

6/11/2020

Agenda

Board of Trustees Meeting Agenda

June 11, 2020

10 a.m.

Notice regarding special restrictions for this electronic meeting

In light of federal, state and local COVID-19 guidelines, and pursuant to the Governor's Executive Order No. 2020-5, this Board of Trustees meeting will be held via electronic means only. No anchor location will be used, and members of the public will not be allowed to attend this meeting in person. This meeting will be conducted via Zoom. Interested parties, including members of the public or representatives of county governments or Utah Tribes, may attend the meeting through the following registration link: https://zoom.us/webinar/register/WN_v574HncCQdO731Fgj6QAHQ. We recommend registering by 9:50 a.m. to avoid missing the beginning of the meeting. Those wishing to provide public comment will be asked at the beginning of the period designated for such comment to use the "raise hand" feature at the bottom of the screen within the Zoom meeting so you may be called upon to provide comment. Please call Lisa Jones at 801-538-5110 or email lsjones@utah.gov any time before 9:00 a.m. on June 11, 2020 with any questions.

1. Welcome

2. Approval of Board Meeting Minutes

- May 14, 2020

3. Confirmation of Upcoming Meeting Dates

- July 9th Only If Needed
- August 13th Regular Meeting
- September 10th Board Tour and Meeting – Delta
- October 8th Regular Meeting
- November 12th Regular Meeting
- *December 10th Protection & Advocacy Office Annual Trust Meeting*

4. Highlighting Trust Land Funds in the Classroom

- Ben Stireman, Telecom & Resource Specialist, Surface

5. Public Comment Period

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

segment of the Board meeting is not the time for a question and answer discussion. SITLA staff are available for dialogue outside of Board meetings.

6. Chair's Report

CLOSED SESSION: Pursuant to Section 52-4-205(1)(a), the Board will hold a closed session discussion concerning the character and professional competence of individuals who are candidates to serve on the Land Trusts Protection & Advocacy Committee.

- a. Action by Board Regarding Advocacy Committee Member Appointment

7. Advocate Report

- Justin Atwater, Director, Land Trusts Protection & Advocacy Office

8. Director's Report

- a. Notification of Current Events
 - Dave Ure, Director
 - (1) Facilities Update
 - (2) COVID-19 Response
- b. Legislative Update
 - Tim Donaldson, Assistant Director, Legislative / Solar

9. Notifications

Notification items do not require Board action and are only informational. Staff is prepared to discuss any of the items if a member of the Board requests it.

- a. Notice of Minor Development Transaction – Proposed Sale of 33.96 Acres Near Pintura
 - Aaron Langston, Project Manager, Planning & Development – Utah South
- b. Discussion concerning draft SITLA Mission Statement / Mottos / Objectives
 - Scott Ruppe, Deputy Director

10. Board Actions

- a. Request for Capital Expenditure to Reconstruct the Roads in Ridge Road Industrial Park in Carbon County
 - Kyle Pasley, Assistant Director, Planning & Development

11. Adjourn

9a

Notice of Minor Real
Estate Transaction –
Proposed Sale of 33.96
Acres Near Pintura

Memorandum

TO: Board of Trustees, School and Institutional Trust Lands Administration

FROM: Aaron Langston, Project Manager, P&DG Utah South

DATE: 5/20/2020

RE: *Notice of Minor Development Transaction – Proposed Sale of 33.96 acres near Pintura, Utah*

BENEFICIARY: Schools

Site History

Staff is not aware of ever receiving any requests from developers for the subject lands, nor does Staff anticipate the subject lands being ready for development within the next decade or two. The subject lands are near Pintura at milepost 30.

The Washington County Water Conservancy District (WCWCD) approached the Trust about five years ago regarding the possibility of an acquisition (and/or an easement) along the natural drainages for a diversion structure at the head of South Ash Creek, a regulating pond at the convergence of South Ash and Leap Creek, and then various pipelines on both the west and east sides of I-15.

The underlying land for the proposed pipelines has little development value being in jurisdictional drainages. Approximately 33.96 acres on the west or north side of I-15, (9.45 in T40s R13w Section 2 and 24.51 in T40s R13w Section 3) are to be sold to the WCWCD, while the remaining acres (everything on the south or east side of I-15) will be administered via an easement. The proposed easement lands are encumbered with an assortment of utility and ROW easements so a disposal on that side proved to be very cumbersome.

Proposed Project

The proposed project contemplates a main transmission pipeline from the existing Ashcreek Reservoir (located on the black ridge near New Harmony) down to Toquer Reservoir, where the water will be stored. From there, select waters will be piped to Toquerville's existing irrigation pond and then used in their pressurized irrigation system (allowing for non-culinary-grade waters to be used specifically for irrigation purposes, thus freeing up culinary waters to be used specifically for non-irrigation uses, thus dramatically increasing the availability of culinary water to the municipalities). In addition, the proposed regulating pond will be built above Pintura that will be fed by South Ashcreek and Leap Creek and will provide pressurized irrigation to the Pintura Irrigation Company.

In addition, the proposed improvements would also provide recreational opportunities at the Toquer Reservoir including campgrounds, RV Park, boat ramps, bathrooms, and other facilities.

The Offer

Based on the remoteness, lack of access, and steepness of the terrain, Staff estimated this land might be valued at approximately \$15,000 per acre. At the time of this writing, the results from an appraisal have not yet been determined, but the WCWCD will pay a minimum of \$15,000 per acre, or appraised value,

whichever is greater. The appraisal is contemplating the possible reduced developability of the surrounding lands should the proposed improvements be built.

Staff has also solicited competitive offers by running an ad in the St. George Spectrum, as well as on the Trust Lands website. No additional offers have been received to date.

Deal Structure

Upon Board of Trustees approval, the WCWCD will wire the appraised amount.

Return to the Trust

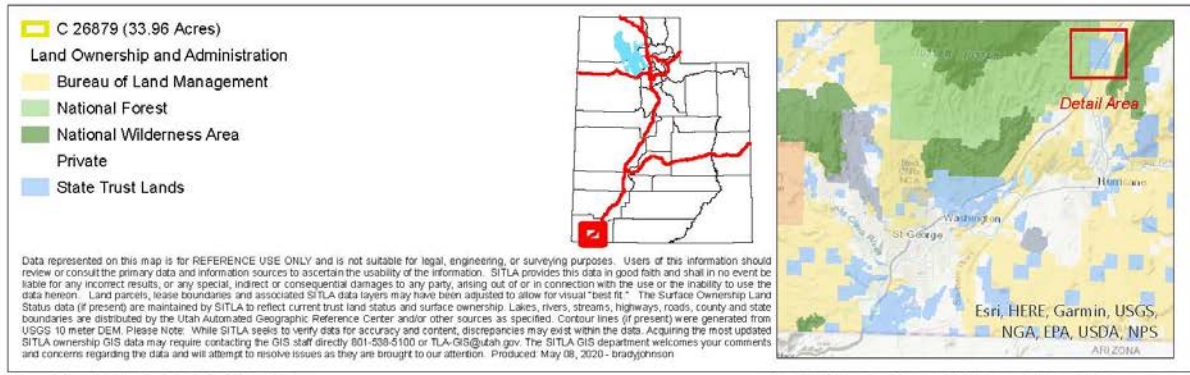
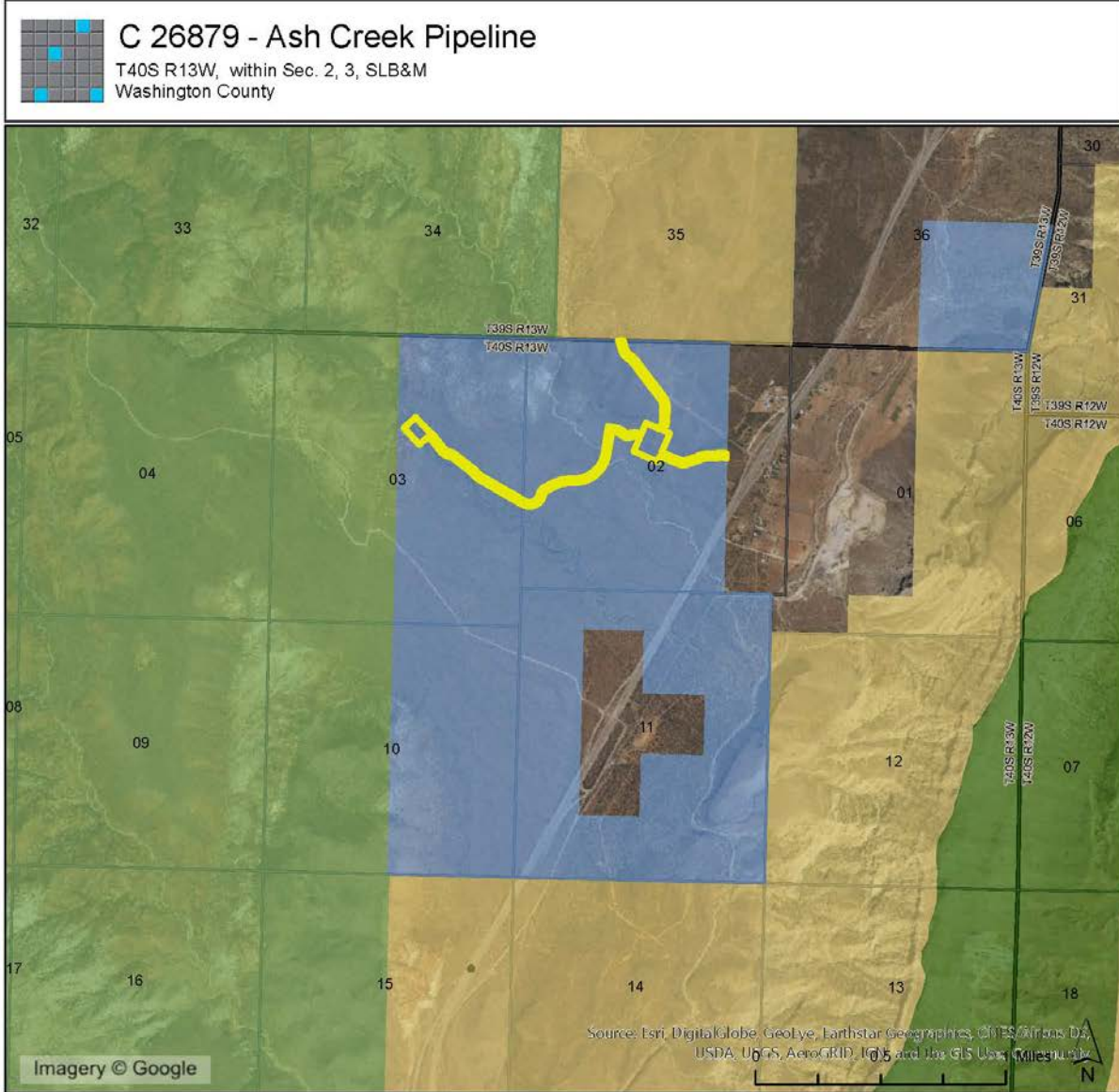
The Trust not only receives full compensation for the subject lands, but the surrounding lands benefit from the infrastructure.

Intended Action

Staff recommends selling the property as outlined above. This item was discussed and vetted by the Real Estate Committee on May 18, 2020.

Exhibit A

SUBJECT PROPERTY



9b

Discussion concerning
draft SITLA Mission
Statement / Mottos /
Objectives

Current Mission Statement

To administer the trust lands prudently and profitably for Utah's schoolchildren

MISSION STATEMENT

SITLA is a self-funded agency whose mission is to advance education in Utah. We optimize revenue from trust lands constitutionally granted to support public schools and other beneficiaries. Our legacy is innovation, prudent management, and responsible stewardship of these lands.

MOTTOs

1. Managing trust lands, investing in the future
2. Caring for the land, while providing for the future
3. Building the trust, building education, building Utah

OBJECTIVES

Maximize The Trust

- a. Maximize revenue from renewables and other sources to offset losses in traditional energy
- b. Increase and simplify the negotiated sales process and increase marketing efforts of property
- c. Secure strategic acquisition targets through land exchanges large and small with private, state and federal partners
- d. Encourage and expand charitable giving to SITLA
- e. Adapt to changing and emerging markets
- f. Communicate that we will listen to innovative, revenue generating ideas
- f. Seek new sources of capital to monetize assets
- g. Maintain and enhance trust assets by being good and prudent stewards of the lands

Build The Team

- a. Establish a culture of trust and safety where team members thrive
- b. Retain team members by providing training and encouragement
- c. Engage team members and utilize their strengths
- d. Collaborate and support each other through challenges and across departments
- e. Foster greater internal communications

Share The Vision

- a. Enhance our reputation as the agency of choice for our customers, partners and employees
- b. Continue to ramp up our public relation efforts
- c. Encourage and train each employee to become a SITLA ambassador
- d. Grow our social media and traditional media programs

10a

Request for Capital
Expenditure to
Reconstruct the Roads
in Ridge Road Industrial
Park in Carbon County

Memorandum

TO: Board of Trustees
FROM: Alexa Wilson
DATE: June 11, 2020
RE: *Request for capital expenditure to reconstruct the roads in Ridge Road Industrial Park in Carbon County*
BENEFICIARY: School

Site History

The State of Utah, School and Institutional Trust Lands Administration ("SITLA") worked with Carbon County to plan an industrial park at the intersection with Ridge Road and Highway 10 in the late nineties. The site is located about 6 miles south of Price city limits.

SITLA installed roads, storm drainage facilities, landscaping, and utilities for Phase 1 of Ridge Road Industrial Park in 2000-2001 at an initial expense of \$737,000. In early 2017, an additional \$235,000 was expended to correct failing drainage. Since then, 20.59 acres of industrial lots have been sold for a total of \$511,000 and there are several businesses operating in the Industrial Park. Phase 1 has approximately 17 acres of improved lots remaining, valued at approximately \$400,000.

A subdivision plat was filed in 2001. This plat does not provide for the dedication of the roads to the County or define lots. This means that SITLA has been responsible for the maintenance of the roads in the Industrial Park and lots have been conveyed with a metes and bounds description. The owners of lots have been taking care of snow removal, when necessary.

Amended Subdivision Plat

We have been working with the County on an amended subdivision plat, which dedicates the roads to the County, establishes defined lots and reserves space for a detention basin.

Road Reconstruction

The existing roads are in rough shape after 18 years of use. The road base does not comply with current county standards. Before the County is willing to take responsibility for the roads they need to be brought up to standard, which requires complete reconstruction.

Staff recommend reconstructing the roads, so the roads can be dedicated to the County. Road dedication will terminate the Trust's responsibility for the road maintenance. With access to County-owned roads, the adjacent lots will become more marketable, which will position the Trust to respond to an economic recovery by opening up future phases of the project.

This reconstruction project has been engineered and has been taken out for bid. The low bid from Staker Parson, dba Nielsen Construction, came in at \$279,790. The competing bids

were \$509,531 from Bennett Paving and Construction and \$687,801 from CKC Asphalt. It is anticipated that existing road base can be milled and reused on site and only a very limited amount of material needs to be imported. The cost of this imported material is not included in the bid numbers but is estimated at \$20,000. The low bid does not include a 20% contingency of \$60,000 to cover unforeseen in this unpredictable Covid-19 economic climate.

Several options have been analyzed weighing construction costs, future maintenance and marketability of the remaining lots. The proposed solution, reconstructing the roads and dedicating them to the County, is the preferred option.

Proposed Capital Expenditure

Low Bid	\$280,000
Imported Material	\$20,000
Contingency (20%)	<u>\$60,000</u>
Total Expenditure	\$360,000

Recommendation

Staff recommends Board approval of the proposed capital expenditure to reconstruct the project roads to County standards so that the Trust can dedicate the reconstructed roads to Carbon County.