

**ALASKA MENTAL HEALTH TRUST AUTHORITY**  
**RESOURCE MANAGEMENT COMMITTEE MEETING**  
**July 28, 2021**  
**2:00 p.m.**  
**Teleconference**

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

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**Trustees Present:**

John Sturgeon, Chair  
Verne' Boerner  
Chris Cooke  
Brent Fisher  
Anita Halterman

**Trust Staff Present:**

Mike Abbott  
Steve Williams  
Miri Smith-Coolidge  
Kelda Barstad  
Valette Keller  
Eric Boyer  
Josephine Stern  
Jimael Johnson  
Kat Roach  
Allison Biastock

**Trust Land Office:**

Wyn Menefee  
Jusdi Doucet  
Hollie Chalup  
Karsten Eden  
Chandler Long  
Becky Carpenter  
Jeff Green  
Katie Vachris  
Sarah Morrison

**Also participating:**

Kristin Vandagriff; Charlene Tautfest; Terri Tibbett.

## PROCEEDINGS

### CALL TO ORDER

CHAIR STURGEON stated that the board members were present and called the meeting to order. He asked for any announcements. There being none, he moved to the approval of the agenda.

### APPROVAL OF THE AGENDA

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

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

### ETHICS DISCLOSURES

CHAIR STURGEON asked for any ethics disclosures. There being none, he moved to the approval of the minutes of April 21, 2021.

### APPROVAL OF THE MINUTES

**MOTION:** A motion to approve the minutes of April 21, 2021 was made by TRUSTEE HALTERMAN; seconded by TRUSTEE COOKE.

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

MR. ABBOTT recommended a roll call.

CHAIR STURGEON called the roll. Trustee Boyles was excused. Trustees Fisher, Cooke, Halterman, and Boerner were present. He moved to the executive report and recognized Wyn Menefee.

### EXECUTIVE REPORT

MR. MENEFEE explained that the State has a system of recognizing employees when they have served a certain amount of time. He congratulated Chandler Long, who does one of the big parts of the land exchange and works on the big game guide, who received a pin for five years of service. He moved to Paul Slenkamp, the forester, who received a 20-year pin. Heather Weatherell, title researcher and does a lot of the public comments and notices, also received a pin for 20 years of service. He continued that Trustee Boerner had asked for some information regarding rare-earth elements on coal. There has been a lot of data gathered, and the studies are in the early stages. He added that two studies have tried to validate the technical and economical feasibility as small pilot projects, but they are not there yet.

TRUSTEE BOERNER was happy to hear of new technologies within the mining industry that take into consideration the long-term view.

MR. MENEFEE moved to Yak Timber, the small timber sale that was closed out in Yakutat. He stated that Yak Timber is a Native timber company that did an excellent job on the project. He continued that Marvin Adams, the president of Yak Timber, thanked the Trust for working with him on that. He continued, not only beneficiaries, but the community and the local vendors benefited from this timber sale. He added that some roads were completed that were well done

and provide access to other land sales there. He moved to Meadow Lakes material sale, which was the QAP decision. He clarified that there were a couple of stages that happen there. The financial return to the Trust was evaluated, and the highest and best use was doing the material sale for the Trust. He stated that the Planning Commission for the Borough denied the commercial-use permit. That means if that is their final decision, the Trust cannot do a material sale. There is a hearing for the appeal process, and we will speak at that.

He continued to the Millrock Mineral Lease Public Notice period. There were about 60 to 70 comments opposed to the mineral lease. He stated that this was by Fort Knox, and it had a lot of media coverage. The public response was that this was being used for recreating. He continued that the purpose with Trust lands is to make money for the Trust and its beneficiaries. This was put in the papers, and we are open for 30 days for comment. There has also been a lot of concern over Trust using its lands for resource development in the media. After discussion, he continued to an update for the refinance. He stated that staff is working on some follow-up to the refinance, a substantial effort, which the commercial real estate team is working on. He added that they were also working on leasing up North Park and Amber Oaks. He talked about the work in the land sale area, the negotiated sales and over-the-counter sales. He went through the timber and then moved to the project in Shelter Cove, doing the road upgrades which are be paid for by DOT. He continued that the DOT has been very cooperative through the entire process. The project is moving along. He talked about a few of the negotiated sales and concluded the executive director report.

CHAIR STURGEON stated that the next item on the agenda is an approval request. He continued that the committee would make the recommendation today, and the final decision will be made at the full board meeting. He asked for a motion.

**MOTION: A motion that the Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees approve the proposed revisions to the 2005 Memorandum of Understanding between the Department of Natural Resources and the Alaska Mental Health Trust Authority was made by TRUSTEE BOERNER; seconded by TRUSTEE COOKE.**

CHAIR STURGEON recognized Mr. Menefee to explain all that was going on.

MR. MENEFEE stated that the MOU is like a contract between DNR and the Trust Authority. In the settlement and in the law, it states that DNR will contract with the Trust to manage its lands. He explained that the adjustment is to deal with the current Trust charters, the legal understandings, and further clarity for some of the duties between the entities. This MOU is consistent with existing State laws, and confirms the contractual relation and obligations. He went through some of the changes using the Trust communication protocols for keeping DNR informed. He added that it was not changing what the TLO does, but is putting it on paper. He stated that the Commissioner, the Department of Law, and Mr. Abbott have reviewed it and all are with it.

CHAIR STURGEON asked for any questions or comments.

TRUSTEE HALTERMAN called for the question.

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

MR. ABBOTT expressed, for the record, his extreme appreciation for Mr. Menefee in terms of doing the legwork necessary to consider and make the revisions, and to Commissioner Feige at DNR for being so receptive to the update we have just seen. He noted that it memorialized the current practice that is going on.

TRUSTEE BOERNER echoed the words of appreciation. When thinking about both the succession planning and transition planning, these are the types of activities that the trustees have been allowed to be able to engage in.

### **CONSULTATION**

CHAIR STURGEON stated that for this next consultation, the committee will make the decision and it will be a final vote.

**MOTION:** A motion that the Resource Management Committee concurs with the Executive Director's recommendation to dispose of Trust Parcel SM-1024 through negotiated sale or subsequent disposal was made by TRUSTEE COOKE; seconded by TRUSTEE HALTERMAN.

MR. MENELEE asked Jeff Green to explain the consultation.

MR. GREEN stated that one of his duties as land manager is managing negotiated sales in the Southcentral region, which is what this consultation is concerning. He continued that this is to complete a negotiated sale for a portion of Trust parcel designated SM-1024 to Michael Brown, the adjacent landowner. The total sale price for the parcel is \$315,500. This included a 30-percent premium on the appraised value, which was \$240,000. It also included reimbursement to the Trust for the appraisal cost of \$3,500. He added that the public-notice period will provide for the acceptance of any competing offers. There are no anticipated risks or concerns. He continued that the buyer intends to finance with the TLO, which increased the profits through the interest, as well as on the land-sale contract. In this sale the Trust would be making just under \$57,000 an acre.

A brief discussion on the in-house financing ensued.

MR. ABBOTT explained this was different than a mortgage. The Trust continues to hold the title, and if the contract is defaulted, the Trust keeps all the money that has been paid and gets the property back.

CHAIR STURGEON asked if the Trust retains ownership of the subsurface.

MR. GREEN replied that, under the State Constitution, the Trust is required to maintain ownership of the subsurface rights on any Trust land. The Trust already owns the subsurface rights.

TRUSTEE BOERNER called the question.

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

## **UPDATES**

CHAIR STURGEON stated that there are three updates: Icy Cape; Community Park Loop; and the land exchange.

### **ICY CAPE**

MR. MENEFEE stated that Karsten Eden will give a brief update on Icy Cape.

MR. EDEN stated that this update is for the second quarter of the calendar year '21. There are seven categories: planning, procurement, field work, processing and assaying, science and engineering, anticipated results, and public relations and marketing. He continued that planning is at 60 percent for this calendar year. Procurement is right on track at 60 percent. The field work was down 25 percent at the end of last quarter. That was due to having to delay the barge. Field work is going as planned, and the project is on track. The next category is processing and assaying, and this is at 50 percent, also right on track. Science and engineering is at 50 percent. During the second quarter, a gradient magnetic survey was procured for engineering services, an airborne geophysical survey. Anticipated results are at 50 percent and going smoothly. The last category is public relations and marketing. In April, the TLO and the Trust Authority held a virtual outreach meeting for the Borough of Yakutat and the Yakutat community. The meeting was very well received with a lot of positive comments.

MR. MENEFEE moved to Community Park Loop, and asked Jusdi Doucet to give the update.

MS. DOUCET gave a quick update that set out with a goal to master-plan Community Park Loop about a year and a half ago. The master plan provides a conceptual layout to guide future growth and development, and in this case, redevelopment. It is about making the connection between buildings, social settings, and the surrounding environments. The final step in the master-planning process has been reached. The geographic features on this site, along with the important history of the beneficiary-serving organizations on site, makes it very unique. She continued that the master plan that was drafted by ECI is being reviewed with the hope of sharing that plan this fall.

CHAIR STURGEON thanked Ms. Doucet, and recognized Mr. Menefee.

MR. MENEFEE stated that SEACC, Southeast Alaska Conservation Council, has place another Lis Pendens, which is a notice of legal action, on No Name Bay. That was done in May, and we were not notified. The Forest Service had major problems with it. He continued that the Department of Law filed a joint motion with SEACC to remove the Lis Pendens, and also had the Superior Court say that the No Name Bay exchange parcel can be included in the exchange. This removed any impediment to moving forward with the land exchange on No Name Bay. He moved to another issue on the State and Federal legislation. The exchange was approved, and there was a portion that talked about reciprocal road easement. Along with conveying the lands, it was required that the Forest Service shall convey reciprocal road easements to access parcels being conveyed. The appraisals took into consideration the access of all the Forest Service roads. The majority of the roads were agreed to, but a couple were still denied. He talked about the multiple problems where it appeared the law was not being followed. He explained this fully.

CHAIR STURGEON moved to the presentation on mining claims education.

### **MINING CLAIMS EDUCATION**

MR. MENELEE moved to the educational piece, and asked Hollie Chalup to present.

MS. CHALUP stated that she was the mineral and energy resource manager in the Trust Land Office and was excited to speak on the subject of mining claims. She began with a description of a State mining claim and explained that the process of staking a mining claim or an exclusive right to extract locatable minerals is a process guided by the mining law of 1872, the Alaska Constitution, and State statutes and regulations. She continued that a mining claim is a self-initiated right, meaning no applications, discussion, or negotiation takes place for an individual or a company to assert their ability to obtain minerals. The claim-staking process includes making a valid mineral discovery, erecting posts on the ground identifying the four corners of the mining claim, properly identifying its boundaries and the person staking the claim, and recording the certificate of location within 45 days. She stated that the mining claim is not subject to public review or public process, and it gives the locator a constitutional right but limits their ability to use the surface estate to extract the mineral estate. She continued that mining claimants are required to pay annual rent, conduct annual labor, and pay a production royalty annually. All rates are set in statute and regulations. She added that DNR has limited authority to abandoned claims as well if a locator fails to pay annual rent, conduct and record annual labor, or fails to pay production royalties that DNR could claim. She stated that mining-claim regulations are inconsistent with Trust management principles, and the Trust mineral estate is managed according to 11 AAC 99.100. This closed Trust lands to mineral entry by the claim-staking process and instead allows the TLO to consider leasing the mineral estate in the best interest of the Trust and its beneficiaries. There are also a host of court orders and mineral-closing orders which protect Trust lands from mineral entry. She moved to the three scenarios where Trust lands can become encumbered by mining claims. The first are mining claims that were staked prior to the Trust owning the land. Second are mining claims that were staked on State lands before the Trust received the lands during reconstitution of the Trust. The third, if State mining claims were staked thinking it was general State land and the DNR accidentally recognized the claims as valid. Most of the invalid-lease-staked claims have been abandoned by the DNR. She explained that when the Trust funds lands were reconstituted, lands that were subject to all encumbrances of record were received, which included State mining claims. The Trust was conveyed the mineral estates, but the State mining claims were grandfathered. The claims must be managed according to the mining-claim statutes until the claims are abandoned. There is a Department Order No. 142 which guides the TLO and DNR on how to manage the existing claims. She added that lands designated Trust lands with active federal mining claims are excluded from conveyance. DO 142 also directs that process. She gave some historical background and then talked about some of the management implications of mineral encumbrances. She went through a few examples of current mineral exploration or development projects affected by mineral encumbrances.

CHAIR STURGEON stated appreciation for the top-quality presentations. He moved to trustee comments.

### **TRUSTEE COMMENTS**

TRUSTEE COOKE thanked staff and stated appreciation for all the hard work put into this. He also appreciated the visit to the shelters, which was an eye-opener. He mentioned the trip in

Rampart. He stated that the highlight was a visit to Rampart by a group making a trip up the Yukon River from Nenana, Tanana, Rampart and to Stevens Village. He also talked about the lack of subsistence fishing because of depletion of the resources.

TRUSTEE HALTERMAN thank staff for the amount of work that went into preparing for these meetings, and also thanked the Chairs for their work. She put a shout-out for the Bristol Bay community that rallied to those communities lacking fish. It is good to see the communities coming together to support the cultural needs of Rural Alaska. She thanked all again.

TRUSTEE BOERNER took the opportunity to share such a meaningful part for her and appreciated being given the opportunity to do so. She also thanked the partners, the legislators, and also the Governor and his Administration for reaching out and opening the dialogue that she hoped would be happening soon. She continued that the site visit was very moving, and the importance of getting three moose a year from the State would impact their ability to service the beneficiaries. She added a thanks to the staff for their work in preparing the meetings, in general. She also thanked her fellow trustees for their willingness to share their experiences, which she highly values.

TRUSTEE FISHER stated thanks for the last few days, and noted that he appreciated the on-site visits. He also appreciated the Resource Management Committee presentations, and added that stewardship is really important. He thanked staff for all the time and effort put into this. He added that he would be interested in getting lists of grantees for the line items, which would be helpful.

CHAIR STURGEON thanked staff, again, for the fantastic job. He asked for a motion to adjourn.

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

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

(The Resource Management Committee meeting concluded at 4:03 p.m.)