



**State of Utah
School and Institutional
Trust Lands Administration**

Board of Trustees Meeting Minutes

Thursday, January 21, 2021

9:00 a.m.

VIRTUAL MEETING

Attending

Board:

Roger Barrus, Chairman
Don Foot, Vice-Chairman
Dave Donegan
Mike Mower
Warren Peterson
Rick Woodbury

Excused:

Bryan Harris

Staff & Public:

Dave Ure, Director
Wes Adams, Assistant Director, Oil & Gas
Hollie Andrus, Deputy State Auditor
Mike Brown, IT Director
Tim Donaldson, Director, Land Trusts Protection & Advocacy Office
John Dougall, Utah State Auditor
Andrew Driggs, Audit Senior, State of Utah
Mike Johnson, Chief Legal Counsel
Lisa Jones, Executive Assistant, Board of Trustees
Aaron Langston, Deputy Assistant Director, Planning & Development – St. George
Deena Loyola, Public Affairs
Diane Lund, Sales Coordinator
Jerry Mansfield, Resource Specialist, Mining
Michelle McConkie, Assistant Director, Surface
Deborah Memmott, Finance Director
Kyle Pasley, Assistant Director, Planning & Development
Scott Ruppe, Deputy Director
Leila Shultz, Utah State University Department of Wildland Resources
Jessie Stuart, Executive Assistant, Land Trusts Protection & Advocacy Office
Ron Torgerson, Deputy Assistant Director, Surface – Richfield
Lionel Trepanier, Utah Tar Sands Resistance
Vince Wayodi, IT Support

Welcome

At 9:00 a.m., Chairman Barrus welcomed the Board, staff, and members of the public participating electronically.

Approval of Minutes

Mr. Peterson requested that the Board add the word “area” to the minutes on page two referring to the “St. George area.” Mr. Mower then moved that the Board accept the minutes of the November 19, 2020 meeting subject to the change. Mr. Donegan seconded the motion. The vote was unanimous in the affirmative with Mr. Harris excused.

AYE	NO	EXCUSED
Roger Barrus		Bryan Harris
Don Foot		
Dave Donegan		
Mike Mower		
Warren Peterson		
Rick Woodbury		

Public Comments

Mr. Trepanier spoke regarding agenda item 10b suggesting SITLA secure a performance bond on the OBA. He also spoke to agenda item 10d alleging the use of the wrong code reference in the proposed policy and rule. Additionally, he contended that the rules negatively impact 1st amendment rights. Ms. Shultz spoke to Utah indigenous plants on SITLA land that are on the state’s watch list.

SITLA Funds in the Schools

Ms. Loyola presented a slideshow detailing the 2020 distribution of funds to Cottonwood Elementary in Emery School District. Her presentation can be found at <https://www.utah.gov/pmn/files/679597.pdf>.

Chair’s Report

Chairman Barrus expressed his appreciation to SITLA staff for maintaining the trust assets, the School and Institutional Trust Fund Office for growing the trust, and the Land Trusts Protection & Advocacy Office for working with schools and their community councils. He also encouraged the SITLA staff to move the Northwest Quadrant project forward in a timely manner. He expressed concerns about federal executive actions on federal lands that could impact resource production on adjacent SITLA properties and called upon government leaders to ensure such actions not diminish SITLA’s ability to accomplish its mandate to maximize revenues for the Trust beneficiaries.

Advocate Report

Mr. Donaldson expressed thanks to those who work in all parts of the trust fund system. He gave thanks for his mentors including Margaret Bird, Dave Ure, Tom Bachtell, and Paula Plant. His current priority is to meet with and teach all state legislators about SITLA using individualized outreach materials.

2020 Audit Report

Ms. Andrus and Mr. Driggs presented their findings from their annual audit. Mr. Woodbury, Deborah Memmott, Director Ure, Mr. Dougall, Mr. Ruppe, and Mr. Peterson spoke to the issues.

Notification & Discussion Items

Ms. Lund presented a recap of the November Surface Group Auction. Mr. Peterson spoke to the issue.

Mr. Torgerson presented details on the Kane County negotiated sales to Tharps and Kanab City. His presentation can be found at <https://www.utah.gov/pmn/files/679599.pdf>. Chairman Barrus spoke to the issue.

Mr. Langston presented details on both the Big Water and Coral Canyon development transactions. His presentations can be found at <https://www.utah.gov/pmn/files/679593.pdf> and <https://www.utah.gov/pmn/files/679595.pdf>.

Board Action Items

Mr. Ruppe presented a proposed increase to the salary range for Deputy Assistant Directors. Mr. Foot moved that we accept the proposal. Mr. Woodbury seconded the motion. The vote was unanimous in the affirmative with Mr. Harris excused.

AYE	NO	EXCUSED
Roger Barrus		Bryan Harris
Don Foot		
Dave Donegan		
Mike Mower		
Warren Peterson		
Rick Woodbury		

Mr. Mansfield presented a Uintah County OBA with Valcor. He cited a correction to the number of acres represented in the Board memo from 16,696.29 to 15,290.91. Mr. Foot, Mr. Donegan, and Mr. Peterson spoke to the issues. Mr. Donegan moved that the Board approve the OBA with Valcor for a tar sands study. Mr. Foot seconded the motion. The vote was unanimous in the affirmative with Mr. Harris excused.

AYE	NO	EXCUSED
Roger Barrus		Bryan Harris
Don Foot		
Dave Donegan		
Mike Mower		
Warren Peterson		
Rick Woodbury		

Mr. Adams presented a Garfield County OBA with Wolcott. His presentation can be found at <https://www.utah.gov/pmn/files/679783.pdf>. Mr. Peterson and Mr. Donegan spoke to the issues. Mr. Donegan moved that the Board approve the OBA with Wolcott. Mr. Foot seconded the motion. The vote was unanimous in the affirmative with Mr. Harris excused.

AYE	NO	EXCUSED
Roger Barrus		Bryan Harris
Don Foot		
Dave Donegan		
Mike Mower		
Warren Peterson		
Rick Woodbury		

Ms. McConkie presented a new "Prohibited and Restricted Uses on Trust Lands" Rule (R850-12). Her presentation can be found at <https://www.utah.gov/pmn/files/679601.pdf>. Mr. Peterson spoke to the issue. He then moved that the Board adopt a new policy regarding the rule (2021-1). Mr. Foot seconded the motion. The vote was unanimous in the

affirmative with Mr. Harris excused. Mr. Woodbury then moved that the Board approve the promulgation of the new administrative rule. Mr. Peterson seconded the motion. The vote was unanimous in the affirmative with Mr. Harris excused.

AYE	NO	EXCUSED
Roger Barrus		Bryan Harris
Don Foot		
Dave Donegan		
Mike Mower		
Warren Peterson		
Rick Woodbury		

Closed Meeting Strategy Session

At 11:06 a.m., Mr. Mower moved that pursuant to both Utah Code Section 52-4-205(1)(d), as well as Utah Code Section 53C-1-201(8)(a)(ii), the Board conduct a strategy session to evaluate the proposed terms of an OBA (other business arrangement) lease of real property where public discussion of the proposed transaction would prevent the Board from completing the transaction on the best possible terms. Specifically, the Board held a strategy session to discuss the leasing of land in the IPP Block in Millard County, Utah, including the modification of existing lease ML 51573-OBA. Mr. Foot seconded the motion. The vote was unanimous in the affirmative with Mr. Harris excused.

AYE	NO	EXCUSED
Roger Barrus		Bryan Harris
Don Foot		
Dave Donegan		
Mike Mower		
Warren Peterson		
Rick Woodbury		

Attending the closed session:

Board:

Roger Barrus
Don Foot
Dave Donegan
Mike Mower
Warren Peterson
Rick Woodbury

Staff:

Dave Ure
Wes Adams
Tim Donaldson
Troy Herold
Mike Johnson
Scott Ruppe

At 12:34 p.m., Mr. Peterson moved that the Board reconvene the open session. Mr. Foot seconded the motion. The vote was unanimous in the affirmative with Mr. Harris and Mr. Mower excused.

AYE	NO	EXCUSED
Roger Barrus		Bryan Harris
Don Foot		Mike Mower
Dave Donegan		
Warren Peterson		
Rick Woodbury		

Chairman Barrus announced that the Board was not prepared to act on the items discussed in the closed session.

Adjourn

At 12:36 a.m., Mr. Woodbury moved that the meeting adjourn. Mr. Peterson seconded the motion. The vote was unanimous in the affirmative with Mr. Harris and Mr. Mower excused.

AYE	NO	EXCUSED
Roger Barrus		Bryan Harris
Don Foot		Mike Mower
Dave Donegan		
Warren Peterson		
Rick Woodbury		

Submitted by:
Lisa S. Jones, Executive Assistant to the Board of Trustees
February 18, 2021