

**ALASKA MENTAL HEALTH TRUST AUTHORITY
RESOURCE MANAGEMENT COMMITTEE MEETING**

**January 3, 2019
10:13 a.m.**

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

OFFICIAL MINUTES

Trustees Present:

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

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 SMITH called the meeting to order and asked for any announcements.

ROLL CALL

TRUSTEE MICHAEL stated that all trustees are present, except for Trustee Boerner.

APPROVAL OF AGENDA

MOTION: A motion was made to approve the agenda by TRUSTEE SELBY; seconded by TRUSTEE EASLEY.

There being no objection, the MOTION was approved.

ETHICS DISCLOSURES

There were no ethics disclosures.

APPROVAL OF MINUTES (October 17, 2018)

MOTION: A motion to approve the minutes of October 17, 2018 was made by TRUSTEE COOKE; seconded by TRUSTEE EASLEY.

There being no objection, the MOTION was approved.

EXECUTIVE DIRECTOR REPORT

MR. MENEFEE stated that the buildings fared fairly well after the earthquakes. There were bids received for the TAB and Cordova Street, and each of the buildings will require about \$40,000 to \$45,000 worth of repairs. Most of that is for dropped ceilings, Sheetrock and minor stuff. He continued that it will be covered by the State insurance group, and if any money has to be put out it will get returned. He moved to the Forest Service exchange and reported that there will be a meeting, but since the U.S. Government is still shut down, that has added one more twist to the closeout of Phase I. He stated that an offer was put in on the building for CHOICES, and GCI has not formally accepted it. He continued that, on the Department of Defense exchange, there is a go-ahead with an appraisal for the value of the land on the Fischer properties in Fairbanks, which will be jointly paid for. He stated that a letter was received by Trustee Michael from the Chilkat Indian Village. They asked for increased coordination and information regarding the operations by Constantine in the Haines area. He explained that he has been in communication with Constantine, and there is a new plan of operations being submitted for Phase II, which is the underground aspect of their exploration. As long as they follow environmental laws and all the other State requirements, that can be approved. There is also a reclamation plan that gets approved through Mining Land & Water. He added that Constantine has tried to reach out to provide updates to the village, which have not been accepted. Some of what they asked for will not be provided because they asked that Mining, Land & Water change their procedures, which will not happen. He reminded the trustees that the disposal decision was a best-interest decision, in consultation with the Board, about doing a mineral exploration lease back in 2014. The public had an opportunity to comment at that period of time on what should or should not be done. He added that the plan of operations is not part of the public process, but is part of doing the business of a lease. He asked for direction on how to proceed.

TRUSTEE MICHAEL stated that a response should be written with contacts to allow for a continued dialogue. She added that it is important to keep all informed.

MR. MENEFEE stated that he will prepare something and talked about the communications with Constantine about this issue. He added that they are planning on reaching out to all the interest groups and offered sit-downs to explain the new plan of operations and provide information.

CHAIR SMITH suggested that it would be worthwhile for the trustees to see that letter, dialogue, as it involves the Borough management, the Borough mayor, and the local corporation.

TRUSTEE MICHAEL asked that letter be forwarded to all the trustees.

MR. MENEFEE stated that he met with Corri Feige, the new DNR Commissioner; she is very aware of the Trust mission and understands why the TLO exists and what it does for the Trust. He moved to Community Park Loop and stated that an initial phase on planning about the strategic uses of this area has started. He added that some good Donlin wetlands mitigation press coverage was received. It was good to get out a message that the Trust is open for business in this realm to potentially use the wetlands this way.

TRUSTEE MICHAEL asked about the Urban Land Institute and the plan for this area.

MR. MENEFEE replied that the ULI was the Subport and was already done. The Community Park planning is not contracted yet and is separate. He concluded his executive director report.

TRUSTEE COOKE asked where the money from the Donlin Creek conservation easement went, and if it is a principal asset.

MR. MENEFEE replied that \$200,000 comes at the point of signing the agreement, and then it will be \$20,000 a year for up to ten years to keep the option open. He explained that if the decision was made to go forward with the mine, an additional \$1.3 million will be paid. He added that it is not actual principal because it is not a perpetual disposal of an asset. This is putting an encumbrance on the land, similar to an easement.

CHAIR SMITH asked Mr. Menefee to share the idea behind the upcoming presentation as discussed a while back.

MR. MENEFEE stated that the presentation is to introduce the entitlement issues and help to put into perspective the events that the administration will be working on. He asked Jusdi Doucet to continue.

MS. DOUCET began with the land entitlement and stated that there are a little over a million acres but do not have the full entitlement. She continued that there is the remaining federal entitlement, replacement lands, and missed settlement lands. The lands for the entitlement were selected in 1956 through 1966. It is 2019, and there is still no full entitlement. She explained that there is a willingness of the current leadership at the UI to work constructively with the State, combined with the seniority and stature of the Alaska congressional delegation, which presents a window of opportunity. She explained the history. For the purpose of reconstituting the Mental Health Trust established under the Alaska Mental Health Enabling Act, three lists were created: The first list

was the original mental health land to be designated as Mental Health Trust land; another list that was other state land to be designated as Mental Health Trust land; third, was land that was not to be designated as Mental Health Trust land, which was land that was already encumbered, conveyed. She noted that all the land designated as Alaska Mental Health Trust land remains subject to the encumbrances or interest of record. She moved to the settlement agreement which laid out the land that was to be conveyed to the Trust. This set the basis for corrections to the original land list and established procedures for the return of land affected by hazardous materials, which is important. She continued that recognizing valid existing encumbrances, and providing direction on how to resolve competing Native allotments and outstanding selections under the Enabling Act. Any errors, omissions, over-inclusions or inconsistencies were to be corrected when discovered. She stated that the categories: Remaining federal entitlement; replacement lands from settlement agreements' errors; and settlement lands that were missed or not conveyed. These categories help to understand why there is no full entitlement and why there is more acreage than originally selected. In 2009, an agreement to settle the remaining entitlement was signed by BLM, the Trust and DNR. This agreement defined the need to get the entitlement, 37,585 acres; prioritized 15 areas for conveyance; and third, BLM said they would apply its best efforts to complete the adjudication and conveyance of land by June 30, 2009. Tentative approved lands would be surveyed as soon as feasible, and DNR said they would expeditiously convey any remaining unconveyed lands listed in the exhibit. She added that there are approximately 1,339 acres left, a rough audited estimate. She explained that the plan is to talk with DNR to reprioritize the priorities in the closeout agreement. She continued that there are good reasons why the lands have not been received: survey is expensive, and the State may not have prioritized those surveys; there may be encumbrances on the land that may reduce the value to effectively zero dollars; and then the State has other priorities of what is needed. She went through some examples of the type of land in these 1300 acres, explaining that those are currently federal lands, and some lands in State ownership have encumbrances, and they are dealing directly with the State and the Federal Government through that closeout agreement.

TRUSTEE EASLEY asked why the decision expired.

MS. DOUCET replied that, in her opinion, the decision expired because the institutional knowledge at DNR kept retiring. No one was left to know what was going on. She stated that the decision expired, and the lands have reverted back to general State lands. There is the need to come up with a new more strategic agreement in favor of the Trust. This is a work in progress to complete the Trust entitlement, and we look forward to the 2019 Land Summit with the new administration. She explained that the 2019 Land Summit is a meeting that Governor Dunleavy has called upon for the agencies that still need entitlements from the Federal Government. He wants to make it a priority to close those out or get a road map to get there. An update on this would probably be in April, as the summit is in February.

TRUSTEE COOKE thanked Ms. Doucet for the presentation and stated that it is like an exercise in continuing education for the Board.

CHAIR SMITH asked for any other comments. There being none, he asked for a motion to adjourn.

MOTION: A motion to adjourn the meeting was made by TRUSTEE SELBY; seconded by TRUSTEE EASLEY.

There being no objection, the MOTION was approved.

(Resource Management Committee Meeting adjourned at 11:06 a.m.)