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This Motion requires you to respond. Please see the Notice to Responding Party.

Attorneys for Defendant Utah Division of Forestry, Fire and State Lands

IN THE THIRD JUDICIAL DISTRICT COURT SALT LAKE COUNTY, STATE OF UTAH

UTAH PHYSICIANS FOR A HEALTHY ENVIRONMENT, AMERICAN BIRD CONSERVANCY, CENTER FOR BIOLOGICAL DIVERSITY, SIERRA CLUB, and UTAH RIVERS COUNCIL,

Plaintiffs,

v.

UTAH DEPARTMENT OF NATURAL RESOURCES; UTAH DIVISION OF WATER RIGHTS; and UTAH DIVISION OF FORESTRY, FIRE AND STATE LANDS,

Defendants.

DEFENDANT UTAH DIVISION OF FORESTRY, FIRE AND STATE LANDS' MOTION TO DISMISS PURSUANT TO UTAH R. CIV. P. 12(b)(6) AND 12(b)(1)

(HEARING REQUESTED)

Case No.: 230906637

Judge Laura Scott

The Utah Division of Forestry, Fire and State Lands ("FFSL") understands and appreciates the importance of Great Salt Lake to the ecology of the region, the economy of the State of Utah, and the health of Utah's citizens. FFSL also recognizes the serious situation presented by a declining surface elevation in Great Salt Lake. However, the legal solution offered by Plaintiffs is unsupported by Utah law and disregards the many and varied mechanisms the State is utilizing to manage Great Salt Lake.

This Court should dismiss Plaintiffs' Complaint because Utah law does not recognize the claim or requests for relief asserted and Plaintiffs failed to exhaust their administrative remedies. For Plaintiffs to assert a cognizable breach of trust claim, this Court must recognize legal principles nonexistent in Utah law. The legal conclusions Plaintiffs ask this Court to adopt include: Utah's public trust doctrine extends to water; each of the named Defendants are recognized as trustees under Utah law; Utah's public trust doctrine applies to all upstream diversions and completely supplants the constitutional protected prior appropriation doctrine; and failure to maintain a specified surface elevation on a dynamic lake in one of the most arid states in the union is somehow actionable. Not one of these material conditions precedent is supportable under Utah law and Plaintiffs' claim should be dismissed with prejudice.

MOTION

Defendant FFSL, by and through the undersigned counsel, files this Motion to Dismiss pursuant to Rules 12(b)(6) and 12(b)(1) of the Utah Rules of Civil Procedure. For the reasons stated below, this Court should dismiss the Complaint because it both fails to state a claim upon which relief can be granted and because this Court lacks subject matter jurisdiction over Plaintiffs' requests for relief. Plaintiffs fail to state a claim as a matter of law because the Complaint incorrectly and impermissibly attempts to expand the Utah Constitution's public trust

doctrine to include water and because the constitutional provision under which Plaintiffs rest their claim is not self-executing. Additionally, FFSL's fiduciary obligation and legislative mandate is to prevent improper disposal of sovereign lands. Thus, Plaintiffs' breach of trust duty claim fails because they do not allege a disposal of land and the remedy Plaintiffs seek is entirely divorced from FFSL's recognized public trust obligations. Plaintiffs are not entitled to their request for declaratory relief because Plaintiffs failed to exhaust available administrative remedies, thus depriving this Court of jurisdiction.

JOINDER

Co-Defendants, the Utah Department of Natural Resources ("DNR") and the Utah Division of Water Rights ("State Engineer") (collectively, "Defendants" or the "State Defendants") have or will file separate, concurrent Motions to Dismiss to which FFSL joins.

FFSL adopts by reference the arguments made by DNR and the State Engineer in their respective Motions to Dismiss.

LEGAL STANDARDS

Rule 12(b)(6) directs dismissal of a case where the complaint fails "to state a claim upon which relief can be granted." Utah R. Civ. P. 12(b)(6). Here, dismissal under Rule12(b)(6) is proper because Plaintiffs' Complaint fails to allege sufficient facts to support an actionable claim. See Harvey v. Ute Indian Tribe of Uintah & Ouray Rsrv., 2017 UT 75, ¶ 60, 416 P.3d 401, 422. Further, this Court may dismiss Plaintiffs' claim if it finds the Complaint is entirely and exclusively dependent on Plaintiffs' misunderstanding of the Defendants' legal obligations, thus resulting in a failure to assert cognizable and actionable claims. Pett v. Fleet Mortg. Corp., 2004 UT App. 150, 91 P.3d 854. Finally, in ruling on a motion to dismiss for failure to state a claim, this Court must construe the allegations in the Complaint as true and indulge all reasonable

inferences in the light more favorable to the Plaintiffs. *Russell v. Standard Corp.*, 898 P.2d 263, 264 (Utah 1995). But the Court "need not accept extrinsic facts not pleaded nor... accept legal conclusions in contradiction of the pleaded facts." *1600 Barberry Lane 8 LLC v. Cottonwood Residential OP LP*, 2019 UT App 146, ¶ 9, 449 P.3d 949 (quotations omitted).

Plaintiffs' request for declaratory relief must also be dismissed because Plaintiffs failed to exhaust available administrative remedies, thus depriving this Court of subject matter jurisdiction over the claim and requests for relief asserted. Utah R. Civ. P. 12(b)(1). If Plaintiffs believed FFSL acted inconsistent with its delegated authority, FFSL's administrative code provides Plaintiffs with avenues to both seek declaratory relief and file a petition for consistency review, which a district court would then have jurisdiction to review. See Utah Admin. Code R652-7-100 to -500; Utah Admin. Code R652-9-100 to -500; Utah Code § 63G-4-402(1)(a). Utah courts lack subject matter jurisdiction to review claims where a statute or ordinance requires exhaustion of remedies and the plaintiff failed to pursue remedies available to them. See Hom v. Utah Dep't of Pub. Safety, 962 P.2d 95, 99 (Utah Ct. App 1998); Utah Code § 63G-4-401(2). Here, where the Utah Administrative Procedures Act ("UAPA") expressly mandates a party may seek judicial review "only after exhausting all administrative remedies available," this Court must dismiss Plaintiffs' request for declaratory relief because Plaintiffs' failure to exhaust deprived this Court of the jurisdiction necessary to issue a declaratory judgment. Utah Code § 63G-4-401(2).

BACKGROUND

Plaintiffs lodge expansive allegations against the named State Defendants based on proclaimed environmental fears and public health concerns. FFSL is responsive when any beneficiary claims public trust assets are being mismanaged; however, in this case, Plaintiffs'

assertions (claim of breach of trust duty and declaratory and injunctive requests for relief) are misplaced, analytically flawed, and improperly presented before this Court.

As alleged in the Complaint, FFSL is the executive management authority over sovereign lands. Utah Code § 65A-10-1.¹ This legislative delegation encapsulates two distinct responsibilities: the public trust fiduciary obligation to not unlawfully dispose of sovereign land held in trust for the citizens of Utah and the requirement to manage Great Salt Lake sovereign lands for legislatively prescribed public interest values. Utah Const. Art. XX, sec.1; Utah Code § 65A-10-203. One specified public interest value is managing Great Salt Lake based on fluctuating lake levels. Utah Code § 65A-10-203(1)(a).

Fluctuations in Lake surface elevation are, and have always been, a natural component of the Great Salt Lake ecosystem. In 1971, the U.S. Supreme Court, in the seminal case establishing Utah's sovereign ownership of the Lake's bed, banks, and mineral resources, noted the fluctuating Lake level was a factual allegation requiring assessment by a Special Master. *Utah v. United States*, 403 U.S. 9, 12 (1971).² In that same year, the Utah Supreme Court also recognized "[t]here have been wide fluctuations of the elevation of the lake since it was first surveyed in 1850." *Utah State Rd. Comm'n v. Hardy Salt Co.*, 26 Utah 2d 143, 145, 486 P.2d 391(1971).³

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¹ Great Salt Lake was determined as navigable and, thus, FFSL manages this resource as sovereign land. *See Utah v. United States*, 403 U.S. 9, 12 (1971).

² The Court, in evaluating the United States' arguments suggesting evidence of navigability, acknowledged that even throughout the 1800s, the Lake level fluctuated, "[m]oreover, it is said that the level of the lake had so changed by 1896 that navigation was not practical. The Master's report effectively refutes that contention." *Utah*, 403 U.S. at 12.

³ The Utah Supreme Court further noted, "[a]s illustrative of this fluctuation, the level of the lake between September 1, 1966, to December 31, 1966, was lowered more than two vertical feet, exposing more than 140,000 acres of shore lands during that period." *Hardy*, 26 Utah 2d at 146.

Nearly twenty years later, another naturally occurring condition, extreme flooding, was judicially recognized.⁴

Despite the natural conditions causing fluctuating lake levels, Plaintiffs implore this Court to create what will amount to be an unnatural reservoir, preordained to eternally remain at a minimum surface elevation of 4,198 feet. Naturally occurring conditions and applicable law do not afford Plaintiffs the benefit of that extraordinary remedy.

ARGUMENT

Plaintiffs' Complaint should be dismissed by this Court, with prejudice, due to both a failure to assert a claim upon which relief can be granted and this Court's lack of subject matter jurisdiction. Plaintiffs' claim fails under Utah R. Civ. P. 12(b)(6) because: (I) FFSL is the State Defendant subject to a public trust fiduciary obligation; (II) the Utah Constitution expressly limits the scope of FFSL's fiduciary obligations to lands; (III) the Utah Constitution does not provide an avenue for Plaintiffs' breach of trust duty claim because FFSL did not impermissibly dispose of sovereign lands; and (IV) Plaintiffs' requested relief would require FFSL to act ultra vires. Additionally, as stated in subsection (V), Plaintiffs' claim fails under Utah R. Civ. P. 12(b)(1) because Plaintiffs did not exhaust the appropriate administrative remedies.

I. FFSL IS THE SOLE DEFENDANT CLOAKED WITH A TRUSTEE OBLIGATION UNDER THE PUBLIC TRUST DOCTRINE.

Plaintiffs' single claim for relief, breach of trust to undertake all feasible means of achieving a lake level consistent with continued trust uses, is premised on an improper attempt to impose fiduciary duty obligations beyond what is contemplated by Utah law. Compl., at 26-27,

⁴ In *Colman v. State Land Board*, the Utah Supreme Court was presented with the issue of whether the management of flooding conditions through the Lake's causeway damaged a salt extractor's brine canal. 795 P.2d 622, 623-24 (Utah 1990) (noting flooding concerns prompted numerous legislative responses including "the Great Salt Lake Causeway Act... [which] authorized breaching the causeway as a response to the rapid rise of the water level in the lake.").

¶¶ 106-111.⁵ Specifically, Plaintiffs inappropriately attempt to attach public trust doctrine fiduciary obligations to DNR and the State Engineer, which simply do not have public trust obligations to Great Salt Lake. In stark contrast to Plaintiffs' impermissible extension, FFSL is the only named State Defendant with a legally recognized trustee relationship under Utah's public trust doctrine. Utah Code § 65A-10-1.

Plaintiffs' allegations accurately distinguish the legislative mandates of the respective State Defendants, as well as identify the clear distinctions between each agency's respective legal duties and obligations. Plaintiffs correctly identify DNR's charge is to supervise both FFSL and the State Engineer. One aspect of this supervisory role is ensuring each agency complies with its respective statutory mandate. *See* Utah Code § 79-2-202. Plaintiffs also accurately assert the State Engineer "is the water rights authority of the State of Utah... endowed with the power and obligation to oversee water appropriations across the state..." Compl., at 9, ¶ 29.

Acknowledging the material distinctions separating the statutory mandate of FFSL with that of the State Engineer, Plaintiffs correctly assert "... [FFSL] is the executive authority for the management of sovereign lands, with sovereign lands defined as those lands lying below the ordinary high-water mark of navigable bodies of water at the date of statehood and owned by the State by virtue of its sovereignty. [FFSL] is thus responsible for managing the bed of the Great Salt Lake, which is protected by the public trust doctrine." Compl., at 9, ¶ 30.

Although Plaintiffs make these clear distinctions, the sleight of hand fatal to Plaintiffs' breach of trust duty claim is the intentional, but materially incorrect, conflation of the State Engineer's authority over water rights with FFSL's duty under the public trust doctrine. Nowhere

⁵ See also Memorandum Decision and Order Granting Request for Appointment of Water Judge at 2 (citing Compl. at 26-27, ¶¶ 106-111; Utah Const. Art. XX, § 1).

in Utah law is Plaintiffs' unilateral combination of the State Engineer's water rights authority and FFSL's duty to submerged lands recognized as a singular trust obligation. Irrespective of Plaintiffs' explicit recognition of each State Defendant's differing mandate, Plaintiffs broadly and incorrectly state: ". . . the public trust doctrine requires Defendants to protect the Great Salt Lake's waters and underlying lands that are held by the State in public trust." *Id.* at 26, ¶ 107.6

This unsupported pronouncement, along with the various other attempts by Plaintiffs to expand FFSL's public trust obligations, fails under scrutiny. Neither the State Engineer nor DNR are delegated with public trust obligations. Utah courts have never pronounced the Executive Director of DNR or the State Engineer as trustees over water or the use of water. Further, the Complaint is devoid of even a suggestion DNR failed to supervise FFSL or the State Engineer for acting outside their statutory authority.

To the contrary, the duties of the State Engineer are strictly statutory, or expressly demarcated in case law or the Utah Constitution. *See e.g.*, Utah Code § 73-2-1. Not one of these obligations designates the State Engineer as a trustee, nor suggests water is part of the corpus of the public trust. In fact, the corpus of the public trust doctrine is confined to what Utah received under the equal footing doctrine: the bed and banks of all navigable waters. *See Hardy*, 26 Utah 2d at 145 (1971) ("[u]pon Utah's admission to the Union it received title to the beds of navigable lakes and rivers."); *See also PPL Montana v. Montana*, 565 U.S. 576, 591 (2012) ("[t]he title

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⁶ Plaintiffs improperly extend FFSL's trust obligation, as the sole trustee, to curtailment of upstream diversions. *See* Compl., at 28 ("[t]he public trust doctrine imposes a duty on Defendants to identify and implement feasible means of maintaining the Great Salt Lake at least at the aforementioned minimum elevation, including the reduction of unsustainable upstream diversions.").

consequences of the equal-footing doctrine can be stated in summary form: Upon statehood, the State gains title within its borders to the beds of waters then navigable. . .").⁷

This Court should reject Plaintiffs' impermissible broadening of the public trust doctrine to impose public trust obligations upon water in general, or specifically upon Great Salt Lake water levels. FFSL is the only agency statutorily delegated with ensuring sovereign lands are held and disposed of in conformance with both Utah's Constitution and Utah's articulation of the contours of the public trust doctrine. As a result, the breach of trust duty claim, as asserted against DNR and the State Engineer, must be dismissed with prejudice.

II. THE UTAH CONSTITUTION'S FRAMING OF THE PUBLIC TRUST DOCTRINE LIMITS THE SCOPE OF FFSL'S FIDUCIARY OBLIGATION TO LANDS.

Plaintiffs' breach of trust claim fails as a matter of law because Utah's public trust doctrine, enshrined within the Utah Constitution, does not afford Plaintiffs the protections claimed in their Complaint. Plaintiffs allege Utah courts have long recognized the extension of the public trust doctrine to navigable waters. Compl., at 19, ¶ 80. This is incorrect. The equal footing doctrine defines the extent of the corpus of the State assets contained within the public

⁷ The bed of Great Salt Lake is sovereign land, granted to Utah at statehood by virtue of the equal footing doctrine. *Utah v. United States.* 403 U.S. 9, 13-14 (1971). Utah Code §65A-1-1(6) codifies the equal footing doctrine by defining sovereign lands as "those lands lying below the ordinary high water mark of navigable bodies of water at the date of statehood and owned by the state by virtue of its sovereignty."

Utah v. United States also determined the minerals held in suspension above the lakebed, as well as the minerals on and below the lakebed, are included in the lakebed title. 403 U.S. at. 13-14. Utah Code §65A-1-1(5) defines public trust assets as "those lands and resources, including sovereign lands, administered by the division." This statutory definition codifies the public trust doctrine by clarifying the corpus of the public trust assets managed by FFSL are limited to sovereign lands and any associated minerals. Utah, 403 U.S. at. 13-14

Utah Code §65A-10-1(1) further specifies FFSL is the management authority for sovereign lands, and, by extension, the bed, banks and minerals of Great Salt Lake.

trust doctrine.⁸ Utah's Constitution and Utah Supreme Court precedent interpreting Art. XX, sec. 1 follow suit, declaring the State's public trust doctrine protects the beds and banks of navigable waters from unlawful disposition to private interests. *See generally Utah Stream Access Coal. v. VR Acquisitions, LLC*, 439 P.3d 593 (Utah 2019).

Plaintiffs' claim and requests for relief are based on a misplaced theory all water upstream of Great Salt Lake is subject to the public trust doctrine. However, the scope of the public trust doctrine is a question of state law and Utah has not accepted water to be within the corpus of the public trust. *PPL Montana, LLC v. Montana*, 565 U.S. at 603-4 ("the public trust doctrine remains a matter of state law."). Thus, Plaintiffs' assertions suggesting the public trust doctrine allows for reductions of upstream diversions are fundamentally incorrect. All fifty states "have the authority to define the limits of the lands held in public trust and to recognize private rights in such lands as they see fit." *Phillips Petroleum Co. v. Mississippi*, 484 US 469, 475 (1988) (citing *Shively v. Bowlby*, 152 US 1, 26 (1894)). In *PPL Montana*, the U.S. Supreme Court clarified its holding in *Illinois Central* was "necessarily a statement of Illinois law" and, accordingly, "the contours of that public trust do not depend upon the [United States]

⁸ The equal footing doctrine and the public trust doctrine are distinct, but related, concepts. Application of the equal footing doctrine affords newly admitted states with the same property interests in submerged lands as was enjoyed by the original thirteen states. *See State ex rel. Div. of Forestry, Fire & State Lands v. Tooele Cnty.*, 2002 UT 8, ¶ 23, 44 P.3d 680. In contrast, the public trust doctrine is a mechanism to protect the public's interest to unimpeded access over navigable waters by preventing impermissible fee simple disposal of sovereign lands to private entities. *Colman v. Utah State Land Bd.*, 795 P.2d 622, 635 (Utah 1990).

Thus, the equal footing doctrine is the mechanism by which the scope of the public trust's corpus can be defined with certainty through survey of the ordinary highwater mark at statehood, while the public trust doctrine governs when disposal of those sovereign lands and minerals is permissible. Water is notably excised from the corpus of the public trust outside of demarcating the quantum of lands conveyed at statehood. *See e.g., Arizona v. California*, 373 US 546, 597-98 (1963) (distinguishing conveyance of title to lands underlying navigable waters from federal authority to reserve water rights for post-statehood federal enclaves).

Constitution... [rather,] the States retain residual power to determine the scope of the public trust over waters within their borders." *PPL Montana*, 565 U.S. at 604.

Turning, then, to applicable state law, Utah's Constitution is the touchstone for determining the scope of FFSL's fiduciary obligations to public trust assets and to the beneficiaries of those assets. Of the entire governing document, only a single article is devoted to the scope and extent of the public trust doctrine in Utah:

All lands of the State that have been, or may hereafter be granted to the State by Congress, and all **lands** acquired by gift, grant or devise, from any person or corporation, or that may otherwise be acquired, are hereby accepted, and, except as provided in Section 2 of this Article, are declared to be the public **lands** of the State; and shall be held in trust for the people, to be disposed of as may be provided by law, for the respective purposes for which they have been or may be granted, donated, devised or otherwise acquired.

Utah Const. Art. XX, sec. 1 (emphasis added).

As discussed below, both a plain reading and an originalist reading of Article XX, sec. 1 confirms the corpus of the public trust, as contemplated by the framers, only includes lands.

A. A Plain Reading of the Utah Constitution Confirms the Public Trust Doctrine Does Not Apply to Water.

Article XX, sec. 1 of the Utah Constitution unambiguously states *lands* shall be held in trust by the State. Any reference to "waters" being included in the public trust is noticeably absent. ⁹ This glaring omission is fatal to Plaintiffs' public trust theory and the derivative breach of trust duty claim being asserted.

To determine whether Plaintiffs' claim has a legal basis, a reviewing court must first consider the plain language of the constitutional provision. *Salt Lake City Corp. v. Haik*, 2020 UT 29, ¶ 15. "In matters of constitutional interpretation, [the court's] job is first and foremost to

⁹ Article XX, sec. 1 is the only constitutional Article establishing the public trust in Utah. Article XX, sec. 2 involves school and institutional trust lands, which are not implicated in this dispute.

apply the plain meaning of the text." *Id.* The reviewing court "need not inquire beyond the plain meaning of the [constitutional provision] unless we find it ambiguous." *Grand Cnty. v. Emery Cnty.*, 2002 UT 57, ¶ 29 (quotations omitted).

A plain reading of the word "land" simply does not include "waters," particularly not the specific upstream waters contemplated by Plaintiffs' sweeping allegations. In support of this plain reading, the Utah Supreme Court has highlighted the fundamental differences between the two natural resources, acknowledging, "water and the land over which that water flows are quite different." *Utah Stream Access Coal. v. VR Acquisitions, LLC.*, 2023 UT 9, 531 P.3d 195. The plain language of Article XX, sec. 1 only applies trust protections to lands and no Utah Court has ever expressly extended this provision to include water, no matter the source.

The Utah Supreme Court has also recognized "[t]he public trust doctrine... is limited to sovereign lands and perhaps other state lands that are not subject to specific trusts, such as school trust lands." *Nat'l Parks and Conservation Ass'n v. Board of State Lands*, 869 P.2d 909, 919 (Utah 1993). Even authority cited by Plaintiffs supports the fact "water," based on its mercurial nature, is a fundamentally different resource: "... [public] waters are the gift of Providence; they belong to all as nature placed them or made them available. They are the waters flowing in natural channels or ponded in natural lakes and reservoirs... no title to the corpus of the water itself has been or can be granted, while it is naturally flowing, any more than it can to the air or the winds or the sunshine." *J.J.N.P Co v. State*, 655 P.2d 1133, n.3 (Utah 1982) (citation omitted).

Without a constitutional origin inclusive of water within the public trust or directly attaching FFSL's public trust obligation to any upstream water source, the breach of trust claim

and derivative requests for relief asserted by Plaintiffs lack any legal basis and must be dismissed.

B. The Historical Context at the Time of Drafting the Utah Constitution Demonstrates Public Trust Protections within Article XX Do Not Apply to Water.

The inescapable conclusion water is not part of Utah's public trust remains steadfast when looking beyond the plain language and evaluating the framer's intent. The choice by Utah's constitutional framers to omit water from Article XX., sec.1 in the wake of the seminal *Illinois Central* decision is determinative of the fact water was intentionally excluded from the corpus of the public trust in Utah.

The Utah Supreme Court has noted "the Utah Constitution's plain language may not always end the debate over a provision's meaning." *State v. Barnett*, 2023 UT 20, ¶ 32, 537 P.3d 212, 218. When examining unamended constitutional language, the court may examine the original public meaning when the Constitution was approved. *Id.* at ¶ 41.

More recently, the Utah Supreme Court has gone further, acknowledging the historical context surrounding the framing of Article XX, sec. 1 may provide insight into the framers' intention behind the document's text. *Utah Stream Access Coal. v. VR Acquisitions, LLC*, 439 P.3d 593, 608 n. 5 (Utah 2019) ("[a]s a decision handed down just three years before the ratification of the Utah Constitution, we think that *Illinois Central* may help inform the search for the historical understanding of the public trust principles embedded in the Utah Constitution.").

Illinois Central's principal concern is the consequence of a State disposing sovereign lands to a private party, particularly when that disposal infringes public access over navigable waterways. To ensure public access over Lake Michigan was both facilitated and preserved, the Court in Illinois Central recognized the public trust doctrine. The doctrine was meant to preserve

the public trust values of navigation, commerce, and fishing by preventing the State of Illinois from disposing of sovereign lands to private entities, with the only exception being those "grants of parcels of lands under navigable waters that may afford foundation for wharves, piers, docks, and other structures in aid of commerce." *Illinois Cent. R. Co. v. State of Illinois*, 146 U.S. 387, 452 (1892).

In light of *Illinois Central*, the framers of Utah's Constitution were armed with the distinctions drawn by the U.S. Supreme Court's judicial determination connecting the holding of submerged lands in trust with the protection of free public access over navigable waters. *See PPL Montana*, 565 U.S. at 594 ("[a] key justification for sovereign ownership of navigable riverbeds is that a contrary rule would allow private riverbed owners to erect improvements on the riverbeds that could interfere with the public's right to use the waters as a highway for commerce.").

Utah's Constitution, as its framers intended, clearly and unambiguously excised water right ownership concepts from Utah's public trust doctrine. Contrary to Plaintiffs' efforts to expand the public trust doctrine, only submerged lake and river lands, inclusive of the beds and banks of these navigable waters, fall within the corpus of Utah's public trust. While the meander line of the Lake at the time of statehood determined the extent of the state's ownership interest, it did not carry with it any obligation or expectation to ensure water remained at a specified level over the submerged lands.

The Utah Constitution can only be interpreted to mean the corpus of the public trust includes lands, not waters. Therefore, the scope of FFSL's trust obligations under the Constitution extends only to lands, and only in certain circumstances. Plaintiffs' breach of trust duty claim fails because there is no constitutional duty under the public trust doctrine for the

State, by and through FFSL, to hold waters in trust, much less maintain a certain water level in Great Salt Lake.

III. PLAINTIFFS' BREACH OF TRUST CLAIM FAILS BECAUSE A BREACH OF THE PUBLIC TRUST DOCTRINE UNDER ARTICLE XX, SEC. 1 IS NOT ACTIONABLE WITHOUT AN IMPERMISSIBLE DISPOSAL OF SOVEREIGN LAND.

In the alternative, even if the Court found Article XX, sec. 1 to extend beyond sovereign lands, Plaintiffs' claim would fail because: (A) Article XX, sec. 1 is not an actionable, self-executing constitutional provision outside of a land disposal, and (B) Plaintiffs fail to assert an impermissible disposal of sovereign land occurred.

A. Without a Disposal, Article XX, Sec. 1 is Not a Self-Executing Provision of the Utah Constitution and Thus Plaintiffs' Claim Fails as a Matter of Law.

Plaintiffs' claim fails because Article XX, sec. 1 is not self-executing without an impermissible disposal of sovereign land. A self-executing constitutional provision "is one that can be judicially enforced without implementing legislation." *Spackman ex rel. Spackman v. Bd. of Educ. of Box Elder Cnty. Sch. Dist.*, 2000 UT 87, ¶ 7, 16 P.3d 533, 535. The Utah Supreme Court considers a "constitutional provision [to be] self-executing if it articulates a rule sufficient to give effect to the underlying rights and duties intended by the framers." *Id.* The courts may also "give effect to a provision without implementing legislation if the framers intended the provision to have immediate effect and if 'no ancillary legislation is necessary to the enjoyment of a right given, or the enforcement of a duty imposed." *Id.*

Additionally, a constitutional provision prohibiting certain government conduct "generally qualifies as a self-executing clause 'at least to the extent that courts may void

14

¹⁰ The architecture of Article XX, sec. 1 expressly contemplates implementing legislation to establish those instances when public lands are "to be disposed of as may be provided by law." Utah Const., Art. XX, sec. 1. Article XX, sec. 1 and corollary judicially interpretations exist to ensure the contemplated legislation passes constitutional muster.

incongruous legislation." Id. at \P 8. Conversely, constitutional provisions are not self-executing if they merely indicate a general principle or line of policy without supplying the means for putting them into effect." Id. at \P 7.

Applying these principles, outside of disposal, there is no reasonable way to interpret the "hold in trust" provision found within Article XX as self-executing. ¹¹ Here, there has been no disposal under Article XX, sec. 1 and Plaintiffs have not alleged a disposal in their Complaint. Rather, Plaintiffs seem to attach their claim to the State's potentially separate duty to "[hold] in trust for the people" the sovereign lands of the state. ¹² However, the "hold in trust" provision of Article XX, sec. 1 does not sufficiently enunciate the duties under which such a general statement of policy could be enforceable. Because the "hold in trust" provision is not self-executing, implementing legislation is required to extend the public trust doctrine beyond the disposal of lands. ¹³ Therefore, Plaintiffs' claim fails on this basis alone.

Beyond preventing disposal, the holding of lands in trust is not a judicially definable concept. Plaintiffs' attempt to embed additional mandates into Article XX, sec. 1 only further distances the Clause from judicial clarity, particularly to the extent Plaintiffs are conjuring nonexistent hydrological mandates within Article XX, sec. 1. Taken to its extreme, a decision by this Court to expand Article XX, sec. 1, such that any plaintiff may assert a cognizable claim for

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¹¹ Replicating the Court's analysis in *Spackman*, the disposal provision within Article XX is potentially judicially definable and enforceable. That is, the State cannot dispose of sovereign lands or abdicate its trustee responsibility in contravention to the public's beneficiary interest in those lands. Here, there has not been a disposal under Article XX, nor have Plaintiffs alleged a disposal occurred in their Complaint.

¹² Plaintiffs' Complaint does not clarify the specific constitutional provisions or authority under which they are bringing their claim. Rather, they lodge their claim under a broad breach of fiduciary duty pursuant to the public trust doctrine without any explanation as to how Utah law allows for such a claim.

¹³ Similarly, FFSL requires implementing legislation for it to be on notice of more expansive claims, such as that presently asserted by Plaintiffs.

a mere disagreement over land management practices, based on a tenuous interpretation of the "hold[ing]" language, would create judicial inefficiencies and hinder legislative authority.

This Court should dismiss Plaintiffs' claim as a matter of law because Article XX, sec. 1 is not self-executing outside an impermissible disposal of sovereign land and, therefore, does not provide Plaintiffs with an actionable constitutional claim.

B. Utah Law Only Recognizes a Breach of the Public Trust When Evaluating the Propriety of a Disposal of Sovereign Lands and, Without an Impermissible Disposal, Plaintiffs Do Not Have an Actionable Claim.

Although the Utah Supreme Court has not issued a determination on the self-executing nature of Article XX, sec. 1, the Court has considered whether a statute violated the constitutional provision. *Utah Stream Access Coal. v. VR Acquisitions, LLC.*, 439 P.3d 593, 608 (Utah 2019). The Court's analysis in *Utah Stream Access Coalition* suggests a breach of the public trust doctrine is actionable only when evaluating the propriety of a disposal of sovereign lands. *Id.* Contrary to Plaintiffs' attempts at expansion, the Utah Supreme Court's evaluation of the issue supports a narrow application of the public trust doctrine focusing exclusively on when it is permissible to dispose of the beds and banks of sovereign lands. *Id.*

As discussed, the Utah Supreme Court recently recognized the *Illinois Central* decision may provide historical context in understanding Article XX. *Id* at 608 n. 5. The Court outlined "the significance of" *Illinois Central*, presenting an analytical framework for when a state action would violate a public trust obligation under Utah's Constitution:

(1) Is the real property at issue an "interest in land" and/or "lands of the state" protected by Article XX?; (2) if so, does the contemplated "disposal" trigger the protections of the public trust doctrine enshrined in the Utah Constitution?; (3) if the "disposal" does trigger the public trust doctrine, an independent identification of the scope of the State's public trust duties under *Illinois Central v. Illinois* is required; and (4) was the real property interest "acquired" and "accepted" by the State in a manner that would qualify under the terms of Article XX?

Utah Stream Access Coal., 439 P.3d at 606-611.

In addition to providing a test focusing exclusively on land disposals, the Court noted the public trust doctrine, originating from *Illinois Central*, will be narrowly construed in Utah. *Id.* at 608. Under *Utah Stream Access Coalition's* analytical framework, it is axiomatic a claim for breach of a fiduciary duty under Utah's public trust doctrine could only be viable with an underlying, and impermissible, disposal of land. *Id.* Here, Plaintiffs did not, and could not, allege FFSL improperly disposed of sovereign land. Without improper disposal, there cannot be a cognizable breach of a public trust doctrine in Utah. Accordingly, Plaintiffs' breach of trust duty claim should be dismissed, with prejudice, for failure to state a claim upon which relief can be granted.

IV. PLAINTIFFS FAILED TO STATE A CLAIM FOR BREACH OF A PUBLIC INTEREST MANAGEMENT OBJECTIVE AND PLAINTIFFS' REQUESTED RELIEF WOULD REQUIRE FFSL TO EXCEED ITS LEGISLATIVELY PRESCRIBED AUTHORITY.

After properly removing exposure under the public trust doctrine, any allegations directed towards FFSL's management of sovereign lands should also be disregarded. ¹⁴ Both Plaintiffs' claim and request for relief attempt to prescribe legislative mandates onto FFSL which simply do not exist.

As with any other state agency, FFSL's authority is specified in statute. *Nielson v.*Division of Peace Officer Standards and Training, 851 P.2d 1201, 1204 (Utah Ct. App. 1993)

("[a]dministrative agencies are statutory creatures that have no more power than that which is expressly or impliedly granted by statute."). FFSL has two separate statutory obligations. The first is the fiduciary obligation to ensure any disposal of sovereign lands will withstand

17

¹⁴ For example, Plaintiffs assert "the State has failed to establish a clear objective for Lake restoration to protect public trust uses." Compl., at 75, ¶ 18. This statement ignores FFSL's clear land management obligations, which are actively pursued within the bounds of current legislative and regulatory schemes.

constitutional scrutiny. *See* Utah Code § 65A-10-1 (delegating management of sovereign lands to FFSL and authorizing FFSL to "exchange, sell, or lease sovereign lands but only in the quantities and for the purposes as serve the public interest and do not interfere with the public trust."). The second is to "recognize and balance the… public trust values and public interest benefits and policies" prescribed by the Legislature. Utah Code § 65A-10-103(1).

The gravamen of Plaintiffs' Complaint is that State Defendants are in some way liable for breach of a trust duty by failing to implement all feasible means to keep Great Salt Lake at an elevation of at least 4,198 feet. Compl. at 24, ¶ 108. This, of course, has a direct nexus to FFSL's statutory management objectives, codified in Utah Code § 65A-10-203. However, FFSL's statutory public interest management objectives are clearly distinguishable from disposal-based public trust obligations. While the public trust doctrine principally safeguards sovereign lands from inappropriate private disposals, the concept of the public interest is much broader.

Management of the general public interest is rooted in the state's police powers and considers societal considerations, those of which are most often found in legislation. *Bastian v. King*, 661 P.2d 953, 956 (Utah 1983) ("It is the power and responsibility of the Legislature to enact laws to promote the public health, safety, morals and general welfare of society, and this Court will not substitute our judgment for that of the Legislature with respect to what best serves the public interest." (citation omitted)).

FFSL is tasked with balancing the public interest in a variety of categories, ranging from brine and mineral production to wildlife habitat management. Utah Code §65A-10-203(1). The

¹⁵ The Utah Legislature's 2023 House Bill 513 amendment recently altered the previous comprehensive management plan statute requiring FFSL to balance numerous other public interest factors; nonetheless, what has remained constant is the objective of managing the beds and banks of Great Salt Lake based on naturally occurring fluctuations in the lake level.

statute itself recognizes that, in balancing these interests, FFSL must account for the fact the lake level will continue to fluctuate. *Id.* Plaintiffs' own allegations recognize the direct action FFSL and the State took to comply with management objectives by raising the Union Pacific causeway berm to capture water for the south arm of Great Salt Lake. Compl. at 14, ¶ 60.

Plaintiffs' Complaint further ignores the reality of FFSL's statutory authority in its request for relief. Although FFSL is tasked with managing Great Salt Lake's fluctuating lake level, FFSL has no jurisdiction or authority over upstream diversions or water rights. Utah Code § 65A-10-103. That authority is delegated to FFSL's sister agency, the Division of Water Rights led by the State Engineer. Accordingly, the entirety of Plaintiffs' claim for relief – reducing upstream diversions – is outside FFSL's jurisdiction. *Tasters Ltd., v. Department of Employment Sec.*, 863 P.2d 12, 19 (Utah Ct. App. 1993) (there is no agency which "enjoys the discretion to exceed the authority vested in it by the Legislature."). FFSL can only manage a fluctuating lake level with the tools it has, one of which Plaintiffs have expressly recognized - the management of the Union Pacific causeway berm. Compl. at 14, ¶ 60. If Plaintiffs' requests are taken to their logical conclusion, FFSL's compliance would require an ultra vires action.

In sum, Plaintiffs fail to state sufficient allegations to prevail on a claim FFSL breached a management obligation. More importantly, Plaintiffs fail to allege a cognizable claim for breach of a public interest management objective and their relief, as requested, would require FFSL to embark on an endeavor not only illegal, but far outside of its legislative mandate. FFSL respectfully requests this Court to recognize the important distinction between public interest

values and public trust values.¹⁶ More fundamentally, if Plaintiffs wished to pursue this theory of liability, they were first required to exhaust all available administrative remedies.

V. PLAINTIFFS' FAILURE TO EXHAUST DEPRIVES THIS COURT OF JURISDICTION OVER CLAIMS ASSERTED AGAINST FFSL.

Plaintiffs' request for declaratory relief against FFSL violates UAPA and Utah Supreme Court precedent and must be dismissed because Plaintiffs did not exhaust their administrative remedies.

As an administrative agency of the State, UAPA governs how FFSL conducts its administrative processes. *See* Utah Code § 63G-4-102(1) ("[T]he provisions of this chapter apply to every agency of the state..."). UAPA allows those dissatisfied with administrative decisions to seek judicial review but "only after exhausting all administrative remedies..." *See Id.* § 63G-4-401; *Christensen v. Utah State Tax Comm'n*, 2020 UT 45, ¶ 16, 469 P.3d 962. So, "[a]s a general rule, 'parties must exhaust applicable administrative remedies as a prerequisite to seeking judicial review." *Christensen*, 2020 UT 45, ¶ 16 (quoting *Nebeker v. Utah State Tax Comm'n*, 2001 UT 74, ¶ 14, 34 P.3d 180).

¹⁶ Public interest values and public trust fiduciary obligations are distinct legal concepts with separate and distinct legal origins and standards of review. The public trust doctrine is a duty-based doctrine with its roots planted deeply in English common law and dictated by state law. *See PPL Montana, generally*. In the United States, the courts are the gatekeepers of the public trust doctrine, serving as the interpreters of the doctrine to ensure states have appropriately considered their beneficiary, the public, when alienating trust lands.

In contrast, public interest values are discretionary concepts rooted in a state's police power and receive substantial judicial deference. Public interest values are metrics for states to prioritize a multitude of societal interests while also balancing competing interests. Although state statutes sometimes provide guidance for agencies to weigh the public interest, it is common for state legislatures to also delegate to agencies the ultimate decision of how specified public interests are protected. *Bastian v. King*, 661 P.2d 953, 956 (Utah 1983).

"[T]he requirement that a party exhaust administrative remedies before seeking judicial review is a matter of subject matter jurisdiction." *Ramsay v. Kane Cnty. Human Res. Special Serv. Dist.*, 2014 UT 5, ¶ 8, 322 P.3d 1163. Pursuant to UAPA, FFSL enacted rules governing its adjudicative proceedings and establishing an administrative remedy for issuing declaratory relief. *See* Utah Admin. Code R652-8-100 to -500; *See* Utah Admin. Code R652-7-100 to -500. However, Plaintiffs failed to seek relief through available administrative proceedings. Plaintiffs did not exhaust administrative remedies; therefore, this Court lacks subject matter jurisdiction and must dismiss Plaintiffs' request for declaratory relief under Utah R. Civ. P. 12(b)(1).

A. Plaintiffs Inappropriately Seek Declaratory Relief from this Court by Circumventing FFSL's Administrative Review Process.

Plaintiffs' assertions that FFSL breached its fiduciary duty by failing to implement all feasible means to protect Great Salt Lake should have been initially addressed at the administrative level. FFSL's administrative code provides a mechanism for any person to seek declaratory relief to determine the "rights, status, and other legal relations under a statute, rule, or order." *See* Utah Admin. Code R652-7-200(3). Plaintiffs could have, and should have, petitioned FFSL for a declaratory order to determine whether Utah Code 65A-10-203, requiring FFSL to develop strategies to manage a fluctuating Lake level, directs FFSL to establish or maintain a minimum Lake level.

In *Friends of Great Salt Lake v. Utah Department of Natural Resources*, the Utah Supreme Court specifically foreclosed a party's ability to bring a claim for declaratory relief without first bringing that request before FFSL at the administrative level. *Id.*, 2017 UT 15, ¶ 58, 393 P.3d 291. Petitioners in *Friends* filed a petition for judicial review under UAPA and then attempted to tack on new claims for declaratory relief to their amended complaint in District Court. *Id.* ¶ 16. Since none of the declaratory claims were asserted in the underlying

administrative proceeding, the Utah Supreme Court determined the trial court lacked subject matter jurisdiction over these new claims and upheld the trial court's dismissal. *Id.* 2017 UT 15 at ¶ 57-58.

Similarly, FFSL invites this Court to take judicial notice of the recent decision by the Fourth Judicial District Court granting FFSL's motion to dismiss for failure to exhaust administrative remedies in *Lake Restoration Solutions, LLC v. Utah Division of Forestry, Fire and State Lands, et al.*, Case No. 230400049, Docket No. 33 (Utah Fourth Dist. Court), June 2, 2023. In that order, Judge Johnson agreed with FFSL and determined the plaintiff did not properly exhaust administrative remedies when it failed to include its request for declaratory relief within its initial petition for consistency review during the underlying administrative proceedings.

Here, Plaintiffs' first attempt to seek declaratory relief was within the Complaint filed with this Court. This is impermissible under *Friends* because the claims were not first brought before FFSL for administrative determination. *See Friends*, 2017 UT 15, ¶ 59. Both FFSL's administrative rules and UAPA authorize and provide procedures for declaratory orders from the agency, yet Plaintiffs ignored these avenues of administrative relief, constituting their failure to exhaust administrative remedies. *See* Utah Code § 63G-4-503; Utah Admin. Code R652-7-100 to -500. FFSL has broad authority to issue declaratory orders and the relief sought by Plaintiffs was within the jurisdiction afforded to FFSL. *See* Utah Admin. Code R652-7-300. ¹⁷ For Plaintiffs to

¹⁷ Pursuant to Utah Admin. Code R652-7-500, FFSL is only barred from issuing a declaratory order if: "(a) the specified facts, issue, situation, or circumstance is based on disputed facts; (b) the petition raises policy questions which have not been addressed by the agency; *and* (c) the petition requests a ruling on any order other than an executed contract." *Id.* (emphasis added). A declaratory order is only prohibited if all three of these factors are met. None of these factors are presented here.

obtain the declaratory relief sought in their Complaint, Plaintiffs were required to first follow the administrative procedures for declaratory relief with FFSL. If Plaintiffs disagreed with the declaratory relief issued by FFSL, they could then appropriately seek review from the Court.

B. Plaintiffs Deprived this Court of Jurisdiction by Failing to File a Petition for Consistency Review with FFSL.

Alternatively, Plaintiffs could have filed a petition for consistency review with FFSL to determine whether the agency's actions in managing the lake level of Great Salt Lake are consistent with governing law. Yet, Plaintiffs failed to do so. Utah Admin. Code R652-9-100 to 500 provide a procedure "through which any party aggrieved by a division action directly determining the rights, obligations, or legal interests of specific persons may petition the executive director of the Department of Natural Resources to review the action for consistency with statutes, rules, and division policy…" *See* Utah Admin. Code R652-8-100.

Pursuant to its obligation to develop strategies for managing fluctuating lake levels, FFSL has taken specific and targeted actions. FFSL's comprehensive management plan for Great Salt Lake identifies measures the agency is to take when the lake reaches the identified "low" level, between 4188.0 and 4197.9 feet surface elevation. The management actions identified in the CMP include, but are not limited to, modifying the Union Pacific Railroad causeway berm to ensure a healthy brine shrimp population in the south arm of Great Salt Lake, identifying and treating invasive weeds, coordinating with applicable agencies to dredge channels, as needed, to provide passages for boats into existing marinas, and increasing law enforcement to prevent illegal all-terrain vehicle use on the lakebed. FFSL has taken, and continues to implement, these management actions.

23

¹⁸ See Final Great Salt Lake Comprehensive Management Plan and Record of Decision 3-5 (2013), https://ffsl.utah.gov/wp-content/uploads/OnlineGSLCMPandROD-March2013.pdf ("CMP").

Stemming from FFSL's active management, Plaintiffs could have, and should have, filed a petition for consistency review under Utah Admin. Code R652-9-100 to -500 if Plaintiffs deemed the actions insufficient to meet FFSL's statutorily imposed land management directives regarding FFSL's duty to "hold" these lands in trust for the public, under Utah Code § 65A-10-203. Requiring the exhaustion of administrative remedies provides for judicial efficiency by allowing FFSL to review questions within its special competence in the first instance and, second, would have provided this Court with a full administrative record to evaluate FFSL's management decisions against Plaintiffs' allegations.

Because Plaintiffs failed to exhaust administrative remedies, this Court does not have subject matter jurisdiction over Plaintiffs' request for declaratory relief and must dismiss the request pursuant to Utah R. Civ. P. 12(b)(1).¹⁹

CONCLUSION

Granting the relief requested by Plaintiffs would require this Court to go beyond the plain language of the Constitution and expand FFSL's constitutional and statutory trust obligations to sovereign lands. This Court should decline Plaintiffs' invitation to fundamentally rewrite the Utah Constitution and dismiss this case with prejudice.

¹⁹ Plaintiffs' request for injunctive relief also necessarily fails because Plaintiffs' underlying claim fails. This Court's ability to grant Plaintiffs' request for injunctive relief, requiring FFSL to take targeted actions, hinges on Plaintiffs' success in establishing FFSL breached its trust obligations. Plaintiffs' request for attorney fees is also not supported by law and should be stricken, dismissed, and/or denied. Attorney fees are not available to Plaintiffs because FFSL did not breach its fiduciary duty under the public trust doctrine. Further, because Plaintiffs are not entitled to declaratory relief due to their failure to exhaust administrative remedies, they are not entitled to further relief under Utah Code § 78B-6-406.

DATED this 20th day of December 2023.

SEAN D. REYES UTAH ATTORNEY GENERAL

/s/ Michael E. Begley
MICHAEL E. BEGLEY
EMMA K. WHITAKER
MADELEINE WHITTIER
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Assistant Attorneys General

Notice to responding party

You have a limited amount of time to respond to this motion. In most cases, you must file a written response with the court and provide a copy to the other party:

- within 14 days of this motion being filed, if the motion will be decided by a judge, or
- at least 14 days before the hearing, if the motion will be decided by a commissioner.

In some situations a statute or court order may specify a different deadline.

If you do not respond to this motion or attend the hearing, the person who filed the motion may get what they requested.

See the court's Motions page for more information about the motions process, deadlines and forms: utcourts.gov/motions



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including the Self-Help Center, reduced-fee attorneys, limited legal help and free legal clinics.

Aviso para la parte que responde

Su tiempo para responder a esta moción es limitado. En la mayoría de casos deberá presentar una respuesta escrita con el tribunal y darle una copia de la misma a la otra parte:

- dentro de 14 días del día que se presenta la moción, si la misma será resuelta por un juez, o
- por lo menos 14 días antes de la audiencia, si la misma será resuelta por un comisionado.

En algunos casos debido a un estatuto o a una orden de un juez la fecha límite podrá ser distinta.

Si usted no responde a esta moción ni se presenta a la audiencia, la persona que presentó la moción podría recibir lo que pidió.

Vea la página del tribunal sobre Mociones para encontrar más información sobre el proceso de las mociones, las fechas límites y los

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Para accesar esta página escanee el código QR

tiene información sobre algunas maneras de encontrar ayuda legal, incluyendo el Centro de Ayuda de los Tribunales de Utah, abogados que ofrecen descuentos u ofrecen ayuda legal limitada, y talleres legales gratuitos.

CERTIFICATE OF SERVICE

I certify that on the 20th day of December 2023, a copy of *Defendant Utah Division of Forestry, Fire and State Lands' Motion to Dismiss Pursuant to Utah R. Civ. P. 12(b)(6) and 12(b)(1)* was sent via ECF to those listed on the Court system in civil case number 230906637.

/s/ Michael E. Begley