

## Erin Nelson

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**From:** gstevenson1@citlink.net  
**Sent:** Friday, May 12, 2023 3:59 PM  
**To:** Office  
**Cc:** Erin Nelson; 'Mary Gillam'  
**Subject:** An FYI about SITLA & OBAs  
**Attachments:** SITLA Board Mtg 052021 tour of Amangari Resort.pdf; Documents Updated for SITLA Board of Trustees; 2017 019 what hiway noise.JPG

I'm not sure where Jared Barrett is headed with his SITLA request, but Bluff town council members should familiarize themselves with OBAs when SITLA Board of Trustees have their Closed Sessions meetings. I've included Documents Updated for SITLA as an example. Open and scroll down to #11. Closed Session (copied here):

11. Closed Session

a. Pursuant to Utah Code 53C-1-201(8)(a)(ii), the Board will conduct a strategy session to evaluate the terms of a joint venture or other business arrangement (OBA) authorized under Subsection 53C-1-303(3)(e) where public discussion of the transaction would disclose the estimated value of the trust asset under consideration or prevent the Board from completing the transaction on the best possible terms. Specifically, the Board will discuss potential joint venture or OBA terms concerning trust lands in Desert Color, Washington County.

I'm also including a SITLA Board field trip to a proposed resort at Big Water (west side of Glen Canyon Dam) a fancy Glamping site on SITLA lands. Cute, huh?

Learning about OBAs came to me the hard way a couple of years ago when I was working in trying to obtain SITLA leases for Helium exploration. Throughout my career in O&G exploration in Utah, it was common to nominate SITLA lands for leasing which would then be placed for open auction where high bidder would earn the right to explore leases nominated and won. SITLA would retain bid price as well as a 1/8<sup>th</sup> royalty and leases were good for 10 years. Some years ago, these terms changed to 1/6<sup>th</sup> royalty and 5 year term. But then OBAs came about to "speed things up" I was told by Director Ure in 2021. Now "closed sessions" are held where "other business arrangements" are discussed under OBA rules as cited above.

So much for open bidding. Now you can work what I call "good ole boy" deals. See the Amangari Resort Board Meeting (an all expense paid trip for Trustees to be toured around the site; wined and dined - as it were).

Not saying that is what is in store for Jared Barrett's plan. But what is his plan?

I looked at Mary Gillam's comments and concur wholeheartedly; a geologic hazards study *is needed*, and *was needed* for the Bluff Resort prior to construction.

When I look at the Special Use Lease Agreement No. 2010 for Bluff Dwellings Resort Expansion, I scrolled to bottom of pdf and viewed the zoomed in close-up map in bottom left of the document. The yellow outline. I know there are strict rules about how close one can build next to community water wells (see Drinking Water Source Protection Plan that the BWW should have) as I wrote a large part of it. The red roof area is the water treatment building adjacent to the Corral well and a faint red dot across from entrance to Bill Davis farm road is the #2-96 water well. Both are active community water wells, and have perimeters that cannot be encroached upon. The west side of the yellow outlined area is floodplain for Cow Canyon wash. But that shaded area and entire east side of the plat is the top of the Bluff Sandstone. Access to that point diagonally NE of the red roof is by vehicle on 4x4 dirt road accessed from Bluff bench cut-off road. Photo attached was taken by me in 2017 standing on top of that point looking down on Cow Canyon as construction began at Bluff Resort.

Anyone ask Jared what his plan is for this mostly unusable acreage from SITLA?

Looks like a good spot to build a Tramway, to me. What else? But you best learn about OBAs as we have lots of SITLA lands in the area.

Gene Stevenson  
Registered Utah State Professional Geologist