provided feedback on draft rules as part of the rulemaking process. No further input was offered during the public comment period. The rules were codified as R850-80-635. They require the use of independent, third-party, state-certified general appraisers with experience in appraising large rural properties. Appraisals completed under the administrative rule must comply with the Uniform Standards of Professional Appraisal Practice ("USPAP") and may be required under some circumstances to comply with the Uniform Appraisal Standards for Federal Land Acquisitions ("UASFLA") or "Yellow Book" standards.

The process to determine FMV is defined in the administrative rule as follows:

1. The director shall obtain two valuation appraisals for the property with the same date of value.
    a. If the difference between the two appraisal valuations is less than or equal to 10% of the higher valuation, the FMV is the average of the two appraisal valuations.
    b. If the difference between the two appraisal valuations is greater than 10% of the higher valuation, the director shall obtain a third appraisal having the same date of value as the initial appraisals. The FMV of the property is the average of the two closest appraisal valuations.
    c. In the unlikely event that the middle appraisal valuation is the average of the highest and lowest valuations, the FMV of the property is the middle appraisal valuation.

This multi-appraisal process adopted in the administrative rules exceeds the requirements imposed by the statute.

To maintain the integrity of the appraisal process and ensure that the interests of the trust beneficiaries are protected, TLA must obtain its own appraisals and not rely on appraisals acquired by other parties when completing transactions. In certain circumstances involving transactions with the federal government or other state government entities, these government entities also have requirements to obtain appraisals before they are allowed to expend federal or state funds to purchase property.

For the proposed purchase of the Property, DNR anticipated the potential need to utilize federal funds through the Pittman-Robertson Wildlife Restoration Program administered by the U.S. Fish & Wildlife Service ("USFWS"). For any purchases of property utilizing federal funding, the USFWS requires that the buyer (i.e. DNR) obtain appraisal and appraisal review reports that conform to the UASFLA ("Yellow Book") standards. Furthermore, the Utah administrative rules governing the acquisition of property by DNR (through UDWR in this case), R657-61-3, generally require that DWR obtain an appraisal and appraisal review to verify the value of properties it is purchasing.

While TLA maintained control of the appraisal process, DNR/UDWR is listed as an additional co-client on the appraisal reports and DNR/UDWR/USFWS are listed as intended users of the appraisal report. This will allow those parties to fulfill their appraisal requirements while utilizing TLA-procured appraisals. TLA maintained the following controls over the appraisal process:

- TLA drafted the appraisal statement of work
- TLA issued the request for proposals
- TLA contracted directly with the appraisers and the review appraiser
- TLA paid all appraisal invoices
- TLA arranged and attended the pre-work meetings with appraisers
- TLA arranged and attended the site inspections with appraisers
- TLA required that all communication with the appraisers and the review appraiser be conducted solely through TLA
- TLA was the only party that submitted comments to the appraisers on appraisal drafts

TLA consulted with the Advocacy Office during the appraisal process and provided copies of the appraisals to that office for review and discussion.

Appraisal Results and FMV Determination

Per Administrative Rule R850-80-635(1), TLA obtained two initial appraisals with a valuation date of October 1, 2025. The appraisers selected for the assignment were state-certified general appraisers with demonstrated experience in appraising large rural properties and completing UASFLA ("Yellow Book") compliant appraisals. TLA has worked with the selected appraisers on multiple projects in the past and deemed them well qualified for the assignment. These appraisers worked independently of one another. The appraisals were reviewed by a review

appraiser to assure compliance with USPAP and UASFLA standards. The valuations were as follows:

- Appraisal Report A: $20,243,000
- Appraisal Report B: $26,550,000

Since the difference between the two valuations was greater than 10% of the higher valuation, a third independent appraisal report was obtained, also with a valuation date of October 1, 2025. Like the appraisers who performed the initial reports, the appraiser selected for this assignment was a state-certified general appraiser with demonstrated experience in appraising large rural properties and completing UASFLA compliant appraisals. TLA has also worked with this appraiser on multiple projects in the past and deemed them well qualified for the assignment. This appraisal has also been reviewed by a review appraiser to assure compliance with USPAP and UASFLA standards. The third valuation was as follows:

- Appraisal Report C: $32,800,000

Per Administrative Rule R850-80-635(1)(b), the FMV of the property is calculated as the average of the two closest valuations. Therefore, the FMV is calculated as follows:

- $26,550,000 (Appraisal B) + $32,800,000 (Appraisal C) / 2 = **$29,675,000**

Terms of Proposed Sale

Pursuant to the determination of FMV set forth above, the Property is proposed to be sold for $29,675,000.

Consistent with statutory requirements and normal practice, all coal, oil, gas, and other hydrocarbons, and all other mineral deposits, including geothermal resources, will be reserved to TLA for the Public Schools Trust. Given the significant presence of mineral resources on the Property and possibility of significant future revenue generation therefrom, an express easement providing for robust mineral development access rights will also be reserved. This will be in addition to the implied easement generally recognized under the law in favor of owners of the dominant (mineral) estate.

All sub-surface voids and pore spaces, and the right to reasonably access them, will be reserved.

Finally, an access and utility easement across the Property to access other trust lands administered by TLA will be reserved.

FACTORS FAVORING A SECTION 104 SALE VS. OTHER SALE METHODS:

There are several factors that demonstrate it is in the best interest of the Public Schools Trust to proceed with the proposed Section 104 sale without advertising rather than embarking on a different sales process over the next year or more.

Ensuring Greater Returns for the Public Schools Trust

As noted above, TLA's sell vs. hold analysis indicates that significantly greater returns will be realized by selling the Property now vs continuing to hold it. This reality is clearer in the case of this Property given its very remote location, lack of access, and rugged topography. This contrasts with other land blocks located nearer to population centers and within the theoretical path of future development where property appreciation may be expected to accelerate. Losses

of more than $1 million per year for each year of delay in selling the Property would need to be offset by gains realized in pursuing another sales strategy.

Securing a Committed Buyer for Five Underperforming Blocks

DNR is committed to purchasing the five land blocks discussed above within the next five years, with a second large block sale (of the South La Sal Block) expected to be presented to the Board within several months of the sale of the Property. Each of the other four large blocks DNR plans to purchase involve similar hold vs. sell realities for TLA, and the availability of funds and DNR's interest in purchasing these blocks presents TLA with a unique opportunity to monetize several underperforming assets and generate significant revenue for the affected beneficiaries. Although each of these blocks have been available for interested parties to petition to purchase for many years, TLA has not received any such offers.

Approximately $50 million was specifically set aside in the 2025 legislative session to fund Section 104 purchases. Given annual budget constraints, if the Section 104 process, and related appropriations of funds, remain un-utilized, future or continued appropriations for this purpose are less likely. This could impede future opportunities for TLA to take advantage of this market and funding for other land blocks and other beneficiary interests. Although not a dispositive consideration in any particular transaction, pursuing the sale of parcels well suited to the Section 104 sale process, like the Property, will help preserve this option in the future.

Providing Greater Certainty for Future Reserved Mineral Development

Given the significant presence of mineral resources on the Property, protecting TLA's ability to access and develop reserved minerals is of paramount concern. As noted above, depending upon technological advances, commodity prices and other variables, future development of reserved minerals in portions of the Property could potentially generate hundreds of millions of dollars. Utah Admin. Code R80-200(c) requires an analysis of whether a sale would create obstacles to future mineral development.

Once the surface estate is sold, any future mineral development will depend upon TLA (or its lessees) coordinating mineral access and related surface disturbances with the new surface owner. Although the mineral estate is the dominant estate, with the implied right to access and utilize the surface within certain limits, surface use by mineral owners in split estate contexts is frequently a source of conflict. This can lead to delays, increased costs, litigation, and threats to the viability of mineral development efforts. Under the proposed Section 104 sale, having the State of Utah own the surface estate will help ensure improved access and mineral development opportunities for several reasons.

First, DNR intends to maintain the Property as a single, undeveloped block, without subdividing the land or creating other surface ownership or development complications that could hinder mineral development. Second, because the State of Utah itself is the trustee of the Public Schools Trust and owes fiduciary duties to the affected beneficiary as to the retained mineral interests, *see* Utah Constitution Article XX, Sec. 2; Utah Code Section 53C-1-102, having the State of Utah own the surface will provide greater certainty that workable mineral access will occur vs. ownership by potential private buyers. Finally, under the proposed sale, TLA is reserving express, robust mineral access rights in addition to enjoying the implied rights established by law for mineral estate owners.

Avoiding Millions of Dollars in Cultural Survey Work

Based on prior agency experience, on a property this large, rugged and inaccessible, performing legally-required cultural and historic resource survey and clearance work would cost $3-5 million or more. This is a higher amount in relation to the purchase price than would be true for most other parcels. Under the proposed Section 104 sale, however, this cultural survey work would not be necessary because DNR is subject to the same cultural resource protection laws as TLA. If the property is marketed to private purchasers, however, these costs would be incurred directly by TLA using trust funds with the expectation of reimbursement if the property is sold to a buyer willing to pay both the purchase price and the $3-5 million dollars in additional costs. Or more likely in a case with such high costs, TLA would need to identify a buyer willing to put up this money in advance without knowing what the survey results would be, or what percentage of the land might be permanently restricted through deed covenants. The agency's requirement that the buyer pay these costs and take these risks would likely discourage many potential purchasers.

Avoiding Years of Delay in Performing Cultural Survey Work

The cultural resource survey and clearance work mentioned above would also take several years (likely 4 or more) to perform. Field seasons in this area are relatively short given higher elevations, snow cover, and the lack of roads and access. Crews would have to be transported by helicopter or ride in on horseback. As noted above, each year of delay in completing a sale would reduce returns to the trust by $1 million or more. The purchase price obtained through a standard sale process that required such cultural clearances would therefore need to be higher than the currently-proposed sales price just to offset the costs associated with these delays (for example, an increased sales price of more than $4 million would need to be realized to offset the cost of a four-year delay). This is in addition to the costs a purchaser other than DNR would need to pay for the cultural work itself as discussed above. These realities cast doubt on the viability of pursuing a different sales strategy that involves performing expensive and lengthy cultural survey work and pursuing buyers willing to pay both the cultural survey costs and a higher sales price. Pursuing such a sales strategy could result in lesser returns.

CONCLUSION AND FINDING:

For the above reasons, I find it is in the best interests of the Public Schools Trust to proceed with the Section 104 sales process to DNR as outlined above rather than pursue a potential sale at a later date utilizing different, advertising-based sales mechanisms, or hold the Property and attempt to lease it. This finding will be presented to the TLA Board of Trustees for approval at a public meeting.

STATE OF UTAH
SCHOOL AND INSTITUTIONAL
TRUST LANDS ADMINISTRATION

_____

Michelle E. McConkie
Executive Director

Notification Item 10B

Minor Development Transaction for Coral Canyon Commercial Lots 3A and 3B

Washington County, UT

TRUST LANDS
ADMINISTRATION
SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Board of Trustees Memorandum

Date: May 21, 2026

From: Aaron Langston, Managing Director,
Residential and Commercial Real Estate

Re: Coral Canyon Commercial Lots 3A and 3B – Land Sale Notification

Applicant:
St George K, LLC

Location:
T42S, R14W Sections 4 and 5, Washington County
Coral Canyon Commercial - Parcels 3A and 3B

Acreage:
3.02 +/- acres

Beneficiary:
Miners Hospital

Summary

The purpose of this memorandum is to give the board notice of a minor development transaction on approximately 3.02 acres of Trust lands located in Hurricane, Utah, Washington County, near the I-15 Exit 16 interchange in the Coral Canyon commercial area. The lots are situated immediately next to the State Liquor Store. Before entering into a minor development transaction, the agency must give the Board notice of the transaction, including information about the proposed transaction, the process followed by the agency in selecting the parcels that are to be exchanged, and an economic analysis of the project, pursuant to Rule R850-140-500.

Key Information and Background

Background: In 2016, TLA entered into a listing agreement with Jack Fisher Homes (now Cole West) to list our commercial properties in the Coral Canyon Development. Outside of one lot that is still under contract and expected to close soon, lots 3A and 3B are the last two lots available in the Trust's portfolio in the Coral Canyon commercial area.

In December 2025, St George K, LLC made an offer for lots 3A and 3B. The buyer is the owner/operator of Bonneville Equipment Company, which operates three Kubota dealerships throughout Utah, including Sandy, Springville and Washington City. They would like to relocate their current Washington City business to this site. Booneville Equipment plans to place a full-service Kubota dealer on this property which will include sales, rental and minor maintenance for Kubota equipment.

Upon receipt of this offer, staff reflected upon the contemplated use and concluded it would not have an adverse effect on the nearby businesses. Staff also confirmed with our Coral Canyon development partner, Cole West, that this use would not adversely affect their residential development in Area 10, which is situated on the bluff overlooking lots 3A and 3B. After a thorough review, it was determined by the parties that this is an acceptable use in this area. The buyer has also agreed to help screen any potential visual impacts from the forthcoming residential community in Area 10 by providing block walls.

Material Terms of the Transaction

Bonneville Equipment Company offered $1,677,277.80 for Lots 3A and 3B or appraisal price whichever is greater. This offer was based on an older appraisal, which had influenced the listing price. Upon receipt of the offer, an updated appraisal was ordered, which was completed in April 2026. The land valuation came back at $15.50 SF for each parcel for a combined value of $2,035,000. The buyer has accepted the appraisal price. The buyer requests 60 days due diligence from the execution of a Certificate of Sale on the property and closing within 10 days of the completion of due diligence and TLA final approvals of their site plan, landscape plan and exterior building design.

Economic Analysis

The April of 2026 appraisal valued Lot 3A at $1,135,000 and Lot 3B at $900,000 (both at $15.50 SF) for a combined value of $2,035,000.

The parcels have been actively advertised with a listing agent for a decade, with no viable offers until now. The Trust will meet its fiduciary responsibility by selling this property at or above market value, thus enabling it to monetize this land asset.

Competitive Process

These lots are advertised with the Cole West Real Estate Brokerage, including listings on Costar and prominent freeway signage.

Committee Discussion

The Committee asked Staff to remove language from the memo that gives the purchaser the option of either installing a block wall or landscaping to help screen the area from a future residential development. Rather, the Committee wants to require that the purchase install a block wall to mitigate any visual impacts.

The Committee also wanted clarification regarding the CCRs, and if those were made part of the advertising and listing agreements, wondering if relaxing those CCRs might have had a positive outcome.

Staff clarified that the restrictions were not made part of the advertising campaign to attract as many potential buyers as possible.

Exhibit A

Coral Canyon Commercial Area 11 - Lot 3A and 3B

TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Development Transaction No. 27344

Township 42 South Range 14 West, SLB&M

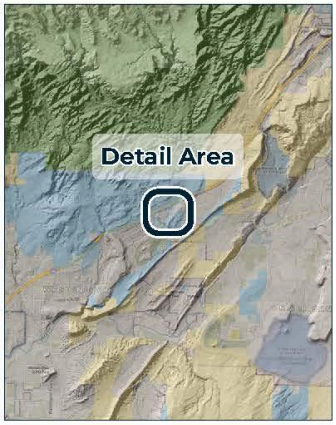
Size - 3.02 Acres

Washington County

Development Transaction No. C27344

Land Ownership and Administration

- Private
- State Trust Lands
- Other State



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: April 23, 2026 - nicholaswilcox

Coordinate System: NAD 83 UTM Zone 12N

Reference - Utah Geospatial Resource Center (UGRC) Hillshade and Terrain 10-Meter

Development Transaction No. 27344

Township 42 South Range 14 West, SLB&M
Size - 3.02 Acres

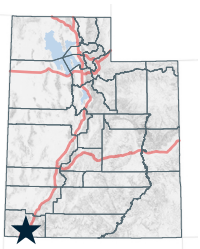
Washington County

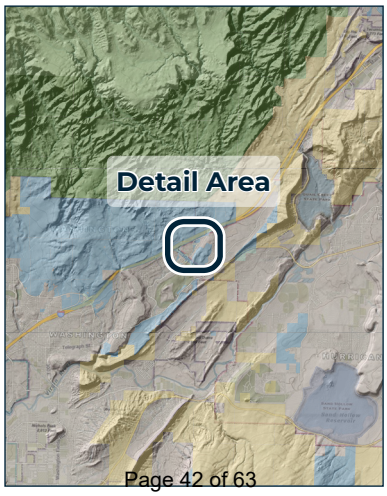
TRUST LANDS ADMINISTRATION
SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Development Transaction No. C27344

Land Ownership and Administration

- Private
- State Trust Lands
- Other State





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Coordinate System: NAD 83 UTM Zone 12N

Reference - Utah Geospatial Resource Center (UGRC) Hillshade and Terrain 10-Meter

Notification Item 10C

Minor Development Transaction for Township 43 S Range 2 E within Section 12, SLB&M

Kane County, UT

TRUST LANDS
ADMINISTRATION
SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Board of Trustees Memorandum

Date: May 21, 2026

From: Bryan W. Torgerson, Assistant Managing Director

Re: Minor Development Transaction Notice

Applicant: Mr. Mark Gangola

Location: Big Water, UT | Township 43 S Range 2 E Within Section 13, SLB&M, in Kane County (See Exhibit A)

Acreage: 2.72 +/- acres (actual acreage to be determined by survey)

Beneficiary: Public Schools Trust

Summary

The purpose of this memorandum is to give the board notice of a proposed minor development transaction on approximately 2.72 acres of trust land located within the municipal boundary of Big Water, Kane County, off Freedom Way. Before entering a minor development transaction, the agency must give the Board notice of the transaction, including information about the proposed transaction, the process followed by the agency in selecting the purchaser, and an economic analysis of the project, pursuant to Rule R850-140-500.

Key Information and Background

Upon a neighboring property owner's initial interest in the property, we reached out to Mr. Mark Gangola and Mr. Paul Hyde regarding the purchase of the property directly behind their lots as their status as adjoining landowners makes them the parties most impacted and most likely to benefit from the sale of these parcels. Mr. Hyde declined to purchase the lot behind his property, and after some negotiating, Mr. Gangola has agreed to purchase both lots at the same time. Therefore, both lots will most likely be sold as a single lot, unless Mr. Gangola wishes otherwise. Staff have negotiated a price of $35,000 per acre, which is significantly above recent sale prices.

Additional Information

The following table shows some of the most recent TLA sales in the Big Water area, which were also landlocked and of which many were based on appraisals:

Actual Rim Lot Sales				
Transaction	**Date**	**Acreage**	**Sales Price**	**Price per Acre**
C-24983	5/31/2000	0.11	1,200.00	10,909.09
C-26542	3/27/2012	0.58	7,548.00	13,013.79
C-26559	2/4/2013	0.58	7,625.00	13,146.55
C-26857	4/21/2020	0.43	7,500.00	17,441.86
C-26956	6/22/2021	0.7	13,000.00	18,571.43
C-27153	5/31/2023	4.58	97,239.92	21,231.42
C-27195	10/2/2024	17	382,500.00	22,500.00
C-26997	9/8/2021	16.84	400,000.00	23,752.97
C-27080	9/1/2022	4.04	97,253.10	24,072.55
C-27069	8/29/2022	3.24	80,750.00	24,922.84
C-27079	8/30/2022	0.97	25,440.00	26,226.80

Based on the property being approximately 2.72 acres and the negotiated price per acre of $35,000, we anticipate a final sale price of approximately $95,200. This is substantially above fair market value when compared with recent comparable sales in the area.

Committee Discussion

The main point of discussion centered around the property that is situated behind Mr. Hyde's property. Wherein he declined to purchase it, and wherein his neighbor (Mr. Gangola) is willing to purchase it, the Trust should attempt to sell them both to Mr. Gangola at the same time (there was some question on the timing of when Mr. Gangola could purchase both parcels). If both parcels can't be sold at the same time, the Trust should provide a 9-month Option Agreement for $1K-$2K for the sale of the property behind Mr. Hyde (to Mr. Gangola). If he is unwilling to pay for the Option Agreement, and is unable to close right away, the Trust should move forward with selling both parcels to the original petitioner. This ensures that the Trust is not left with a remnant parcel and further ensures that the property owners most impacted by the sale will have had sufficient opportunities to purchase the parcel behind their respective lots.

Exhibit A

Map of the combined lots together

TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Big Water Request for Purchase

Township 43 South, Range 2 East, SLB&M;
Within Section 13

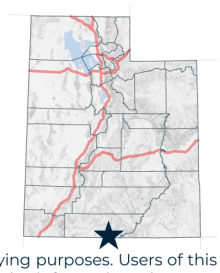
Kane County ~ 2.72 Acres

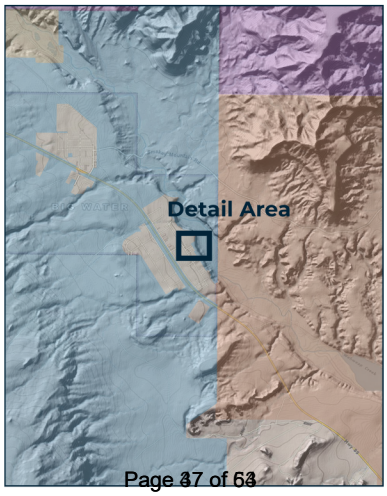
Request for Purchase

Land Ownership and Administration

Private

State Trust Lands





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Coordinate System: NAD 83 UTM Zone 12N

Hillshade 10-Meter - UGRC - Utah Geospatial Resource Center (UGRC)

Notification Item 10D and Action Item 11A

Notice of a Minor Development Transaction for Proposed Brixton Park Development Lease and a Proposed Water Tank Coast Share Agreement

Utah County, UT

TRUST LANDS
ADMINISTRATION
SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

TRUST LANDS ADMINISTRATION
SUPPORTING SCHOOLS AND INSTITUTIONS

Board of Trustees Memorandum

Date: May 21, 2026

From: Alexa Wilson, Project Manager
Residential and Commercial Real Estate

Re: **Proposed Brixton Park Development Lease (DEVL 1388)**
Proposed Water Tank Cost Share Agreement (DEVL 1283)

Applicant **Development Lease:** Saratoga 262 Partners (Brixton Park development)
Cost Share Agreement: Saratoga 262 Partners, Larry H. Miller Real Estate and Property Reserve

Location: Within Sections 3 and 4 of T6S R1W and Section 33 of T5S R1W
Saratoga Springs, Utah County

Acreage: SITLA Brixton South Parcel: 42 acres, SITLA West Parcel 49 Acres, totaling 91 +/- acres

Beneficiary: Public Schools Trust

Introduction

TLA owns two parcels of land on the west side of Saratoga Springs, which are currently not easily developable for different reasons. They are depicted on the map shown below as TLA West and TLA Brixton South (Figure 1). The West Parcel is years away from development and depends on the property owners to the east to develop first for access to infrastructure and roads; The Brixton South Parcel is hemmed in between a quickly developing community and the hillside, but has major development challenges, including access, steep slopes, and lack of infrastructure.

Surrounding communities which are currently being developed, like Brixton Park and Larry H. Miller's Three Canyons, require the construction of a new water tank immediately. This water tank also serves the subject TLA parcels for which the water infrastructure is not needed until TLA develops the parcels. However, to preserve the possibility of later developing the TLA parcels to increase the revenue potential, we have to pay our pro rata share of the cost of the water infrastructure right now. This memo addresses that dilemma, presents the viable options, and proposes a clear path forward.

Four parties own land that would be served by the proposed 1 million gallon tank, estimated to cost $14.4M. Trust Lands' proportionate share is $500K for the Brixton South Parcel and $1.3M for the West Parcel, for a total of $1.8M, as shown in the table on the next page.

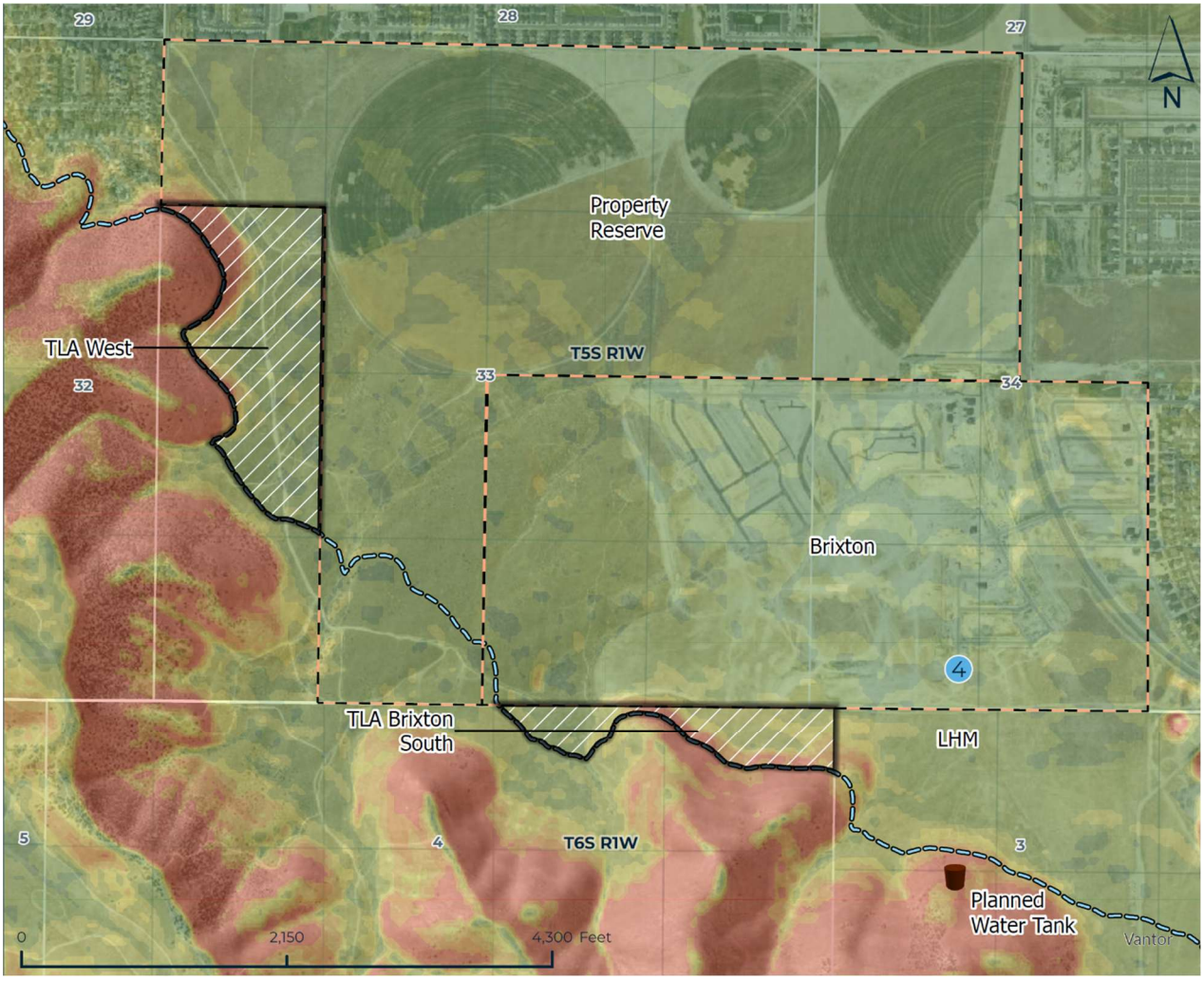


Figure 1: Developable TLA land served by the new water tank

Options

Several approaches to solving this dilemma have been considered:

1. Participate in a proposed cost share agreement: Four parties are collaborating on the construction of the Improvements to serve development at an elevation above the range of the existing water tanks. The total cost of the Improvements, including the proposed tank, irrigation pond, water lines, pump station, construction management and the parcel of trust land on which the infrastructure will be built is estimated at $14.4M. This amount has been allocated to five properties served by the new infrastructure (2 of which are TLA-owned) based on the projected number of houses and irrigated acres at full build out (See exhibit A). Each entity will receive impact fee credits in the amount of its contribution:

Entity	Brixton Park	Three Canyons (LHM)	Property Reserve	TLA Brixton South	TLA West	Total
Percentage	33.42%	21.89%	35.36%	3.46%	8.87%	100.00%
Cost in (Million $)	4.9	3.2	4.5	0.5	1.3	14.4

The Parties will deposit the funds outlined above in an escrow account. As shown above, Trust Lands' share of the costs is $500K for the Brixton South Parcel and $1.3M for the West Parcel. Larry H Miller will manage construction and receive compensation of 3% of the construction costs. Trust Lands will receive appraised value (Appraisal dated August 4, 2025, by LC Appraisal) for approximately 6-acre tank site of $38,000 per acre. Upon completion of the infrastructure, the improvements will be dedicated to the City. In turn, the Parties will receive water impact fee credits, enabling them to be reimbursed for their proportionate shares of the Improvements once development of the parcels occurs.

Pros:

1. TLA will have credit towards water infrastructure and thereby increase the value of the property and facilitate future development.

Cons:

1. Even with water credits, the Brixton South parcel will have many development challenges because of its location and access.
2. TLA pays now for water infrastructure on development lands that are 10 to 15 years away from development, especially regarding the West parcel.
3. The $1.8M TLA share is almost 40% of our annual capital budget.

2. Opt out of the proposed cost share Agreement: TLA can opt out of participation in which case the remaining three parties will absorb the cost and move forward.

Pros:

1. Conserves capital budget.

Cons:

2. Saratoga 262 needs the water tank for further development immediately and is interested in the development transaction mainly to facilitate the cost share agreement. Without the integration with the Brixton Development, TLA would not get maximum value from Brixton South Parcel. This development opportunity is worth $2.3M, of which $1.3M is applied to the West parcel. Without an immediate development opportunity, the value is closer to the Dingell exchange value of $600K.

3. A cost share agreement in combination with a development agreement: **(the proposed solution)** Trust Lands has reached a proposed agreement with Saratoga 262 Partners (Saratoga 262), the developers of Brixton Park, for the development of TLA's Brixton South Parcel. Per the proposed agreement, Saratoga 262 will be responsible to pay TLA's proportionate share of the costs associated with TLA's Brixton South Parcel ($500K), as well as TLA's proportionate share of the costs associated with TLA's West Parcel ($1.3M), subject to them recouping those costs through the sale of lots on the TLAs Brixton South Parcel. The proposed lease will have the following terms:

1. Land included: approximately 41.42 acres of the Brixton South Parcel (only portions of this are developable, the remainder is required to meet the City's Open Space requirements).
2. Lease term: 7 years l with an option to extend an additional 3 years.
3. Saratoga 262 is responsible for planning, entitlements, annexation and subdividing the parcels and installing all necessary onsite and offsite improvements, including the TLA's $500K share of the zone 3 water tank costs allocated to the Brixton South Parcel, to create fully improved lots for sale to third party purchasers at its expense.
4. TLA reserves street and utility access to additional trust lands to the west that will be served by zones 4 and 5 tanks (See figure 2 on the next page, not a part of this proposal).
5. **Saratoga 262 will front TLA's $1.3M share of the zone 3 water tank costs allocated to the West Parcel and recoup it through lot sales. The $1.3M bears no interest.**
6. Payments and terms under the Brixton South Development Lease:
   a. Annual rent paid to TLA: $1,000
   b. **18% of the gross sales price of each lot,** paid at the closing. Saratoga 262 will withhold 65% of each lot sale payment until the $1.3M has been fully reimbursed.
   c. Dedication of land for drainage features, utility corridors and road infrastructure.
   d. Park and Amenity Lands (Improved parks) if applicable: $20,000/ac.
   e. General Open Space in native state (Slopes under 25%): $10,000/ac.
   f. Undevelopable Open Space and debris basin: $1,000/ac.

Pros:

1. TLA will have credit towards water infrastructure, and thereby increase the value of the property and facilitate future development *without any capital outlays by TLA*
2. TLA receives immediate value of $2.3M for only a portion of the 121-acre parcel acquired in the Dingell Exchange at a $600K value ($1.0M from lot sale and 1.3M from the payment by Saratoga 262 of our pro rata share of the water tank costs for the west parcel).
3. Saratoga 262 will pay the $1.3M water tank share immediately and only recoup their costs from the sale of lots 4 to 5 years from now. At 7.5% this represents a $500K value.
4. The agreement will enable TLA's capital budget to be used for other projects, invest in future development opportunities in the area, and facilitate the construction of infrastructure needed for our own project with Larry H Miller.
5. Development is integrated with the Brixton park development, allowing for faster and more efficient development than could be achieved independently.
6. The remaining Dingell acreage contains approximately 20 acres of land that will be developable when water tanks are built at even higher elevation and will provide the much-desired recreational connection between Saratoga Springs and Eagle Mountain.

Cons:

1. Ideally, we would like to see a higher revenue share in the proposed development agreement. However, this represents the maximum that our partner can pay to make the project work for them. Anything over this makes it more enticing for them to keep with their original

development plans that doesn't accommodate road infrastructure into our Brixton South Parcel.

Development Potential for the SITLA West Parcel

The development of the West parcel (shaded in pale blue on figure 2 below) will occur at least 10 to 15 years in the future and is dependent on the development of the Property Reserve acreage for access and utilities. The West Parcel constitutes 49 acres of prime development land with direct access to the recreational opportunities of the Lake Mountains and spectacular views of the Wasatch Range, Utah Lake, the Saratoga Springs temple and into Salt Lake County. TLA's participation in the water tank joint development agreement (DEVL 1283) outlines the Parties' proportionate shares of the water infrastructure needed for the development of these lands.

In addition, at a higher elevation, TLA owns another 25 acres of prime development land (shown in Figure 2 below as the non-shaded lots) which will not be developable until water tank(s) further up the hill will be constructed.

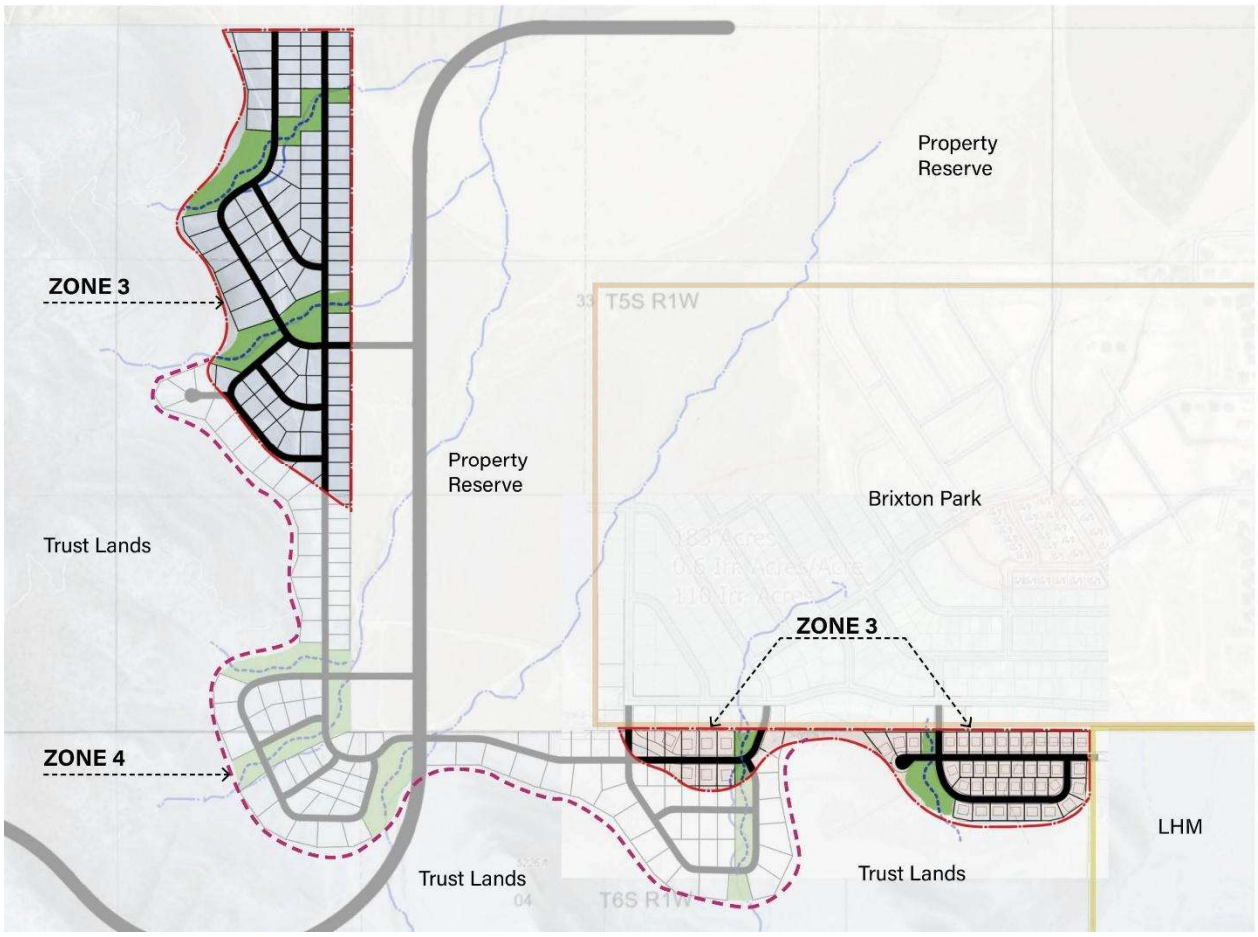


Figure 2: Concept plan for Zone 3 TLA land (to be served by the new water tank) and TLA Zone 4 development land (available for development with a future water tank.

Competitive Process

Trust Lands published an RFP on March 1, 2026, to solicit competing proposals for the Brixton South parcel. Active developers in the area, including LHM, were personally invited to respond to the RFP. The ad was published on TLA's website as well in Salt Lake and Utah county news outlets. No other proposals were received. This is not surprising because Saratoga 262 controls the frontage to TLAs South Brixton Parcel.

Committee Discussion

The discussion in the Real estate Committee focused on the somewhat low TLA payment (originally presented at 16% gross revenue share for TLA) on improved sales in relation to the other benefits of the agreement (listed on page 4). The consensus was that if the 16% revenue share could increase somewhat, moving forward with the proposed Development Lease and having Saratoga 262 front the $1.3 million for our proportionate share of the water infrastructure for the TLA West parcel is in the best interest of the beneficiary. After the Real Estate Committee meeting, Staff met with Saratoga 262 to discuss an increase of the revenue share, which resulted in a 2 percentage-point increase to 18%.

Requested Agency Action

The development lease transaction involves trust lands valued at under $5M and thus requiring only a notification to the board according to board policy 2013-03. This memo provides this notice.

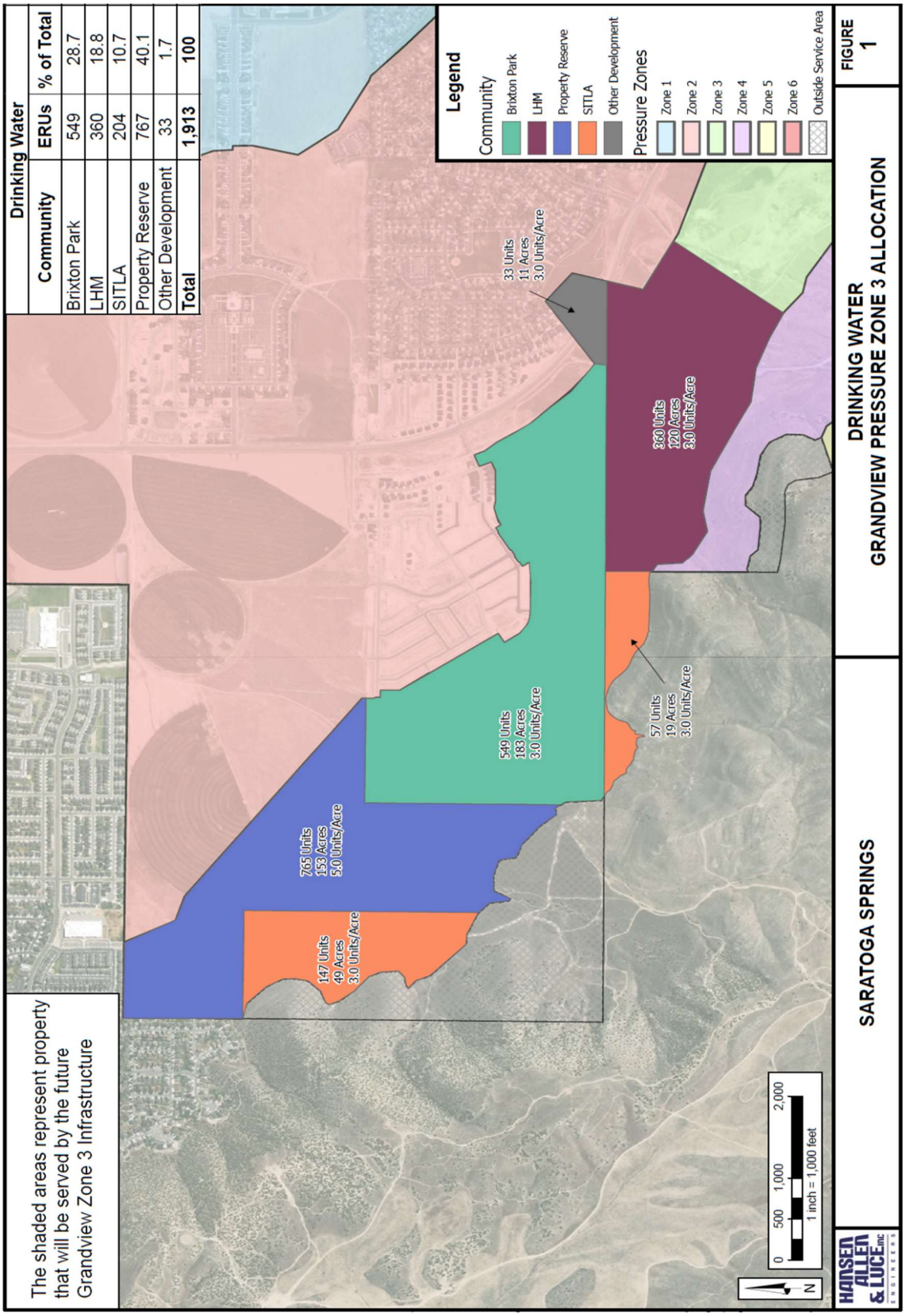
The joint development agreement for the water tank requires a contribution of $1.8M for trust lands. $500K is for land covered by the proposed development lease and $1.3M is for the TLA West parcel, which is not subject to the proposed lease.

While Saratoga 262 will cover this sum initially, the Trust Lands Administration will reimburse the developer from lot sale revenue. Policy 2013-03 requires Board approval for any capital expenditure over $100,000. Accordingly, **staff requests that the board approves this capital expenditure.**

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

> ***"I move to approve the capital expenditure of $1.8 million for TLAs proportionate share of the water infrastructure. $1.3 million of that will be deducted from the revenue stream generated from lot sales of the development, $500K will be part of the developer's offsite improvement costs for the development lease as set forth in the board memorandum."***

Exhibit A: Areas served by the 1,000,000-gallon water tank and irrigation pond



Drinking Water		
Community	ERUs	% of Total
Brixton Park	549	28.7
LHM	360	18.8
SITLA	204	10.7
Property Reserve	767	40.1
Other Development	33	1.7
Total	**1,913**	**100**

Exhibit B: SITLA parcels served by the water infrastructure

Exhibit B: SITLA parcels served by the water infrastructure

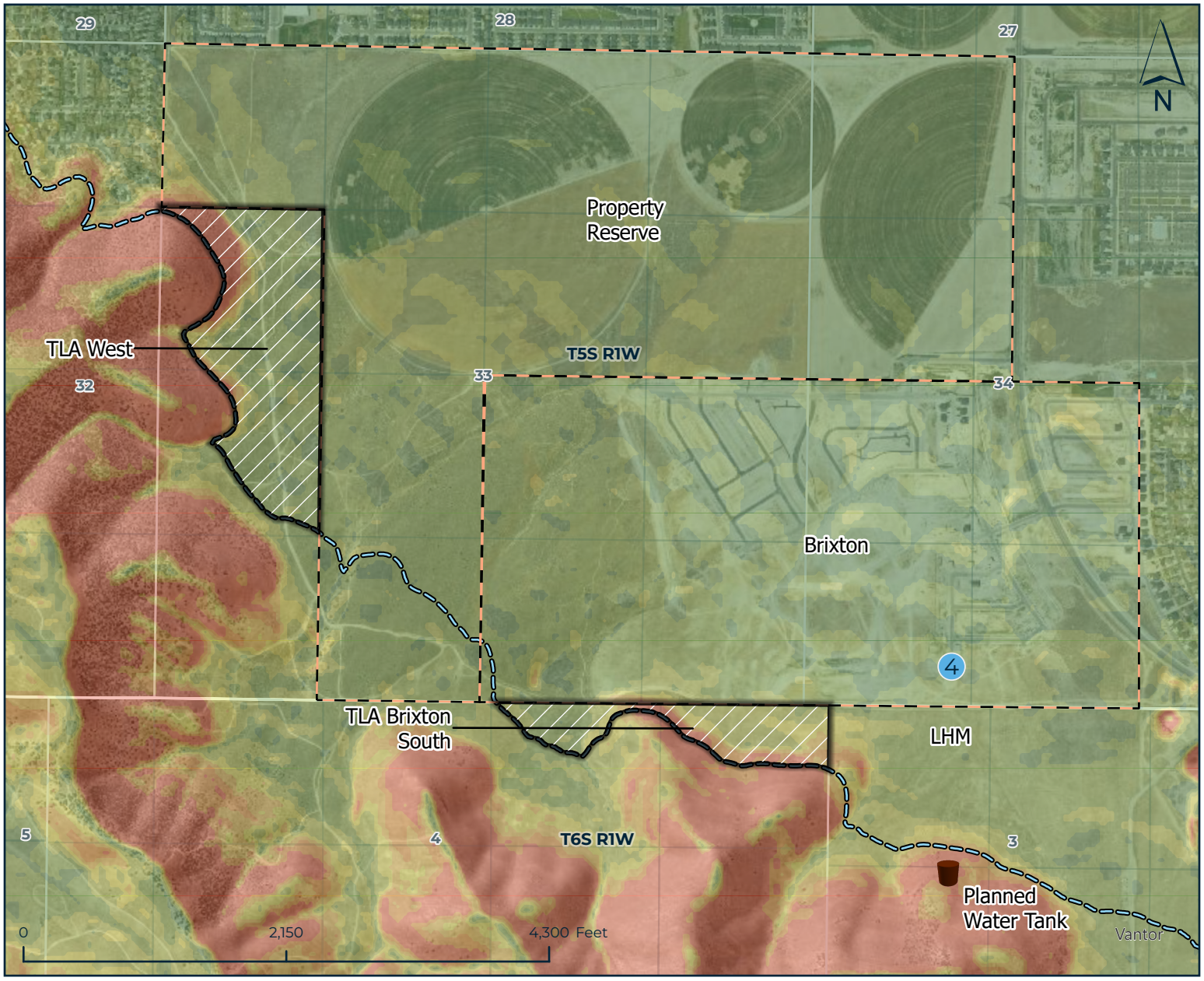
TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Stop 4 - Brixton

Townships 5 and 6 South, Range 1 West, SLB&M
Within Sections 34 & 3

Utah County



4 Brixton Stop

Subject Parcel DEVL 1283 (~69.22 Acres)

Contour 4,940'

Planned Water Tank

Percent Slope Class

1 (0-5%)

2 (5-10%)

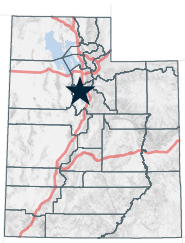
3 (10-15%)

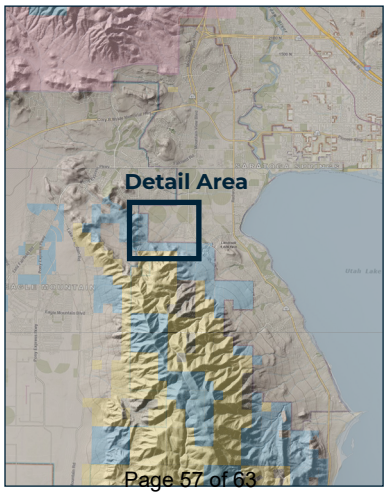
4 (15-20%)

5 (20-25%)

6 (25-30%)

7 (>30%))





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: May 04, 2026 - nicholaswilcox

V:\GIS-Share\GIS\GIS_Group\Kate\Templates\LeaseMaps_NEW\Lease_Map_Template_8x11.aprx
Coordinate System: NAD 83 UTM Zone 12N

Reference - Utah Geospatial Resource Center (UGRC) Hillshade and Terrain 10-Meter

Action Item 11B

Proposed Board Adoption of Resolution 2026-1 on Electronic Meetings Authority

Mike Johnson, GC

TRUST LANDS
ADMINISTRATION
SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

TRUST LANDS ADMINISTRATION

SUPPORTING UTAH SCHOOLS AND INSTITUTIONS

Board of Trustees Memorandum

Date: May 21, 2026

From: Michael Johnson
Legal

Re: Proposed Board adoption of Resolution 2026-1 as replacement for existing Resolution 2018-3.

Summary

Section 52-4-207(2)(a) of the Open and Public Meetings Act provides that a public body may not hold an electronic meeting unless it has adopted a resolution, rule, or ordinance governing the use of such meetings. This requirement, which was in place in 2018, prompted the Board's adoption of current electronic meetings Resolution 2018-03. In the eight years since the adoption of that resolution, electronic meetings have become much more routine, and changes have been made to the Open and Public Meetings Act reflecting the increased such of electronic meeting procedures.

The purpose of the present request to have the Board vacate its 2018 resolution and replace it with the proposed updated resolution (attached hereto as Exhibit A) is not to radically rewrite the existing resolution but to make a few minor changes to bring it in line with intervening statutory changes. The most substantive change is the addition of a provision directly addressing how a quorum will be calculated from among those Board members physically present at the meeting and those participating remotely. Beyond this, the changes are relatively minor. The address of the TLA offices (the "Anchor Location" for most Board meetings) has been updated to reflect the office move, and some unnecessary material has been removed.

Request Action

TLA staff requests that the Board vacate existing Resolution 2018-03 and adopt in its place Resolution 2026-01 in the form attached as Exhibit A. If the Board is inclined to take this action, the following motion can be made, seconded and voted upon: "I move that the Board vacate its prior Resolution 2018-03 and replace it with the proposed Resolution 2026-01 in the form attached to the Board memo as Exhibit A".

Exhibit A

SCHOOL AND INSTITUTIONAL TRUST LANDS ADMINISTRATION
BOARD OF TRUSTEES
RESOLUTION 2026-1
A RESOLUTION PROVIDING ELECTRONIC MEETINGS AUTHORITY AND PROCEDURES FOR PARTICIPATION

WHEREAS, the School and Institutional Trust Lands Administration Board of Trustees ("TLA Board" or "Board") met in a regular session on May 21, 2026, to consider, among other things, amending existing Resolution 2018-03 regarding electronic meetings and procedures for participation; and

WHEREAS, the Board believes it is in its best interest to be able to conduct telephonic or electronic meetings from time to time, and to ensure that all members of the Board have the opportunity to participate in meetings regardless of the physical location of the individual member of the Board; and

WHEREAS, Utah Code Ann. §52-4-207 provides, among other things, that a public body may not hold an electronic meeting unless the public body has adopted a resolution, rule, or ordinance governing the use of electronic meetings; and

WHEREAS, TLA has adequate facilities to support the conduct of a telephonic or electronic meeting; and

WHEREAS, electronic participation in Board meetings has become much more common since 2018; and

WHEREAS, after careful consideration, the Board has determined that it is in the best interest of the beneficiaries, public and TLA to modify its prior resolution to provide authority to conduct electronic meetings and procedures for participation;

NOW, THEREFORE, BE IT RESOLVED by the Board that the following policy be Adopted to replace existing Resolution 2018-3:

ELECTRONIC MEETINGS:

A. Definitions. The following terms are defined as follows for the purpose of this Resolution:

1. "Anchor Location" means the board room located in the TLA offices at 102 South 200 East, Salt Lake City, Utah 84111, or another specified location where interested members of the public may attend, monitor, and participate in the open portions of a meeting.

2. "Meeting Administrator" means the Executive Assistant to the TLA Board, or another person or employee of TLA assigned to operate the electronic meeting equipment to ensure that all members of the Board are continuously able to participate in the electronic meeting and to advise the party conducting the meeting of the initiation, recess, and adjournment of an electronic meeting.

3. "Electronic Meeting" means a public meeting of the TLA Board convened and conducted by means of a conference using electronic communications.

B. Electronic Meetings. The TLA Board may convene electronic meetings by posting written notice of the electronic meeting at the anchor location and providing written or electronic notice to the media as otherwise provided by law. Notice of the electronic meeting shall also be provided to each member of the TLA Board at least 24 hours before the meeting, including a description of how members will be connected to the electronic meeting.

C. Quorum Verification. Before an electronic meeting may be called to order, all members of the TLA Board shall be given an opportunity to participate in the meeting. All Board members participating in the meeting, whether in person or by electronic means, who are able to adequately hear and see the material presented at the meeting, shall be included in calculating a quorum.

D. Public Attendance. The Meeting Administrator shall make available to members of the public at the Anchor Location space and facilities so interested persons from the public may attend and monitor the open portions of the meeting. Comments within regular order will be accepted during the electronic meeting. TLA will provide space and facilities at the Anchor Location so

interested persons and the public may attend, monitor, and participate in the open portion of the meeting, if appropriate.

E. Conduct of the Meeting. Upon determining that a sufficient number of the Board are participating and members of the public can adequately hear the comments of all members of the Board, and participate if appropriate, the Chair shall formally convene the meeting.

F. Compliance with Law. In all other respects, electronic meetings shall be conducted, recorded, and minutes shall be kept as required by law.

This Resolution, assigned No. 2026-01, shall take effect immediately on passage.

PASSED AND APPROVED this 21st day of May 2026.

BY THE BOARD:

_____

Bryan L. Harris, Chair

End of Board Meeting Materials

May 21, 2026