

COMMISSIONERS OF THE LAND OFFICE

REGULAR MEETING AGENDA

THURSDAY, FEBRUARY 11, 2016 AT 2:00 P.M.
GOVERNOR'S LARGE CONFERENCE ROOM
STATE CAPITOL BUILDING – SECOND FLOOR
OKLAHOMA CITY, OKLAHOMA

Call to Order

Roll Call

Declaration of a Quorum

1. Request Approval of Minutes for Regular Meeting Held January 14, 2016

- a. *Presented by Harry W. Birdwell, Secretary*
- b. *Discussion*
- c. *Commission action in which the Board may approve, disapprove or table the matter and/or direct staff to take further action*

2. Secretary's Comments

- a. Distributions to Beneficiaries for Month January 2016
- b. Report on January 2016 Mineral Lease Bonus Auction
- c. 2016 Agency Goals Setting Process
- d. Report on Pre-filed Legislation Impacting CLO
- e. Closing on City County Health Department Buildings

3. Consideration and Possible Action for Approval of Capital Budget for Management of Commercial Investment Property

The following commercial investment property capital budget is presented for approval for FY2016:

<u>Building Address</u>	<u>Operating Expenses</u>	<u>Capital Budget</u>
3017 N. Stiles Av.	\$172,626.00	\$3,600.00

Recommendation: The Assistant Secretary recommends approval of the capital budget for the Stiles building for FY2016.

- a. *Presented by Keith Kuhlman, Assistant Secretary*
- b. *Discussion*
- c. *Commission action in which the Board may approve, disapprove or table the matter and/or direct staff to take further action*

4. Presentation of December 31, 2015 Quarterly Investment Performance Report by RVK (informational only)

- a. *Presented by Mark Higgins, RVK*
- b. *Discussion*

5. Consideration and Possible Action for Approval of Continuous Easements

Lease No.	Legal Description	Easement No.
100658 – Pawnee County	SW/4 Sec. 16-21N-5EIM	9663

The Oklahoma Department of Transportation has made an offer of \$850.00 for a continuous easement for highway improvements. Area requested is 0.49 acres, as per provided survey. The offer was reviewed by Cole Callaway and approved by James Spurgeon.

Lease No.	Legal Description	Easement No.
100022, 100023 – Oklahoma County	SW/4 & E/2 Sec. 36-11N-1EIM	9653

The Oklahoma Department of Transportation has made an offer of \$17,423.00 for a continuous easement for highway improvements. Area requested is 2.2 acres, as per provided survey. The offer was reviewed by Trent Wildman and approved by James Spurgeon.

Lease No.	Legal Description	Easement No.
409045 – Harper County	SW/4 Sec. 23-28N-24WIM	9652

The Harper County Commissioners, District #1, have made an offer of \$1,248.00 for a continuous easement for highway improvements. Area requested is 1.04 acres, as per provided survey. The offer was reviewed by Tom Eike and approved by James Spurgeon.

Recommendation: The Director of Real Estate Management recommends approval of the continuous easements.

- a. *Presented by James Spurgeon, Real Estate Management Director*
- b. *Discussion*
- c. *Commissioners action in which the Board may approve, disapprove or table the matter and/or direct staff to take further action.*

6. Consideration and Possible Action for Approval of Land Sale

Lease No.	Legal Description
106294 Grant County	A tract of land located in the Southeast Quarter of Section 16, Township 27 North, Range 05 West of the Indian Meridian, Grant County, Oklahoma, described as follows: BEGINNING at a point on the South line of the Southeast Quarter (SE/4) a distance of 373.00 feet, South 89° 58' 35" East of the Southwest corner of the Southeast Quarter (SE/4), said point also being the intersection of the South line of the Southeast Quarter (SE/4) and the centerline of Sixth Street as shown on the plat of COLLEGE HEIGHTS ADDITION to Medford; thence North 00° 23' 37" West for a distance of 663.00 feet to a point of intersection with the centerline of College Avenue; thence North 67° 54' 54" East to a point of intersection with the Centerline of the Central Kansas Railway; thence South 62° 11' 16" East on said centerline for a distance of 1018.50 feet to a point of intersection with the West right-of-way line of Hillcrest Drive; thence South 00° 23' 37" East on said West right-of-way line for a distance of 170.21 feet to a point of intersection with the South right-of-way line of the Central Kansas Railway; thence North 62° 11' 16" West on said right-of-way line for a distance of 860.76 feet to a point of intersection with the centerline of College Avenue; thence on said centerline of College Avenue, North 89° 58' 35" West for a distance of 499.10 feet to a point of intersection with the centerline of the 20 foot alley of Block 17 of COLLEGE HEIGHTS ADDITION; thence South 00° 23' 37" East on the centerline of said 20 foot alley for a distance of 663.00 feet to a point on the South line of the Southeast Quarter (SE/4); thence North 89° 58' 35" West on said South line for a distance of 190.00 feet to the point or place of beginning. The above described tract contains 7.85 acres of land more or less and is subject to easements and rights-of-way of record.

On June 11, 2015, the Commission authorized staff to appraise this 7.85 ac tract.

On January 28, 2016 a public auction was held. The successful bidder was Medford School District. The final bid was the minimum bid of \$88,000.00.

Recommendation: The Director of Real Estate Management recommends the 7.85 ac tract in Sec 16-27N-5WIM be approved.

- a. Presented by James Spurgeon, Real Estate Management Director*
- b. Discussion*
- c. Commission action in which the Board may approve, disapprove or table the matter and/or direct staff to take further action*

7. Consideration and Possible Action for Approval to Issue a Fixed Income Investment Manager Contract

Authorization is requested to issue a fixed income investment manager contract as recommended by the Investment Committee, investment consultant, and staff.

Recommendation: The Chief Financial Officer recommends approval of the fixed income investment manager contract as recommended by the Investment Committee and others.

- a. *Presented by Karen Johnson, Chief Financial Officer*
- b. *Discussion*
- c. *Commissioners action in which the Board may approve, disapprove or table the matter and/or direct staff to take further action.*

8. Consent Agenda – Request Approval of December 2015 Agency Monthly Division Summary of Activities

The Agenda items presented on the Consent Agenda are considered as one item for voting purposes. The Consent Agenda includes items that are statutorily or constitutionally required to be performed by the Commissioners of the Land Office or are administrative in nature, which are done as a routine action by the Commissioners of the Land Office. If any member of the Commission or any member of the public requests a particular item or items to be considered individually, the matter or matters shall be considered individually.

- a. *Presented by Harry W. Birdwell, Secretary*
- b. *Discussion*
- c. *Commission action in which the Board may approve, disapprove or table the matter and/or direct staff to take further action*

Accounting Division

1. February 2015
 - a. Claims Paid (routine)
2. December 2015
 - a. Claims Paid (routine)
 - b. Expenditure Comparison

Minerals Management Division

1. December 2015
 - a. 11/4/2015 Awards of Oil and Gas Leases
 - b. Tracts Offered for Lease on 1/20/16
 - c. Assignments of Oil and Gas Leases
 - d. Seismic Permits
 - e. Division Orders

Real Estate Management Division

1. December 2015
 - a. Surface Lease Assignments
 - b. 20 Year Easements
 - c. Renewed 20 Year Easements
 - d. Assignment of Easement
 - e. Soil Conservation Projects
 - f. Short-Term Commercial Lease Renewals

9. Financial Information Regarding Investments and Monthly Distributions (informational only)

Investments

- a. Market Value Comparison December 2015

Accounting

- a. January 2016 Distribution by District and Month

10. Consideration and Possible Action to Approve Oil and Gas Data System Contract

Authorization is requested to issue a contract in an amount not to exceed \$50,000 for data technology services for the Minerals Management Division for monitoring minerals leasing, drilling and production activity throughout the state.

- a. *Presented by Dave Shipman, Minerals Management Director*
- b. *Discussion*
- c. *Commissioners action in which the Board may approve, disapprove or table the matter and/or direct staff to take further action*

11. Executive Session

- A. Executive Session may be convened to discuss, evaluate, and take possible action pursuant to 25 O.S. § 307(B)(4) allowing confidential communications between the Commission and its attorney concerning pending investigations, claims, or actions on recommendation that disclosure will seriously impair the ability of the Commission to process them in the public interest regarding the following matters *CLO v. Pointe Vista Development, CJ-2014-152*
- B. Executive Session may be held in accordance with 25 O.S. § 307(B)(3) for the purpose of discussing the purchase or appraisal of real property located in Oklahoma County.
 - d. *Recommendation of Lisa Blodgett, General Counsel*
 - e. *Vote to Convene Executive Session*
 - f. *Executive Session*
 - g. *Vote to Return to Open Session*
 - h. *Further consideration and possible action on items discussed during executive session*

12. New Business

The Commission may discuss, consider and take possible action regarding new business that could not have been reasonably anticipated or was unknown prior to the regular meeting.

Adjourn

NOTICE OF POSTING

Date / Time: Tuesday, February 9, 2016, before 2:00 p.m.

Locations: Commissioners of the Land Office
204 N. Robinson, Suite 900
Oklahoma City, OK 73102
Governor's Large Conference Room
State Capitol, 2nd Floor
Oklahoma City, OK 73105

By: Debra Sprehe, Executive Assistant