

**ALASKA MENTAL HEALTH TRUST AUTHORITY  
RESOURCE MANAGEMENT COMMITTEE MEETING  
January 9, 2025**

**Originating at:  
Alaska Mental Health Trust Authority  
3745 Community Park Loop, Suite 200  
Anchorage, Alaska 99508**

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**Trustees Present:**

Corri Feige, Chair  
Anita Halterman  
Rhonda Boyles (virtual)

**Additional Trustees Present:**

John Morris  
Agnes Moran  
Brent Fisher  
Kevin Fimon

**Trust Staff Present:**

Valette Keller  
Allison Biastock  
Shannon Cochran  
Katie Baldwin-Johnson  
Carrie Predeger  
Lucas Lind  
Josie Stern  
Eliza Muse  
Tract Salinas  
Michael Baldwin  
Christopher Orman  
Brittany Williams

**Trust Land Office staff present:**

Jusdi Warner  
Jeff Green  
Sarah Morrison  
Katie Vachris  
David MacDonald  
Mariana Sanchez  
Cole Hendrickson

**Department of Law:**

Gene Hickey

**Also participating:**

Steve Center; Julia Moriarty; Steph Hopkins; Mary Wilson; Teri Tibbet.

## PROCEEDINGS

### CALL TO ORDER

CHAIR FEIGE called the Resource Management Committee meeting to order and began with a roll call. She stated that the entire board slate was present, and asked for any announcements. There being none, she asked for a motion to approve the agenda.

### APPROVAL OF AGENDA

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

*After the roll-call vote, the MOTION was APPROVED. (Trustee Halterman, yes; Trustee Boyles, yes; Chair Feige, yes.)*

CHAIR FEIGE asked for any ethics disclosures. Hearing none, she moved to the approval of the minutes from October 16, 2024.

### APPROVAL OF MINUTES

**MOTION:** A motion to approve the minutes from October 16, 2024, was made by TRUSTEE HALTERMAN; seconded by TRUSTEE BOYLES.

*After the roll-call vote, the MOTION was APPROVED. (Trustee Halterman, yes; Trustee Boyles, yes; Chair Feige, yes.)*

E.D. WARNER stated that the minutes were missing Cole Hendrickson, who was present and gave a presentation. She asked to add that to the minutes.

CHAIR FEIGE asked staff to get that section inserted back in. She asked for a motion to amend the minutes.

**MOTION:** A motion to amend the minutes from October 16, 2024, to include Cole Hendrickson was made by TRUSTEE HALTERMAN; seconded by TRUSTEE BOYLES.

*After the roll-call vote, the MOTION was APPROVED. (Trustee Halterman, yes; Trustee Boyles, yes; Chair Feige, yes.)*

CHAIR FEIGE recognized Jusdi Warner.

### EXECUTIVE DIRECTOR REPORT

E.D. WARNER began with an update on Alaska Renewables and stated that they requested a legal description change, and also submitted their development plan. She moved to the Trust Authority Building update and the eight different options for the building that had been talked about, which was repeatedly sent out for requests for proposals with no interest. The cost was increased to \$150,000, which will be closing soon, and she will provide an update on that. The subdivision program has recorded three subdivisions: Three Ponds in Kenai; Emerald in Kenai; and Lonesome Lake Coho. They were still evaluating the best way forward with that project regarding layout costs. She continued with Alaska Housing & Finance Corporation around the \$4 million that is being held through the Legislature. AHFC provides the information to the

upcoming legislative body, which then makes a decision. The newest conversation around this project is if AHFC will be reimbursed. There are a couple of different options, one of which is the Trust. If awarded that funding, the Trust will be responsible for paying it back, which is being evaluated. The other piece is that the subdivisions in the local boroughs will be on the tax rolls, and the boroughs will reimburse the Trust. Nothing is final, and it can get pretty complicated. The best for the Trust would be if the local boroughs reimburse. She moved on to the budget amendment for the rooftop mechanical unit at Amber Oaks, which was completed. The CFF approval for the fire panel at the TAB has not been completed, but the contract work has been booked out. The first mineral lease out at Livengood was completed in December, and all documents have been signed. Howard Hill paid their fee, and that is complete. The mineral lease in Fairbanks, the Opportunity Placer decision process, was completed in November, and we are awaiting the signed lease documents from Opportunity. The statewide personal inventory land sale decision was completed, and all of those parcels have been transferred to the inventory pool can be pulled from for land sales. The land disposal in Petersburg was completed, and the final decision documents for a land disposal at Little Harding Lake are being drafted and reviewed. She continued that the initial review of the Resource Management Strategy draft has begun, and she gave an update on DNR and how the TLO regularly works with DNR. She gave an update on the timber sale at Gustavus, which is a selective harvest and not a clear cut.

CHAIR FEIGE moved to the Carbon Program update.

#### **CARBON PROGRAM UPDATE**

MR. GREEN stated that everything is on schedule on the timeline, and so far the administrative decision process, public notice, best-interest decision for any public notices action in every community in Southeast has been completed. There were no comments received during the public notice period, and that portion of the project is completed. The next step is putting out for a proposal for an initial assessment of the Trust carbon and taking into consideration the advantages. Also, in that consideration are the other land development activities and where it makes the most sense. The consultant contractor is Terra Verde, and Ryan Kleinhans is the main contact and a good resource. Ryan will be presenting at the February meeting. He explained that the main registries, the American Carbon Registry, has modified their improved forest management methodology for their registry for the credits they will hold and register on their registries. He also brought up the management and sales credits and the process, stating that they worked with their attorney at Department of Law who advised on the Trust Land Office actions, management decisions, and development of the credits. They are being brought to the point of being registered. These credits are an environmental commodity and can be traded, sold, held. Those decisions will be made by the Trust Authority, which will work collaboratively with the Trust Land Office.

E.D. WARNER explained that is the first phase of this project which ran the decision process to utilize these carbon resources on Trust land. Once it becomes that commodity, it becomes an investment.

CHAIR FEIGE moved to the Icy Cape update.

#### **ICY CAPE UPDATE**

DR. EDEN gave the update for the fourth quarter of calendar year 2024. He stated that planning and procurement was 100 percent, as well as the field work. All of the results for the gold were

received, and the heavy minerals is in the final stages. He continued that that part of the independent verification is to process it a different way to tell how much is in there, and then compare it to our results. He added that the results came back very strong; so there is gold there. The independent data verification is time-consuming and necessary. With the anticipated results, they are at 95 percent. He moved to marketing, and stated that his presentation at the AMA convention was very well received. Marketing is right on track. The next steps will be an independent technical report and mineral resource estimate. He noted that they were under budget. He moved to the reconnaissance sampling and the geological mapping project and explained that it is a five-year project, with the first year just completed. A few areas were selected in Fairbanks, and the results were received. Currently, selection areas are being worked on for this year.

TRUSTEE BOYLES asked about the confidentiality on maintaining the integrity of the assets and information.

DR. EDEN replied that the report will be confidential, and anyone in the industry that would like to look at those would have to sign an NDA.

TRUSTEE BOYLES stated that this should all be discussed in Executive Session.

CHAIR FEIGE stated that anything that is sensitive financial information that could impact the health of the Trust certainly falls into that category, and she would take that under advisement with the guidance of both the Chair and legal counsel. She thanked Dr. Eden for the report, and moved to the Palmer update.

#### **PALMER PROJECT UPDATE/APPRaisal**

E.D. WARNER began with a brief background and then moved to the mineral appraisal. America Pacific has provided DNR and TLO with the mineral appraisal for the 340 claims. The appraisal has been reviewed, and they were prepared to discuss that in Executive Session. The mineral appraisal evaluates the value in the ground. She added that this appraisal is important because there is a three-way lease between America Pacific, the BLM, and Merrill Palmer, with the lease over the top.

CHAIR FEIGE entertained a motion to move into Executive Session.

**MOTION:** A motion was made that the Resource Management Committee for the Alaska Mental Health Trust Authority Board of Trustees enter into Executive Session to discuss issues related to the Palmer Project appraisal and valuation issues. The discussion will include legal advice from our counsel, and include matters that will have an immediate, material effect on the finances of the Trust. The Executive Session is permitted under the Open Meetings Act, AS 44.62.310(c)(1)(3). The motion was made by TRUSTEE HALTERMAN; seconded by TRUSTEE BOYLES.

*After the roll-call vote, the MOTION was APPROVED. (Trustee Halterman, yes; Trustee Boyles, yes; Chair Feige, yes.)*

(Executive Session from 2:08 p.m. until 2:40 p.m.)

CHAIR FEIGE asked for a motion to come out of Executive Session.

TRUSTEE HALTERMAN stated that she, her fellow trustees, and members of the Trust Authority are returning to the Resource Management Committee meeting from Executive Session. During the Executive Session, the trustees only discussed the items identified in the motion to move into Executive Session. The Resource Management Committee did not take any action while in the Executive Session other than to give direction to counsel.

### **COMMERCIAL REAL ESTATE UPDATE**

MR. MacDONALD stated that portfolio-wide, they were at 93 percent, with occupancy essentially staying the same. The sale of the Rulon White property is reflected in the lower overall occupancy. He continued on to the update for the liquidation strategy.

### **CONSULTATIONS**

#### **DISPOSAL OF TRUST PARCEL FM-0835-MHT 9400904**

**MOTION:** The Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees concur with the executive director of the Trust Land Office's decision to dispose of the Trust parcel FM-0835, approximately 75 acres, through a negotiated sale or subsequent disposal. The motion was made by TRUSTEE HALTERMAN; seconded by TRUSTEE BOYLES.

E.D. WARNER recognized Mariana Sanchez who has stepped up to take on additional work, which resulted in a negotiated sale.

MS. SANCHEZ stated that this consultation is for the negotiated sale of Trust Parcel FM-0835 located within Fairbanks boundaries. The parcel is split in half by a section line, with a road that bisects it. The area is zoned as a heavy industrial, military noise district. The fair market value was determined to be \$100,000, and FS&G Aggregate, Inc., after negotiation, agreed to a 50 percent premium on this property, as well as reimbursing the TLO for the cost of the appraisal. The total purchase price is \$159,600, which FS&G has put down in full as a deposit, instead of the typical 10 percent, to show their seriousness. FS&G plans to donate the southern portion of the parcel to the Fun Lions Snowmobile Club, where they can extend their winter track for youth snow machining. He added that this disposal meets the standards of the 2021 Resource Management Strategy for the TLO to maximize return, at prudent levels of risk, prevent liabilities, and to convert nonperforming assets into performing assets.

CHAIR FEIGE called the vote.

*After the roll-call vote, the MOTION was APPROVED. (Trustee Halterman, yes; Trustee Boyles, yes; Chair Feige, yes.)*

#### **GAS LEASE - MHT 9300101**

**MOTION:** The Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees concur with the negotiated lease of Trust land parcels SF50100, SF50101, SF50203, SF50103, and SF50135 near Soldotna to Hilcorp Alaska, LLC, for the exploration and development of oil and gas resources. The motion was made by TRUSTEE HALTERMAN; seconded by TRUSTEE BOYLES.

MR. HENDRICKSON stated that this is a negotiated lease request of Trust hydrocarbon estate. There were eight total parcels in the request that are owned by the Trust with the hydrocarbon estate. The surface estate is all privately owned and not in Trust ownership. This is about 287 acres just north of Soldotna on the Kenai Peninsula. In June 2024, Hilcorp was awarded as the high bidder of the Division of Oil & Gas's Cook Inlet leasing. They want to improve their lease package while they have infrastructure and resources allocated to the area.

TRUSTEE FIMON pointed out a discrepancy, and asked about the three additional lots which needed to be added to the motion.

**MOTION:** The Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees concur with the negotiated lease of Trust land parcels S50100, S50101, S50102, S50135, S50136, S50137, and S50138 near Soldotna to Hilcorp Alaska, LLC, for the exploration and development of oil and gas resources. The motion was made by TRUSTEE HALTERMAN; seconded by TRUSTEE BOYLES.

*After the roll-call vote, the MOTION was APPROVED. (Trustee Halterman, yes; Trustee Boyles, yes; Chair Feige, yes.)*

CHAIR FEIGE stated that the consultations were concluded, and moved to the item on Trust Land Office history.

### **TLO HISTORY**

E.D. WARNER stated that the TLO was formed out of the settlement agreement which resulted in the statutes. She highlighted that the DNR commissioner has delegated his/her authority in the statute to the ED of the TLO. Although he/she still has that fiduciary responsibility to the Trust, that is delegated by statute, by law, to the TLO ED. She brought that up because the mental health beneficiary groups were concerned for TLO to be in DNR because of maximizing revenue. She continued that that is not what DNR does. The environmental and conservation groups were interested in having the TLO in DNR to serve the public interest. Then the development interest groups were concerned about the management outside of DNR. The TLO was formed with one purpose: to maximize the revenue off of Trust land. That is what they are hired to do. She stated that sometimes they are fortunate enough that the mission aligns with the public interest, and there are times when it does not. She added that she is required to consult with the board, but she can make land decisions even if the board disagrees. She stated that she has no authority to spend money without the trustees' approval. There are checks and balances. It is okay when they do not agree.

CHAIR FEIGE thanked Ms. Warner, and stated appreciation for the graciousness of everyone's time.

TRUSTEE BOYLES stated her enjoyment of the Resource Management Committee.

TRUSTEE HALTERMAN thanked Ms. Warner for what she does at the TLO and for standing firm when there is political pressure to do something that is not necessarily in the best interest of the Trust. She added that it is important that she has the support of the trustees.

CHAIR FEIGE asked for any other comments. There being none, she asked for a motion to adjourn.

**MOTION:** A motion to adjourn the Resource Management Committee meeting was made by TRUSTEE HALTERMAN; seconded by TRUSTEE BOYLES.

*After the roll-call vote, the MOTION was APPROVED. (Trustee Halterman, yes; Trustee Boyles, yes; Chair Feige, yes.)*

(The Alaska Mental Health Trust Authority Resource Management Committee meeting adjourned at 3:09 p.m.)