

Daggett County Public Lands Advisory Committee

Minutes of March 9, 2015

Commission Chambers

Committee Members Present: Ross Catron (Chairman), Jon Wilde (Vice-Chair), Chad Reed (Secretary), Jack Lytle, Mike Musselman, Ryan Mosely, Matt Henry and Dave McDonald. Absent: Jerry Steglich and Chuck Bennington.

Others present: Vance Broadbent, David Allison, Jean Dickinson and Woody Bair.

Ross opens the meeting by discussing when to call John Anderson. Jack gets him on the phone. Information sheets and agendas are passed out. John is put on the speaker phone. Jack asks John to address the questions they spoke about in Salt Lake. John talks about whether the land can be transferred and that the mineral rights cannot be transferred to Questar. That has been in place since 1919. Ross asks for clarification and John answers that even if the land were sold the mineral rights could not go with it.

Jack asks about the percentage payouts. 55% of the 48.5% of the total would come back to Daggett County. The other 25% of the 48.5% would be distributed according to the amount of land from each county that is used for the exchange. John is not aware of what Daggett Counties split would be at this time. He is not sure how many acres are coming from Daggett County for the exchange. John says what they are trying to do is gain some oil and gas lands in Uintah and Potash in Grand.

Ross asks John to go back through the percentages. 48.5% of the total is granted back. 25% of the 48.5% goes into a pool for distribution between the Counties participating in the land exchange. It is divided by how much acreage each County has put in from SITLA to BLM.

Dave A. asks whether the storage facility income is counted as mineral income. John says yes. With Federal it is handled through the Federal leasing act and SITLA will also treat it as such.

Chad asks how this will affect County road money and John states he is not sure yet.

Mike asks how the money will come into the County and will it be more than it is now? John states that it would come directly to the county. John states that the Revenue is averaging around \$800,000/year. Under Federal law 48% would go to the mineral lease account. If SITLA owns it 48.5% goes back to the land exchange pool. When this happens 55% of this amount goes back to the county of origin. Then that county would also get their share of the 25%. Discussion occurs as to what amount would be coming back to the county. This would be 80% of \$380,000. John says that the final amount will be a little less than the 80%, because of the Escalante exchange.

Jean asks if it is automatic for a pooling. John states that he doesn't think it would be feasible to do it County by County. That would be an accounting nightmare. Also there is going to be a lot of land needed to make the Clay Basin exchange. An appraiser will set the price on the facility and the land in

Daggett County is relatively low in value (SITLA), so land will have to be traded from outside the county. Daggett County is already benefitting from getting the 55%, so other counties which will participate should at least get their portion of the 25%.

Jean questions whether SITLA will uphold some of the special agreements that have been made with the BLM. John states that Kim Christy would be the one to answer that.

There is some discussion concerning the number of permittees.

Dave talks about the presentation that John made which said Daggett County would get around \$95,000. John states that since land will have to be coming from other Counties our portion will be significantly less. Dave says that it might be close to 11 to 12,000 acres that will come out of Daggett. John said that sounded right and it would probably be around 5%. There is discussion over how much the State of Utah would benefit from this exchange. No amount is known, but it will be sizable.

Hank asks whether the money is earmarked. John says no that it goes directly to the General Fund.

There is some discussion on mineral evaluation to be done on traded land.

It is made clear that the centrally assessed tax will not change due to this exchange. Chad also wonders what the school will benefit from this. John guides the committee to go to the SITLA website. The money distribution can be figured from there. At this time Daggett County gets 6 times the amount per student than schools on the Wasatch front.

Dave asks if SITLA can acquire Clay Basin without the involvement of Daggett County. John says that if Daggett County states that if Daggett County doesn't want the exchange SITLA would not pursue it. Dave restates his question and John answers that it is a purely political question. (Dave had talked about the concerns with the amount of Wilderness that we are giving).

Ross states that the Committee is not happy with the current gets and gives, so they are looking at new options. How would SITLA approach privatizing? John states that it would depend on what parcels of land were looked at. The Forest Service would battle extremely hard. He discussed the 6800 acres and how they would go about they would try to look at what the value is and the best use.

Vance Broadbent asked three questions about the SITLA land exchanges. John stated that the SITLA lands looked at to give up were some in Sheep Creek (the Forest Service is interested in this area for kokanne value) and another two areas near the WSA and separate mineral lands near the green river and then finally some land north of Sheep Creek.

There is a discussion about the possibility from privatizing land before the exchange and it would be put through a sealed bid process. Then the top three bidders and grazers that are interested go in to a public auction.

There are no more questions for John, so he is thanked for his time and a brief break is taken.

Discussion resumes around the value of the Clay Basin exchange. Mike talks about the amount of land that we have to give up. Dave talks about the letter that the Commission sent to Rob Bishop stating that the old map off the table. At this time we are not giving anything. Know we are in the process of prioritizing our asks and they must be of a general benefit to the county. Jack states that whatever we ask for should not hurt anyone in the county.

Jean talks about the priority of watersheds and water rights. Ross says it may be impossible to not hurt someone. It is decided that who will be hurt will need to be identified and the gain weighed with that in mind.

What would happen if Clay Basin is exchanged with Daggett County having no involvement in the PLI, but we ask for it to happen for the benefit of the school children, then Daggett would still get the 55% of the 48%. The only thing that would be affected is that the grazing rights would change from BLM to SITLA. Chad voices concerns about whether the environmentalist would come after us.

Jack brings some maps up so that discussion can take place concerning roadless and Wilderness. Dave A. enlightens the Committee on how much the environmentalist do not want the 6800 A exchange, so in order to give it up, we should get something. He also talks about how the environmentalist also state that nothing can be done about roadless, because it was formed in the court of public opinion. This statement is not true, the public was not involved.

Jack talks about the only pieces that he would look at for Wilderness are those without grazing. Dave talks about areas about the tree line and that it shouldn't affect the watersheds.

Ross tries to bring the conversation back on track by stating that we are supposed to be making a list of potential gains. Ross does feel that we have the opportunity to have an economic gain through the PLI. Clay Basin would bring some revenue into the County, but he agrees with Dave that Private Enterprise is going to bring about the best long term investment. Dave talks about the economic gain of the Clay Basin area and the reality of it is that it will take a few years for this to take place and it cannot help the financial problems that the County has now. Ryan talks about how no Developer are approaching the County at this time. Ross states that it isn't the Committee's job to fix the County. We have been tasked with looking at what would benefit the County in the future. The current financials of the County are for the Tuesday morning meetings.

Hank comes back to the cooperative management idea and multiple use. Ryan states that this kind of relationship can be done without the PLI. Dave talks about an aggressive Stewardship program and whether it could be an ask. He still feels that there is a benefit to getting out in front of the environmentalist. Mike feels the whole PLI is being driven by money. Ross says the problem with this is that the environmentalists do not want the forests' managed in any way and we would be asking them to give up their seat at the table.

Jean states that the current model has failed. She says that we are simply asking for conservation to be used as a verb instead of as a noun. Ross does not think it is feasible, but he would be willing to ask the question. Dave A. says that this has been done before and there is nothing to keep us from asking for it

in this proposal. Chad feels that if the other counties involved in the PLI that are willing to do it we may have a better chance. Dave A. states that other Counties are discussing this option. Dave states that he feels if we were form a conservation management team and get out ahead of the issues it would bode better with the environmental coalition.

Each committee member is given a list of the current wants and Ross proceeds to go through the list with the intention that this will lead each member to prioritizing their list. Once the list is complete there is discussion if other items belong on it (RS2477, Scenic designation on the green). It is determined that RS2477 will be dealt with as it currently is being handled. Jack again states there was heavy support through comments for the designation on the green. There is discussion as to whether it even meets the criteria, Ryan states that the A section could. Dave states that the B section does not qualify because of the power line and all of the businesses in Dutch John are afraid that it will adversely affect their revenues. The conversation goes to firming grazing as a right just like water rights. Jean doesn't know whether anyone would want to give up Wilderness for this. She also says that the Committee might want to talk to grazers in Moffat County about how it is being done there (Colorado usury possession tax). Dave states that what that means if you are using public space (ground, air) and you have sole use of it, you pay tax on it. Dave thinks that Utah passed the same law and the people that it would hurt the most is the concessioner on the Federal land. Mike feels rights vs a lease is a whole different thing. Wildlife need to be as represented as cattle.

Ross proposes a ranking system of 1 to 5, with 5 being the highest ranking and low being the 1. There are seven items on the list, but you only rank your top five. The Committee members then cast their votes. The votes are then tallied (these totals have been sent out twice in previous emails and I will again attach them with the minutes). Woody asks if it wouldn't be better if everyone could just rate each item with the rating that they feel the items warrant. A member could rank each of them with a 5 or a 1 and so forth. The Committee decides to do it again. The second vote is tallied. It changes some of the ranking (grazing moves to number 2).

Ross says that at the next meeting we need to get more specific language for all of the items. Roadless areas will need maps to accompany it. Jack asks what does relief/release from WSA mean to the committee. Dave feels that it is release of one. Relief/release from roadless? This should be decided by where there can be timber production, how it affects grazers and watershed management.

Wrapping up: Jack relays that Casey stated the deadline is March 27th and that it is getting harder to hold a place for Daggett County. Ross feels the next step is to take this to the Commission and get their response and how to proceed. Have the Commission decide which vote to go from. Discussion occurs as to when to meet again. There is no date set and it is decided that they will wait until the Commission responds back. Ross will present to the Commission tomorrow. Any other Committee members who wish to attend may do so.

Meeting is Adjourned at 10:30.