

**2ND PROOF  
ALASKA MENTAL HEALTH TRUST AUTHORITY**

**SPECIAL FULL BOARD MEETING**

**January 3, 2019  
11:06 a.m.**

**Taken at:  
3745 Community Park Loop, Suite 120  
Anchorage, Alaska**

**OFFICIAL MINUTES**

---

Trustees Present:

Mary Jane Michael, Chair  
Laraine Derr (via Speakerphone)  
Paula Easley  
Carlton Smith  
Chris Cooke  
Verne' Boerner  
Jerome Selby (via Speakerphone)

Trust Staff Present:

Mike Abbott  
Steve Williams  
Miri Smith-Coolidge  
Kelda Barstad  
Andy Stemp  
Luke Lind  
Michael Baldwin  
Carrie Predeger  
Katie Baldwin-Johnson  
Jimael Johnson  
Valette Keller  
Eric Boyer  
Autumn Vea

Trust Land Office:

Wyn Menefee  
Jusdi Doucet  
Sarah Morrison  
Paul Slenkamp  
Aaron O'Quinn

## PROCEEDINGS

### CALL TO ORDER

CHAIR MICHAEL called the meeting to order and acknowledged that all the trustees are present. She asked for any announcements. There being none, she moved to approval of the agenda.

### APPROVAL OF AGENDA

**MOTION:** A motion was made to approve the agenda by TRUSTEE COOKE; seconded by TRUSTEE BOERNER.

MR. ABBOTT asked to add a brief CEO report at the end of the agenda.

*There being no objection, the MOTION was approved.*

### ETHICS DISCLOSURES

There were no ethics disclosures.

CHAIR MICHAEL recognized Wyn Menefee to introduce the Forest Service Exchange.

### FOREST SERVICE EXCHANGE

MR. MENEFEE stated that there have been multiple discussions with the Board over time about the Forest Service Exchange. A Federal bill and a State bill were done to approve this exchange. He continued that now it comes back to the Board to get a final approval. He asked Aaron O'Quinn to go through the presentation.

MR. O'QUINN recognized Paul Slenkamp for the tremendous job of going through the data, temporary inventory and appraisal data and distilling it down to numbers that lay folks can understand. He continued and walked through what had been done on the exchange so far, where the process is, and that this is specifically seeking some approvals from the Board that are required by the State law. In Phase I appraisals, two large parcels in Ketchikan that were given to the Forest Service in exchange for about 2400 acres on Naukati, on Prince of Wales Island, were completed. The BLM completed the surveys of the Federal Phase I lands. He added that some trespass issues were identified, largely in Petersburg and Wrangell, which are 70 percent resolved. All title reviews and environmental clearances are complete for Phase I. In Phase II appraisals, which were for the bulk of the remaining land, need to be done. Some minor boundary adjustments based on things discovered during inspection need to be made. The environmental inspections have a six-month time limit and will have to be renewed, revisited and updated. He stated that \$6.3 million was asked for from the Board to complete the process. To date, \$3.3 million has been spent and, in general, everything is right on schedule. What is needed today is a Board decision to make the State law that authorizes the exchange effective. He continued that the TLO's recommendation is that the Board of Trustees approve the exchange. He walked through the analysis on the revenue challenges on the existing Trust land.

MR. SLENKAMP stated that this appraisal was extremely complicated with 11 years spent on this project and it was impossible to really determine what this value-for-value exchange would look like until the Phase I appraisal was received. The belief is that the Trust will at least receive

10,880 acres of Naukati, which is prime timberland. A lot of time and effort to identify lands that will have long-term value to the Trust and provide ongoing revenue was done. He added that \$15.4 million has been identified from the Naukati lands that will be returned. There is also a large young growth component coming through on this property which will provide additional revenue.

CHAIR MICHAEL asked if was there any ability to have compensation with land, with the \$6.3 million associated with the exchange.

MR. SLENKAMP replied that the point of the legislation was that the Trust Authority would compensate all associated costs of the land exchange.

MR. MENEFEE noted that costs were shaved wherever they could be, but we are obligated by the laws to actually pay for those costs.

MR. SLENKAMP explained the complicated appraisal process. He continued and stated that he worked through the Phase II parcels trying to determine timber value. There is extraordinary timber in the Petersburg parcel, almost 50 million board feet; another 38 million board feet on the Deer Mountain parcel. He sees some very good equity coming through that for initial value balancing.

TRUSTEE EASLEY commented that she is grateful that Mr. Slenkamp did not retire sometime back. Since she was involved in this project from inception, she made the motion to approve the land exchange.

**MOTION:** A motion that the Alaska Mental Health Trust Authority Board of Trustees approve the land exchange contemplated by the Alaska Mental Health Land Exchange Act of 2017 as required by 2020 SLA 17 Section 6(a)3 was made by TRUSTEE EASLEY; seconded by TRUSTEE SELBY.

*There being no objection, the MOTION was approved.*

**MOTION:** A motion upon the Board approval of the land exchange in MOTION 1, and in recognition that the executive director of the Trust Land Office has completed the best interest decision required by 22 SLA 17 Section 6(a)1(2) have occurred and 22 SLA 17 an actively legislature approving the exchange contemplated by the Alaska Mental Health Land Exchange Act of 2017 shall take effect was made by TRUSTEE EASLEY; seconded by TRUSTEE COOKE.

**(P29 L3-15)**

TRUSTEE SMITH stated that this was a big deal and called for a standing ovation.

(Standing ovation.)

*There being no objection, the MOTION was approved.*

MR. MENEFEE stated appreciation for the comments and sentiments. He continued that they are proceeding forward to get the letter to the lieutenant governor signed, and are looking

forward to getting Phase I done.

CHAIR MICHAEL thanked them for the good work and stated appreciation from the Board.

TRUSTEE SELBY commended Mr. Menefee and his staff for their perseverance on this matter. He also commended them on their alertness of reviewing that appraisal which made a significant financial difference to the Trust. He added that, in addition to accomplishing the exchange, they made a much better exchange in terms of value for the Trust, which is very significant.

## **CEO REPORT**

CHAIR MICHAEL recognized Mike Abbott.

MR. ABBOTT distributed two quarterly reports. One which described the TLO consultations that have been made the previous quarter, under the CEO's authority, and the other quarterly report with the grant authorizations will also be included. Notable on the grant authorizations are the earthquake recovery grants that were recently made. He stated appreciation for the program team staff for working quickly in concert with a couple of other partner agencies for gathering information about affected nonprofits, many of which were Trust partners, and coming up with a way to measure the impact the earthquakes had, and then to immediately deploy funds to offset near-term financial impacts of the earthquake. He continued that only happened because staff knows the partners well and the Board has given the authority to act nimbly in that regard. He stated that he will be going to Ketchikan with the primary purpose of delivering a thank you message to the community for supporting the Southeast Land Exchange. He reported that it is essentially complete and underway. He continued that there is a big ad going in the Ketchikan Daily News and hoped to be able to do a couple of media interviews to deliver the same message. From there he will head to Juneau to meet with a group of community leaders that Trustee Smith has arranged, and also hoped to meet with the Permanent Fund leadership while out there. He recognized some important employment milestones among Trust team members: Debbie DeLong had her five-year anniversary as a state employee, all of which was at the Trust; Michael Baldwin met his ten-year anniversary, all as a Trustee employee; Katie Baldwin also met her ten-year anniversary; Valette Keller celebrated her ten-year anniversary as a state employee, four of which were for the Trust; and Luke Lind, longest tenured employee, had his 15<sup>th</sup> anniversary as a state employee, all at the Trust. He asked all to thank them.

(Applause.)

TRUSTEE COOKE asked if there has been any kind of update from the Governor's office about the nominations that were submitted for reappointment or appointment to the Board.

MR. ABBOTT replied that there has been no update from the Governor's office. He added that he has heard indirectly through different channels that the recommendations are under consideration, but no information about the timing.

TRUSTEE BOERNER thanked the CEO and staff for the presentations done both for the mental health directors and for ANHB. She also thanked him for his upcoming travels and the work done there, and offered congratulations to everyone that has put in the years and efforts for the Trust.

TRUSTEE SELBY commended the staff for continuing to do an outstanding job of getting the work done, and some of the things on the agenda are pretty significant accomplishments.

TRUSTEE DERR agreed with a ditto.

**MOTION:** A motion to adjourn the meeting was made by TRUSTEE COOKE; seconded by TRUSTEE BOERNER.

*There being no objection, the MOTION was approved.*

(Special Full Board Meeting adjourned at 11:53 a.m.)