



Douglas La Follette, *Secretary of State*
Dawn Marie Sass, *State Treasurer*
J.B. Van Hollen, *Attorney General*
Tia Nelson, *Executive Secretary*

125 S. Webster Street
Room 200
PO Box 8943
Madison, WI 53708-8943

608 266-1370 INFORMATION
608 266-0034 LOANS
608 267-2787 FAX
bcpl.state.wi.us

Managing Wisconsin's trust assets for public education.

AGENDA
April 15, 2008
10:30 A.M.

Attorney General's Conference Room
State Capitol, Room 114E
Madison, Wisconsin

1. Call to Order
2. Approve Minutes – April 1, 2008
3. Land Bank Sales to the DNR
 - A. Otter Creek Natural Area
 - B. Spur Lake Natural Area
 - C. Turtle Flambeau Scenic Waters Area
 - D. Willow Flowage Scenic Waters Area
4. Submerged Lands Lease #153 – Town of Bell
5. Executive Secretary's Report
6. Adjourn

**BOARD MEETING
APRIL 15, 2008**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the April 1, 2008, board meeting.

Board Meeting Minutes
April 1, 2008

ITEM 1. CALL TO ORDER

Board Chair La Follette called the meeting of the Board of Commissioners of Public Lands to order at 2:00 p.m.

Present were:

- | | |
|---------------------------------|--|
| Doug La Follette, Board Chair | Secretary of State |
| Dawn Marie Sass, Commissioner | State Treasurer |
| J.B. Van Hollen, Commissioner | Attorney General |
| Tia Nelson, Executive Secretary | Board of Commissioners of Public Lands |
| Tom German, Deputy Secretary | Board of Commissioners of Public Lands |
| Coletta DeMuth, Loan Analyst | Board of Commissioners of Public Lands |

ITEM 2. APPROVE MINUTES – March 18, 2008

MOTION: Commissioner Van Hollen moved to approve the minutes; Commissioner Sass seconded the motion. The motion passed 3-0.

ITEM 3. APPROVE LOANS

Board Chair La Follette asked if the loans had received legal review; Commissioner Van Hollen replied that he review them and they appeared to be for public purposes.

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Amount</u>
1. Arena County of Iowa Application #: 02008083 Purpose: Finance economic development in TID #1	Village Rate: 5.00 Filed: March 25, 2008	\$225,000.00
2. Baileys Harbor County of Door Application #: 02008082 Purpose: Finance sewer extension	Town Rate: 4.50 Filed: March 25, 2008	\$50,000.00
3. River Falls County of Pierce Application #: 02008081 Purpose: Finance road maintenance and improvement	Town Rate: 4.00 Filed: March 7, 2008	\$50,000.00
	TOTAL	\$325,000.00

MOTION: Commissioner Sass moved to approve the loans; Commissioner Van Hollen seconded the motion. The motion passed, 3-0.

ITEM 4. EXECUTIVE SECRETARY'S REPORT

Executive Secretary Nelson reported that the interest rates had recently been reduced and the loan limit may be increased. The Commissioners would be notified should the limit be increased.

She also reported that the Natural Resources Board had approved the purchase of two natural area sites and two recreational area sites from the Board under the Land Bank authority. These Trust Land sales to the DNR would be presented to the Board at the next Board Meeting.

ITEM 5. ADJOURN

MOTION: Commissioner Van Hollen moved to adjourn the meeting; Commissioner Sass seconded the motion. The motion passed; 3-0.



Tia Nelson, Executive Secretary

These minutes have been prepared from a tape recording of the meeting. The summaries have not been transcribed verbatim. Anyone wishing to listen to the tape may do so at the Board of Commissioners of Public Lands, 125 S. Webster Street, Suite 200, Madison, Wisconsin.

SUBJECT: LAND ACQUISITION - STATEWIDE NATURAL AREAS, TURTLE FLAMBEAU SCENIC WATERS AREA AND WILLOW FLOWAGE SCENIC WATERS AREA - DUNN, ONEIDA, AND IRON COUNTIES

FOR: MARCH 2008 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department has obtained an agreement to purchase 598.22 acres of land from the Board of Commissioners of Public Lands (BCPL) for \$844,200 for lands in the Statewide Natural Areas, Turtle Flambeau Scenic Waters Area, and Willow Flowage Scenic Waters Area, located in Dunn, Oneida, and Iron Counties.

Department ownership of these lands will provide opportunities to improve management and to improve access to other state ownership. The parcel acreages and costs are outlined in the chart below.

Property	County	Acres	Cost
Statewide Natural Area-Otter Creek	Dunn	280	\$448,000
Statewide Natural Area-Spur Lake	Oneida	202.38	\$250,000
Turtle Flambeau (TF) Scenic Waters	Iron	75.84	\$106,200
Willow Flowage Scenic Waters Area	Oneida	40	\$40,000
TOTAL		598.22	\$844,200

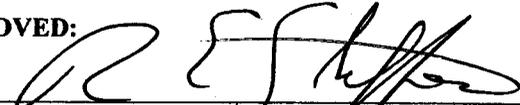
Signed into law on April 19, 2006, Wisconsin Act 352 sets aside \$2,000,000 per year from 2007 through 2010 from the Stewardship fund to acquire land from BCPL. This allows the Department to preserve high quality natural area land and consolidate department land ownership within projects. Further, the legislation provides for BCPL's use of the sale proceeds to acquire working forestland for timber management and public access. The annual allocation was extended in the recent Stewardship authorization for an additional 10 years.

RECOMMENDATION: That the Board approve the purchase of 598.22 acres of land for \$844,200 for the Statewide Natural Areas, Turtle Flambeau Scenic Waters and Willow Flowage Scenic Waters Area in Dunn,, Oneida and Counties.

LIST OF ATTACHED MATERIALS:

- | | |
|--|--|
| No <input checked="" type="checkbox"/> Fiscal Estimate Required | Yes <input type="checkbox"/> Attached |
| No <input checked="" type="checkbox"/> Environmental Assessment of Impact Statement Required | Yes <input type="checkbox"/> Attached |
| No <input type="checkbox"/> Background Memo | Yes <input checked="" type="checkbox"/> Attached |

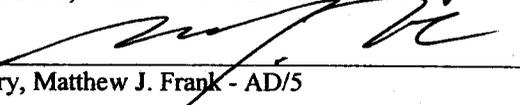
APPROVED:


Real Estate Director, Richard E. Steffes - LF/6

2-12-08
Date


Administrator, Laurie Osterndorf - AD/5

2/14/08
Date


Secretary, Matthew J. Frank - AD/5

3/7/08
Date

- cc: S. Miller - LF/6
- R. Steffes - LF/6
- L. Ross - AD/5
- S. Holtz - ER/6
- S. Humrickhouse - WCR/Eau Claire
- J. Gozdziwski - NOR/Spooner

CORRESPONDENCE/MEMORANDUM

State of Wisconsin

DATE: February 12, 2008

IN REPLY REFER TO: WR-626, WR-627, NA-914 & NA-915

TO: Governor Doyle

FROM: Matthew J. Franks

SUBJECT: Proposed Land Acquisition, Board of Commissioners of Public Lands,
File # WR-626, WR-627, NA-914 & NA-915
Approval Requested by April 30, 2008

1. PARCEL DESCRIPTION:

State Natural Area - Otter Creek Barrens
Dunn County

State Natural Area - Spur Lake
Oneida County

Turtle Flambeau Scenic Waters Area
Iron County

Willow Flowage Scenic Water Area
Oneida County

Grantor:

Board of Commissioners of Public Lands (BCPL)
c/o Ms. Tia Nelson, Executive Secretary
125 South Webster Street, Room 200
P.O. Box 8943
Madison, WI 53708-8943

Property	County	Acres	Cost
Statewide Natural Area-Otter Creek	Dunn	280	\$448,000
Statewide Natural Area-Spur Lake	Oneida	202.38	\$250,000
Turtle Flambeau (TF) Scenic Waters	Iron	75.84	\$106,200
Willow Flowage Scenic Waters Area	Oneida	40	\$40,000
TOTAL		598.22	\$844,200

Acres: 598.22

Price: \$844,200

Appraised Value: \$844,200

Interest: Purchase in fee.

Improvements: None

Location:

Otter Creek State Natural Area: The 280-acre parcel is situated in the Town of Otter Creek in Dunn County about 12 miles to the northeast of Menomonie.

Spur Lake State Natural Area: Three non-contiguous parcels make up the 202.38 acres, which are located in the Town of Piehl and Town of Three Lakes.

Turtle Flambeau Scenic Waters Area: The 75.84-acre parcel is located in the Township of Sherman in Iron County. The City of Hurley is located about 31 miles north of the parcel.



Willow Flowage Scenic Water Area: The City of Rhinelander is located about 18 miles east of the property.

Land and Covertypes Description:

Otter Creek State Natural Area: The parcel contains rolling upland woods.

Spur Lake State Natural Area:

Parcel 1 is split between being rolling upland terrain to a lowland swamp area.

Parcel 2 includes 1,300 feet of frontage along Spur Lake and is about 80% lowland swamp.

Parcel 3 is about 30% upland terrain and 70% bog.

Turtle Flambeau Scenic Waters Area: Rolling to gently rolling land that is wooded.

Willow Flowage Scenic Water Area: The parcel is gently rolling with no major slopes and is wooded.

Zoning: Forestry, Agriculture and Shoreland.

Present Use: Currently, state-owned and managed for sustained yield timber production and public recreation.

Proposed Use: Resource Protection and Public Recreation

Tenure: The BCPL land was acquired at the beginning of statehood and with some subsequent transfers, from the federal government.

Property Taxes: All parcels are tax exempt.

Stewardship Land Access: The land will be open for public hunting and other nature-based outdoor recreation.

2. JUSTIFICATION:

The Department recommends the acquisition of 598.22 acres of land from the Board of Commissioners of Public Lands for the Statewide Natural Areas, Turtle Flambeau Scenic Waters Area and the Willow Flowage Scenic Water Area in Dunn, Oneida and Iron Counties. Department ownership of the property will provide opportunities to restore and protect wildlife habitat, provide additional opportunities for public recreation and education, and provide resource protection.

Otter Creek Oak Barrens State Natural Area:

The 280-acre property is located in north-central Dunn County in the Town of Otter Creek within the boundary of the Otter Creek Oak Barrens State Natural Area. The topography ranges from sloping to hill with a ridge running north and south along the west boundary. There are state-owned lands adjoining part of the eastern edge of the parcel. Purchase of this land will protect the natural values of the site and will consolidate state ownership providing opportunities for public recreation.

The Otter Creek Oak Barrens State Natural Area, designated as a state natural area in 1990, contains a 28-acre oak barrens dominated by large and small black oaks and several burr and hill oak grubs. The large black oaks are at least 120 years old. The smaller oaks, 8 to 20 inches in diameter, are 50 to 90 years-old. The ground layer is composed of typical oak barrens species such as lead-plant, puccoon, field wormwood, flowering spurge, American hazelnut, bastard-toadflax, false Solomon's seal, bird's-foot violet, June grass, prairie coreopsis, and little blue-stem. The surrounding southern dry forest has a high density of oaks, the canopy trees mostly single-stemmed on the slopes and multiple-stemmed on the upper slopes and ridges. On a few north-facing slopes, the dominant tree is red maple with an open understory and a ground layer dominated by interrupted fern.

Spur Lake State Natural Area:

The 202.5-acre property in eastern Oneida County consists of three non-contiguous parcels, which have approximately 1,300 feet of frontage along Spur Lake. The 202.5-acre parcel owned by the BCPL comprises almost half the lands within the Spur Lake Natural Area project boundary. The northern tract is 40 acres in size and is about 50% lowland swamp/bog. The 35.38-acre parcel on the east side contains about 1,300 feet of shoreline on Spur Lake and is about 80% lowland wetlands. East Stella Road, a town road, runs through

this parcel. The southern tract is 127 acres in size with about 70% as lowland wetlands. Purchase of this land will protect the natural values of the site and will consolidate state ownership surrounding Spur Lake providing opportunities for public recreation.

Spur Lake is a 113-acre muck-bottomed, soft-water drainage lake that supports dense beds of emergent, submergent, and floating-leaved aquatic plants. Wild rice is the dominant emergent species and annually harvested. Native Americans used the property for centuries and there is an old campsite on the lakeshore. Other plants include white water-lily, bullhead water lily, large-leaved pondweed, ribbon-leaf pondweed, common pondweed, common bladderwort, pickerel weed, and soft-stem bulrush. The lake possesses a three-foot maximum depth and is subject to freeze out. Wetlands including open bog, alder thicket, and black spruce-tamarack-white cedar swamp surround the majority of the lake's shoreline. Along the northeast corner is a small stand of old-growth hemlock hardwoods and a floating bog mat. The outlet stream, Twin Lakes Creek, flows southward, joining the Pelican River, which in turn flows to the Wisconsin River. Spur Lake is a "wild lake" with no development on the shores. The lake and surrounding wetlands provide habitat for black ducks, ring-necked ducks, osprey, and common loons. Migratory waterfowl is heavy.

Purchase of the land will provide additional opportunities for public recreation and better protect the natural and scenic resources of this site by promoting natural resource management. With this transaction, the Department will own the entire lake frontage.

The Turtle Flambeau Scenic Waters Area:

The proposed acquisition of 75.84-acres in the Turtle-Flambeau Scenic Waters Area consists of wooded land with mix of swamp hardwoods, conifers and northern hardwoods. The topography is gently rolling to rolling with ridges throughout the property. A small creek runs through the southeast corner of the parcel. The parcel falls outside the project boundary, but is adjacent to it. The parcel is important in that it will provide road frontage for a block of 1,000 acres of department land currently with very poor access. The Department will add this portion to the project boundary during future planning.

The Turtle Flambeau Scenic Waters Area was established in 1990 to provide opportunities for public recreation and to protect the scenic quality of the area. The Turtle Flambeau Flowage is the core of the Turtle Flambeau Scenic Waters project. The flowage is about 13,545 acres in size and is an excellent fishing lake with a wilderness character. Three rivers and several smaller creeks enter the flowage, and the North Fork of the Flambeau River is the outlet. Water flow is controlled by a dam.

Acquisition of this parcel would provide important access for both public recreation and management of existing Department ownership as well as continue to provide opportunities for public recreation and natural resource protection of this site.

Willow Flowage Scenic Water Area:

The proposed acquisition of 40 acres within the Willow Flowage Scenic Waters Area is located in western Oneida County, consists of 40 acres of woodlands and is located on the edge of a large block of state and county forestlands. The main cover-type is black spruce and aspen. The topography is gently rolling with no major slopes. Although the parcel is predominantly lowland woodlands, there are no streams or other water resources on the subject. Access to the property is across existing state land. Currently, the property is being managed for sustained yield timber production. Given that the property is fully within the Willow Flowage project boundary and is surrounded on all sides by state ownership, this acquisition would serve well in meeting the Department's defined acquisition goals.

The Willow Flowage Scenic Waters project, located in Oneida County 15 miles southwest of Minocqua, was established in 1997 to perpetuate the undeveloped character of the Willow Flowage and to preserve the scenic beauty, natural resources, and heritage for future generations. The flowage is nearly undeveloped and has a wilderness character over much of its area. It is famous for its scenic qualities, natural character, wilderness setting, and fishing opportunities. The project is managed to enhance the musky and walleye fishery, to protect the water quality of the flowage and to provide natural-type public recreational and educational uses such as fishing, hunting, hiking and trapping.

The Flowage was created in 1926 when a dam was constructed on the Tomahawk River downstream of its confluence with the Willow River. The flowage is used to provide a constant flow of water for power production downstream. Of the 77 miles of total frontage, about 3.6 miles are in private ownership that includes three resorts, two campgrounds, a few private cabins, a boat tour company, and a general store. The vast majority of the flowage is undeveloped. The flowage has a maximum depth of 22 feet. While depth and surface areas vary seasonally, wildlife and the fishery flourish.

The fishery is primarily northern pike, muskellunge, and walleye. There are smaller populations of smallmouth bass and perch. The flowage has significant populations of eagles, osprey and common loons. There are six existing boat landings located on the flowage and a number of primitive campsites.

Acquiring the subject property will allow the Department to consolidate state ownership, provide additional opportunities for public recreation and better protect the natural and scenic resources of this site by preventing uses incompatible with the goals of the project and by promoting natural resource management.

Summary:

The Department recommends the purchase of the all of the above-described properties totaling 598.22 acres to allow management for wildlife habitat, to insure public access for recreation, and provide resource protection. All parcels block well with existing department lands and will consolidate department ownership within the project boundaries.

3. **FINANCING:**

State Stewardship bond funds are anticipated:

Funds allotted to program:	Balance after proposed transaction:
\$2,000,000	\$1,096,706

4a. **ACQUISITION STATUS OF THE STATEWIDE NATURAL AREA:**

Established: 1972
Acres Purchased to Date: 35,273
Acquisition Goal: 41,000 Acres
Percent Complete: 86.03%
Cost to Date: \$18,598,851

4b. **ACQUISITION STATUS OF THE TURTLE FLAMBEAU SCENIC WATERS AREA:**

Established: 1990
Acres Purchased to Date: 35,020
Acquisition Goal: 45,077 Acres
Percent Complete: 78%
Cost to Date: \$17,729,040

4c. **ACQUISITION STATUS OF THE WILLOW FLOWAGE SCENIC WATERS AREA**

Established: 1997
Acres Purchased to Date: 26,069
Acquisition Goal: 34,804 Acres
Percent Complete: 75%
Cost to Date: \$18,892,651

5a. **APPRAISAL for Otter Creek Barrens State Natural Area parcel:**

Appraiser: Michael Augustyn (Private Appraiser)
Valuation Date: November 29, 2006
Appraised Value: \$448,000
Highest and Best Use: Recreational, Forestry

Allocation of Values:

- a. land: 280 acres @ \$1,600 per acre: \$448,000
- b. market data approach used, four comparable sales cited
- c. adjusted value range: \$1,505 to \$1,624 per acre

5b. APPRAISAL for the Spur Lake State Natural Area parcel:

Appraiser: Kyle Zastrow (Private Appraiser)

Valuation Date: September 13, 2006

Appraised Value: \$250,000

Highest and Best Use: Recreational Woodlands, Hunting

Allocation of Values:

- a. land: 202.38 acres @ \$1,235 per acre: \$250,000
- b. market data approach used, 10 comparable sales cited
- c. adjusted value range: \$1,284 to \$3,050 per acre

5c. APPRAISAL for Turtle Flambeau parcel:

Appraiser: Brod Appraisal Services, LLC (Private Appraiser)

Valuation Date: May 8, 2007

Appraised Value: \$106,200

Highest and Best Use: Recreation, Sustained Yield Timber Production

Allocation of Values:

- a. land: 75.84 acres @ \$1,400 per acre: \$106,200
- b. market data approach used, four comparable sales cited
- c. adjusted value range: \$1,247 to \$1,626 per acre

5d. APPRAISAL for Willow Flowage parcel:

Appraiser: Brod Appraisal Services, LLC (Private Appraiser)

Valuation Date: October 16, 2006

Appraised Value: \$74,100

Highest and Best Use: Recreation

Allocation of Values:

- a. land: 40 acres @ \$1,000 per acre: \$40,000
- b. market data approach used, 3 comparable sales cited
- c. adjusted value range: \$908 to \$1,129 per acre

RECOMMENDED:


 Richard E. Steffes

2-12-08
 Date


 Bureau of Legal Services

2/12/08
 Date


 Laurie Osterdorf

2/14/08
 Date

**BOARD MEETING
APRIL 15, 2008**

**AGENDA ITEM 3A
SALE OF OTTER CREEK PROPERTY IN DUNN COUNTY TO DNR**

RECITALS

- A. The Wisconsin Department of Natural Resources (“DNR”) has determined that certain property located in Dunn County totaling 280 acres, more particularly described as the Southwest Quarter of the Northeast Quarter, the entire Northwest Quarter, and the North Half of the Southwest Quarter of Section Sixteen (16) in Township Thirty North (T30N), Range Twelve West (R12W) in the Town of Otter Creek (the “Otter Creek Property”) is required for state use.
- B. The Otter Creek Property is currently owned by the Board of Commissioners of Public Lands.
- C. The Otter Creek Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Otter Creek Property has been determined by BCPL staff to be appropriate for sale according to such criteria. A copy of the sale analysis is attached to this resolution as Exhibit A.
- D. The Otter Creek Property has been independently appraised by Michael P. Augustyn at a value of Four Hundred Forty-Eight Thousand Dollars (\$448,000). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. The DNR has been authorized by its board to offer to pay the sum of Four Hundred Forty-Eight Thousand Dollars (\$448,000) to acquire the Otter Creek Property.
- F. The offered price is equal to the appraised value.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the sale of the Otter Creek Property to the Wisconsin Department of Natural Resources at the price of Four Hundred Forty-Eight Thousand Dollars (\$448,000) in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

Exhibit A: BCPL’s Sale Analysis Document

Exhibit B: Certification of Appraiser

Exhibit C: Map of Subject Property

**Board of Commissioners of Public Lands
Summary Analysis of Potential Property Sale**

Common Name for Land Parcel Otter Creek

County Dunn Township Otter Creek

Legal Description The NW1/4, the North 1/2 of the SW 1/4 and the SW1/4 of the NE 1/4 of Section 16, T30N, R12W, Town of Otter Creek, Dunn County, Wisconsin

Transaction ID# (from Accountant) S0801

Sale Criteria

1. Title

- Ownership verified with Register of Deeds
- Title appears merchantable

2. Timber Management

- Parcel is located outside of Consolidation Zone
- Parcel is an isolated or unproductive parcel within the Consolidation Zone
- Parcel is a deferred natural area

3. Access

- Parcel does not provide the only reasonable access to other BCPL parcels that will be retained.
- If parcel does provide the only reasonable access to other BCPL parcels to be retained, a public access easement across the parcel has been reserved.
- Parcel has no current access

4. Parcel Required By Other Government Entity

- The parcel is located within a project boundary of another government agency or adjacent to a parcel of land owned by another unit of government.
- Parcel is otherwise required by another unit of government.

I recommend that BCPL sell the above property on terms and conditions acceptable to BCPL:

- Yes
- No

 4/10/08
 Signature of Forest Land Supervisor Date

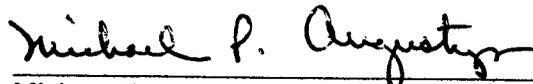
CERTIFICATION OF APPRAISER

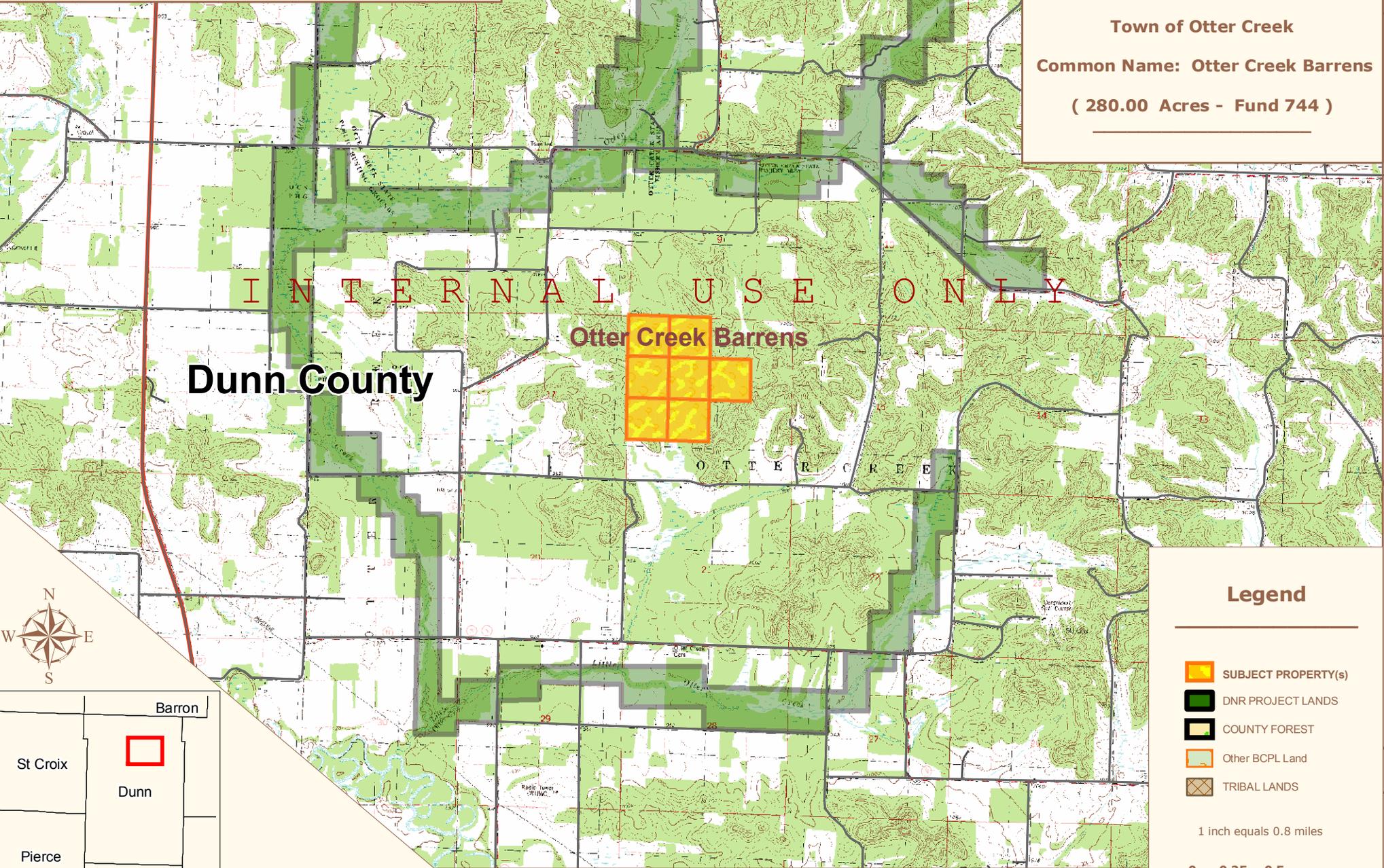
The undersigned does hereby certify that, except as otherwise noted in the appraisal report:

1. The statements of fact contained in the report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions, limiting conditions, and legal instructions, and are the personal, unbiased professional analysis, opinions, and conclusions of the appraiser.
3. I have no present or prospective interest in the property appraised and no personal interest or bias with respect to the parties involved.
4. The compensation received by me for the appraisal is not contingent on the analyses, opinions, or conclusions reached or reported.
5. The appraisal was made and the appraisal report prepared in conformity with the *Uniform Appraisal Standards for Federal Land Acquisitions*.
6. The appraisal was made and the appraisal report prepared in conformity with the Appraisal Foundation's *Uniform Standards for Professional Appraisal Practice*, except to the extent that the *Uniform Appraisal Standards for Federal Land Acquisitions* required invocation of USPAP's Jurisdictional Exception Rule, as described in Section D-1 of the *Uniform Appraisal Standards for Federal Land Acquisitions*.
7. I have made a personal inspection of the property appraised and that the property owner, or his/her designated representative, was given the opportunity to accompany the appraiser on the property inspection.
8. No one provided significant professional assistance to me.
9. It is my opinion that the market value of the BCPL property as of November 29, 2006 is:

FOUR HUNDRED FORTY-EIGHT THOUSAND DOLLARS

(\$448,000.00)

 12/7/06
Michael P. Augustyn, CGAL #289 Date



Dunn County

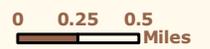
Otter Creek Barrens



Legend

-  SUBJECT PROPERTY(S)
-  DNR PROJECT LANDS
-  COUNTY FOREST
-  Other BCPL Land
-  TRIBAL LANDS

1 inch equals 0.8 miles



**BOARD MEETING
APRIL 15, 2008**

**AGENDA ITEM 3B
SALE OF SPUR LAKE PROPERTY IN ONEIDA COUNTY TO DNR**

RECITALS

- A. The Wisconsin Department of Natural Resources (“DNR”) has determined that certain property located in Oneida County, more particularly described as the Southwest Quarter of the Southeast Quarter of Section Thirty-One (31) in Township Thirty-Eight North (T38N) Range Eleven East (R11E), the Northeast Quarter of the Northeast Quarter, the Southeast Quarter of the Southwest Quarter, and the Southwest Quarter of the Southeast Quarter of Section Six (6) and the Northwest Quarter of the Northeast Quarter of Section Seven (7) all in Township Thirty-Seven North (T37N), Range Eleven East (R11E) in the Town of Three Lakes (the “Spur Lake Property”) is required for state use.
- B. The Spur Lake Property is currently owned by the Board of Commissioners of Public Lands.
- C. The Spur Lake Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Spur Lake Property has been determined by BCPL staff to be appropriate for sale according to such criteria. A copy of the sale analysis is attached to this resolution as Exhibit A.
- D. The Spur Lake Property has been independently appraised by Kyle S. Zastrow at a value of Two Hundred Fifty Thousand Dollars (\$250,000). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. The DNR has been authorized by its board to offer to pay the sum of Two Hundred Fifty Thousand Dollars (\$250,000) to acquire the Spur Lake Property.
- F. The offered price is equal to the appraised value.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the sale of the Spur Lake Property to the Wisconsin Department of Natural Resources at the price of Two Hundred Fifty Thousand Dollars (\$250,000) in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

Exhibit A: BCPL’s Sale Analysis Document

Exhibit B: Certification of Appraiser

Exhibit C: Map of Subject Property

**Board of Commissioners of Public Lands
Summary Analysis of Potential Property Sale**

Common Name for Land Parcel Spur Lake

County Oneida Townships Piehl & Three Lakes

Legal Description The NENE, SESW, SWSE of Section 6, and the NWNE of Section 7, Town 37N, Range 11E, Piehl Township, and the SWSE, Town 38N, Range 11E, Three Lakes Township, all in Oneida County, Wisconsin

Transaction ID# (from Accountant) S0802

Sale Criteria

1. Title

- X Ownership verified with Register of Deeds
- X Title appears merchantable

2. Timber Management

- Parcel is located outside of Consolidation Zone
- X Parcel is an isolated or unproductive parcel within the Consolidation Zone
- Parcel is a deferred natural area

3. Access

- X Parcel does not provide the only reasonable access to other BCPL parcels that will be retained.
- If parcel does provide the only reasonable access to other BCPL parcels to be retained, a public access easement across the parcel has been reserved.
- Parcel has no current access

4. Parcel Required By Other Government Entity

- X The parcel is located within a project boundary of another government agency or adjacent to a parcel of land owned by another unit of government.
- Parcel is otherwise required by another unit of government.

I recommend that BCPL sell the above property on terms and conditions acceptable to BCPL:

- Yes
- No


Signature of Forest Land Supervisor

4/10/08
Date

COMPLETE SUMMARY APPRAISAL

CERTIFICATION

I, Kyle S. Zastrow, WCGA #138, certify that :

On September 13th, 2006 I personally made a field inspection of the property herein appraised and have also made a personal field inspection of the comparable sales relied upon in making this appraisal. The subject and the comparable sales relied upon in making the appraisal were as represented by the photographs contained in appraisal.

That to the best of my knowledge and belief the statements contained in the appraisal attached hereto are true and the information contained therein upon which the opinion of value expressed below is based is correct, subject to the limiting conditions and extraordinary assumptions set forth in the appraisal.

That such appraisal has been made in conformity with the appropriate Wisconsin Statutes, regulations and policies and procedures applicable to appraisal of land for such purposes, and more specifically, in compliance with Department of Natural Resources Appraisal Guidelines.

That neither my employment nor my compensation for making this appraisal is in any way contingent upon the values reported herein.

That I have no direct or indirect, present or contemplated, future personal interest in such property or in benefit from the acquisition of such property appraised.

That I have not revealed the findings and results of the appraisal to anyone other than the client (Wisconsin Department of Natural Resources) and I will not do so unless so instructed by the client or until I am required to do so by due process of law.

That the conclusion set forth in this appraisal is my independent opinion of the value of the property as of the day of September 13th, 2006, and that such conclusion was reached without collaboration or direction as to value.

The opinion of value expressed above is the result of and is subject to the data and conditions described in detail in this report.

I estimate the market value of the fee simple estate, unencumbered interest in the State of Wisconsin Board of Commissioners of Public Lands Spur Lake Natural Area tethered 202.38 Acre (Aggregate) Properties and Mass, in the towns of Piehl and Three Lakes, Oneida County, WI, as later and more specifically identified and subject to Extraordinary Assumptions (also later defined) as of September 13th, 2006, to be the sum of Two Hundred Fifty Thousand Dollars (\$250,000).

Kyle S. Zastrow

Kyle S. Zastrow, WCGA #138

STATEWIDE NATURAL AREAS

SPUR LAKE

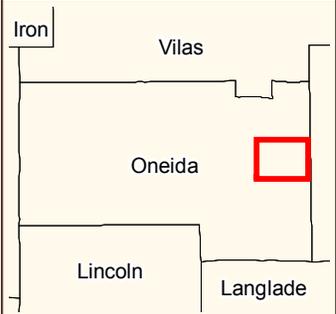
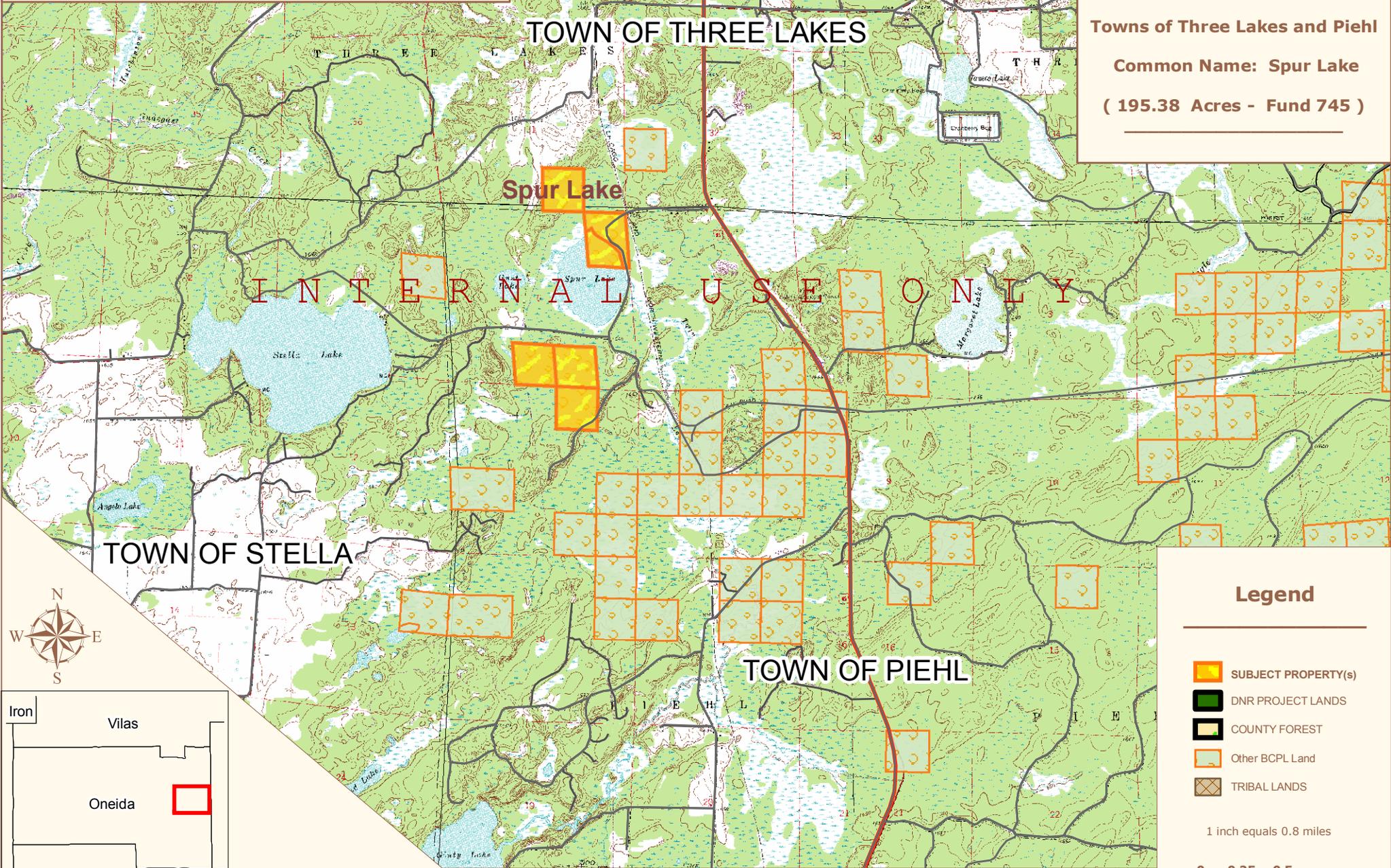
BCPL Project #: S0802

Oneida County

Towns of Three Lakes and Piehl

Common Name: Spur Lake

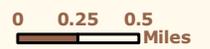
(195.38 Acres - Fund 745)



Legend

-  SUBJECT PROPERTY(S)
-  DNR PROJECT LANDS
-  COUNTY FOREST
-  Other BCPL Land
-  TRIBAL LANDS

1 inch equals 0.8 miles



BOARD MEETING

APRIL 15, 2008

AGENDA ITEM 3C

SALE OF TURTLE FLAMBEAU PROPERTY IN IRON COUNTY TO DNR

RECITALS

- A. The Wisconsin Department of Natural Resources (“DNR”) has determined that certain property located in Iron County, more particularly described as the West Half of the Southwest Quarter of Section Thirty (30) in Township Forty-one North (T41N), Range Three East (R3E) in the Town of Sherman (the “Turtle Flambeau Property”) is required for state use.
- B. The Turtle Flambeau Property is currently owned by the Board of Commissioners of Public Lands.
- C. The Turtle Flambeau Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Turtle Flambeau Property has been determined by BCPL staff to be appropriate for sale according to such criteria. A copy of the sale analysis is attached to this resolution as Exhibit A.
- D. The Turtle Flambeau Property has been independently appraised by Brod Appraisal Services, LLC at a value of One Hundred Six Thousand Two Hundred Dollars (\$106,200). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. The DNR has been authorized by its board to offer to pay the sum of One Hundred Six Thousand Two Hundred Dollars (\$106,200) to acquire the Turtle Flambeau Property.
- F. The offered price is equal to the appraised value.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the sale of the Turtle Flambeau Property to the Wisconsin Department of Natural Resources at the price of One Hundred Six Thousand Two Hundred Dollars (\$106,200) in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

Exhibit A: BCPL’s Sale Analysis Document

Exhibit B: Certification of Appraiser

Exhibit C: Map of Subject Property

**Board of Commissioners of Public Lands
Summary Analysis of Potential Property Sale**

Common Name for Land Parcel Turtle Flambeau

County Iron Township Sherman

Legal Description The West 1/2 of the SW 1/4 of Section 30, Township 41 North,
Range 3 East, Sherman Township, Iron County, Wisconsin

Transaction ID# (from Accountant) S0803

Sale Criteria

1. Title

- Ownership verified with Register of Deeds
- Title appears merchantable

2. Timber Management

- Parcel is located outside of Consolidation Zone
- Parcel is an isolated or unproductive parcel within the Consolidation Zone
- Parcel is a deferred natural area

3. Access

- Parcel does not provide the only reasonable access to other BCPL parcels that will be retained.
- If parcel does provide the only reasonable access to other BCPL parcels to be retained, a public access easement across the parcel has been reserved.
- Parcel has no current access

4. Parcel Required By Other Government Entity

- The parcel is located within a project boundary of another government agency or adjacent to a parcel of land owned by another unit of government.
- Parcel is otherwise required by another unit of government.

I recommend that BCPL sell the above property on terms and conditions acceptable to BCPL:

- Yes
- No


Signature of Forest Land Supervisor

4/10/08
Date

**TURTLE FLAMBEAU
 (TF)) SCENIC WATERS SALE**
 BCPL Project #: S0803
 Iron County
 Town of Sherman
 Common Name: Turtle Flambeau
 (89.89 Acres - Fund 745)

DNR Property Name:
TURTLE FLAMBEAU SCENIC WATERS AREA

INTERNAL USE ONLY

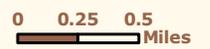
Turtle Flambeau Scenic Waters



Legend

-  SUBJECT PROPERTY(S)
-  DNR PROJECT LANDS
-  COUNTY FOREST
-  Other BCPL Land
-  TRIBAL LANDS

1 inch equals 0.8 miles



**BOARD MEETING
APRIL 15, 2008**

**AGENDA ITEM 3D
SALE OF WILLOW FLOWAGE PROPERTY IN ONEIDA COUNTY TO DNR**

RECITALS

- A. The Wisconsin Department of Natural Resources (“DNR”) has determined that certain property located in Oneida County totaling 40 acres, more particularly described as the Northeast Quarter of the Southwest Quarter of Section Thirty-five (35) in Township Thirty-Seven North (T37N) Range Five East (R5E), in the Town of Little Rice (the “Willow Flowage Property”) is required for state use.
- B. The Willow Flowage Property is currently owned by the Board of Commissioners of Public Lands.
- C. The Willow Flowage Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Willow Flowage Property has been determined by BCPL staff to be appropriate for sale according to such criteria. A copy of the sale analysis is attached to this resolution as Exhibit A.
- D. The Willow Flowage Property has been independently appraised by Brod Appraisal Services, LLC at a value of Forty Thousand Dollars (\$40,000). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. The DNR has been authorized by its board to offer to pay the sum of Forty Thousand Dollars (\$40,000) to acquire the Willow Flowage Property.
- F. The offered price is equal to the appraised value.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the sale of the Willow Flowage Property to the Wisconsin Department of Natural Resources at the price of Forty Thousand Dollars (\$40,000) in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

Exhibit A: BCPL’s Sale Analysis Document

Exhibit B: Certification of Appraiser

Exhibit C: Map of Subject Property

**Board of Commissioners of Public Lands
Summary Analysis of Potential Property Sale**

Common Name for Land Parcel Willow Flowage 2

County Oneida Township Little Rice

Legal Description The NESW of Section 35, Township 37N, Range 5 East, Little Rice Township, Oneida County, Wisconsin

Transaction ID# (from Accountant) S0804

Sale Criteria

1. Title

- X Ownership verified with Register of Deeds
- X Title appears merchantable

2. Timber Management

- Parcel is located outside of Consolidation Zone
- X Parcel is an isolated or unproductive parcel within the Consolidation Zone
- Parcel is a deferred natural area

3. Access

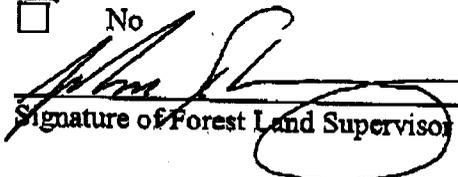
- X Parcel does not provide the only reasonable access to other BCPL parcels that will be retained.
- If parcel does provide the only reasonable access to other BCPL parcels to be retained, a public access easement across the parcel has been reserved.
- X Parcel has no current access

4. Parcel Required By Other Government Entity

- X The parcel is located within a project boundary of another government agency or adjacent to a parcel of land owned by another unit of government.
- Parcel is otherwise required by another unit of government.

I recommend that BCPL sell the above property on terms and conditions acceptable to BCPL:

- Yes
- No


Signature of Forest Land Supervisor

4/10/08
Date

CERTIFICATION OF THE APPRAISAL

The undersigned appraiser does hereby certify that, except as otherwise noted in the appraisal report:

I have personally inspected the real estate that is set forth in this appraisal report, and the analysis, conclusions and opinions belong solely to the undersigned appraiser.

To the best of my knowledge and belief, the facts and data cited in this report, upon which the analysis, conclusions and opinions expressed herein are based, are true and correct.

The appraised value represents my best and unbiased judgment with respect to the subject matter of this appraisal report and to the parties involved.

I have no present or contemplated future interest in the real estate that is the subject matter of this appraisal report. Also, I have not discussed the matter of price or value with the owner or his representative.

Neither the employment nor the compensation for this report is contingent upon the value estimated herein.

The statements in this appraisal report are made subject to the assumptions and limiting conditions set forth.

The interest appraised in this report is fee simple. Subject to known reversions and/or limiting conditions as stated in this report.

Michael Paus, Office Administrator for the Board of Commissioners of Public Lands, was contacted but did not accompany the appraiser on the property inspection. Tom Shockley, Willow Flowage Forester and Property Manager for the Department of Natural Resources, accompanied the appraiser on the property inspection. The subject property was inspected on October 16, 2006.

In my opinion, the market value of the described real estate, subject to conditions stated in the legal description, is:

\$74,100 as of October 16, 2006.

Appraised Subject Value/Valuation Date

Signed: Jofene M. Brod 10/31/06
Jofene M. Brod Date Report Submitted
Wisconsin Certified General Appraiser #1339

Justification for Grid Adjustments-Parcel 1

Time: Real estate values increase, decrease and remains stable depending on external economic factors. Conversations with brokers, buyers, sellers and real estate appraisers along with other research done by banks, MLS services, etc. give an indication of market trends. It was concluded that this type of unimproved recreational property is increasing in value approximately 10% per year. The time adjustment in the grid was based on this conclusion.

Terms: All of the sales were transacted with normal conditions and terms and no adjustment for terms was required.

Motivation: All of the sales in this report were arms length transactions and no adjustment for motivation was required.

Location: The subject property and all sales are considered equal in location and no adjustment was made.

Area: The subject property consists of 40 acres. Sale 1 consists of 80 acres, Sale 2 consists of 67.91 acres and Sale 3 consists of 76.74 acres. Market data indicates that smaller properties sell for more per unit value than larger properties. Sales 1, 2 and 3 were significantly larger than the subject property and were adjusted upward.

Access: The subject property has walk-in access over State owned land. Sales 1 and 2 have legal driveable access and were adjusted downward for superior access. Sale 3 has walk-in access over State and USA owned land and was considered equal to the subject property.

Availability of utilities: The highest and best use of the subject property and sales is recreation and therefore no adjustment was made for utilities.

Land quality: The subject property has 68% hydric soils, Sale 1 has 50% hydric soils, Sale 2 has 70% and Sale 3 has 100% hydric soils. Sale 1 was considered to be superior to the subject property in regards to land quality and was adjusted downward. Sale 2 was considered to be equal to the subject property in regards to land quality. Sale 3 was considered to be inferior to the subject property in regards to land quality and was adjusted upward.

Cover type: The subject property and all sales are predominately wooded with non-merchantable timber and were considered equal.

Shape: The subject property, Sales 1 and 3 each consist of one contiguous parcel. Sale 2 consists of two non-contiguous parcels. The subject property and Sales 1 and 3 were considered equal in regards to shape. Sale 2 was considered to be inferior to the subject property in regards to shape and was adjusted downward.

Zoning/MFL: The subject property and all of the sales have zoning that would not affect their Highest and Best Uses. Sale 1 is enrolled in the MFL program. This is a program that reduces taxes in return for good management practices. Under the MFL program a permanent residential structure cannot be built on the property. Although the highest and best use of Sale 1 is recreation and according to zoning only a seasonal cabin could be built on the property, the MFL contract does create a cloud on title and therefore Sale 1 was given an upward adjustment.

Other considerations: Other value considerations such as highest and best use, minerals etc. required no adjustment between the sales and subject property analyzed in this report.

Market Data Approach Estimate of Value

In the Market Data Approach, three sales all having the same highest and best use potentials were analyzed to arrive at a value conclusion. All of the sales were considered good indicators of value. After adjustments the sales indicated per acre values of \$1,129, \$967 and \$1,044. The appraiser selected \$1,000 per acre as the estimated value of the subject properties 40 acres or \$40,000.

Justification for Grid Adjustments-Parcel 2

Time: Real estate values increase, decrease and remains stable depending on external economic factors. Conversations with brokers, buyers, sellers and real estate appraisers along with other research done by banks, MLS services, etc. give an indication of market trends. It was concluded that this type of unimproved recreational property is increasing in value approximately 10% per year. The time adjustment in the grid was based on this conclusion.

Terms: All of the sales were transacted with normal conditions and terms and no adjustment for terms was required.

Motivation: All of the sales in this report were arms length transactions and no adjustment for motivation was required.

Location: The subject property and all sales are considered equal in location and no adjustment was made.

Area: The subject property consists of 40 acres. Sale 1 consists of 80 acres, Sale 2 consists of 67.91 acres and Sale 3 consists of 76.74 acres. Market data indicates that smaller properties sell for more per unit value than larger properties. Sales 1, 2 and 3 were significantly larger than the subject property and were adjusted upward.

Access: The subject property has walk-in access over State owned land. Sales 1 and 2 have legal driveable access and were adjusted downward for superior access. Sale 3 has walk-in access over State and USA owned land and was considered equal to the subject property.

Availability of utilities: The highest and best use of the subject property and sales is recreation and therefore no adjustment was made for utilities.

Land quality: The subject property has 100% hydric soils, Sale 1 has 50% hydric soils, Sale 2 has 70% and Sale 3 has 100% hydric soils. Sales 1 and 2 were considered to be superior to the subject property in regards to land quality and were adjusted downward accordingly. Sale 3 was considered to be equal to the subject property in regards to land quality.

Cover type: The subject property and all sales are predominately wooded with non-merchantable timber and were considered equal.

Shape: The subject property, Sales 1 and 3 each consist of one contiguous parcel. Sale 2 consists of two non-contiguous parcels. The subject property and Sales 1 and 3 were considered equal in regards to shape. Sale 2 was considered to be inferior to the subject property in regards to shape and was adjusted downward.

Zoning/MFL: The subject property and all of the sales have zoning that would not affect their Highest and Best Uses. Sale 1 is enrolled in the MFL program. This is a program that reduces taxes in return for good management practices. Under the MFL program a permanent residential structure cannot be built on the property. Although the highest and best use of Sale 1 is recreation and according to zoning only a seasonal cabin could be built on the property, the MFL contract does create a cloud on title and therefore Sale 1 was given an upward adjustment.

Other considerations: Other value considerations such as highest and best use, minerals etc. required no adjustment between the sales and subject property analyzed in this report.

Market Data Approach Estimate of Value

In the Market Data Approach, three sales all having the same highest and best use potentials were analyzed to arrive at a value conclusion. All of the sales were considered good indicators of value. After adjustments the sales indicated per acre values of \$1,073, \$921 and \$999. The appraiser selected \$950 per acre as the estimated value of the subject properties 40 acres or \$38,000.

Correlation and Final Estimate of Value

Estimated Value of Parcel 1:	\$40,000
Estimated Value of Parcel 2:	<u>\$38,000</u>
	\$78,000

In the real estate market typically a buyer will pay a discounted rate when purchasing multiple parcels, for this reason the land will be discounted 5% or \$3,900.

Total Land Value:	\$78,000
Minus Discount:	<u>\$ 3,900</u>
	\$74,100

Correlation and Final Estimate of Value

The Cost Approach and Income Approach were considered but not used in the value consideration.

The estimated value of the subject property by the Market Data Approach is: \$74,100

The estimated value of the subject property by the Income Approach is: \$Not used

The estimated value of the subject property by the Cost Approach is: \$Not used

The appraiser selected \$74,100 as the estimated value of the subject property.

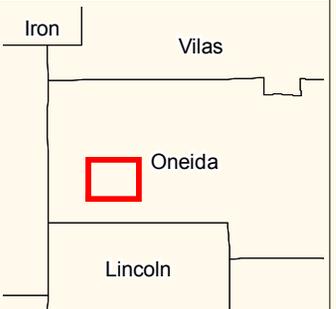
WILLOW FLOWAGE SALE # 2
 BCPL Project #: S0804
 Oneida County
 Town of Minocqua
 Common Name: Willow Flowage 2
 (40.00 Acres - Fund 745)

DNR Property Name:

WILLOW FLOWAGE SCENIC WATERS AREA

INTERNAL USE ONLY

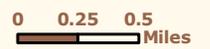
willow Flowage 2



Legend

- SUBJECT PROPERTY(S)
- DNR PROJECT LANDS
- COUNTY FOREST
- Other BCPL Land
- TRIBAL LANDS

1 inch equals 0.8 miles



**BOARD MEETING
APRIL 15, 2008**

**AGENDA ITEM 4
TOWN OF BELL SUBMERGED LAND LEASE**

- A. The Board of Commissioner of Public Lands entered into a Submerged Lands Lease with the Town of Bell in Bayfield County in 1992 in accordance with Findings of Fact and Order from the Department of Natural Resources that such lease was in the public interest.
- B. The original lease was for the purpose of placing dredge material on the bed of Lake Superior to improve harbor facilities and navigational channels.
- C. The original lease has now expired.
- D. The Town of Bell has requested to renew the lease with BCPL for the same purpose.
- E. The DNR issued a new Water Quality Certification for the dredging and placement of fill material on the bed of Lake Superior within the leased area and the DNR has also issued a letter dated April 3, 2008, stating that a new lease is still in the public interest and no further action is required of the DNR for a new lease.
- F. BCPL staff recommends that the Board authorize a new lease with the Town of Bell on the terms and conditions set forth on attached Exhibit A.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands authorizes a renewal of the Submerged Lands Lease with the Town of Bell in accordance with Section 24.39 of the Wisconsin Statutes on the terms and conditions set forth in Exhibit A. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

*Attachment A: Draft of Submerged Lands Lease
Exhibit 1: Town of Bell Bulkhead Line Ordinance
Exhibit 2: WI DNR's Findings of Fact and Order*

Submerged Lands Lease

No. 153 - Renewal

State of Wisconsin *Board of Commissioners of Public Lands*

This Lease Agreement, is made on the ____ day of _____, 2008, by and between the **STATE OF WISCONSIN**, by the **BOARD OF COMMISSIONERS OF PUBLIC LANDS** (the “Lessor”) and the **TOWN OF BELL**, Bayfield County, Wisconsin (the “Lessee”).

Return to:
Board of Commissioners of Public Lands
P.O. Box 8943
Madison, Wisconsin 53708

RECITALS

- A. Lessee adopted a bulkhead line ordinance on December 11, 1990; said ordinance is attached hereto as Exhibit 1 and incorporated herein by reference.
- B. The Wisconsin Department of Natural Resources (“DNR”) issued Findings of Fact, Conclusions of Law and an Approval of the above described bulkhead line on December 10, 1991 (Case # 3-NW-90-11002). Said order determined that a submerged lands lease for the purpose of placing fill material on the bed of Lake Superior was in the public interest. A copy of said order is attached hereto as Exhibit 2 and incorporated herein by reference.
- C. The Lessor entered into a prior Submerged Lands Lease (No. 153) with the Lessee on the 24th day of July, 1992, which lease has now expired.
- D. The Lessee has requested to renew the original lease in order to dredge and place more fill on the bed of Lake Superior for the purpose of harbor or navigation improvement.
- E. The Lessee received a new Certification from the DNR in March of 2008 for the dredging and placement of fill on the bed of Lake Superior. The DNR determined that no additional findings of fact or order were required under Wis. Stat. Section 30.11 for a new lease.

F. Lessor is willing to enter into a Submerged Lands Lease with the Lessee on the terms and conditions set forth below.

NOW, THEREFORE, Lessor does hereby lease to Lessee, its successors and assigns, the rights described below in accordance with the terms and conditions set forth, as follows:

1. Rights Leased. The right and privilege to place dredge material and fill and occupy that part of the bed of Lake Superior described below (the “Premises”) for the purpose of developing, maintaining, and improving harbor facilities and/or navigational channels as defined by section 30.01(3), Wis. Stats., and further to place such structures on said bed as are necessary or convenient for the placing of dredge material and fill. The Premises is a parcel of land lying in Township Fifty-One North (T51N), Range Six West (R6W), Section Thirty-four (34), Bayfield County set forth in the Ordinance attached as Exhibit 1 and described as follows:

Commencing at the Center of Section Thirty-four (34), Township Fifty-one North (T51N), Range Six West (R6W), thence North 20°48’28” East 2,093.20 feet to point A, the point of beginning on the shore line of Lake Superior, thence North 32°59’36” West 480.00 feet to Point B, the Northeasterly water point, thence South 65°32’15” West 490.36 feet to point C, a point on the Easterly side of the East Harbor Breakwall, thence South 47°01’44” East 182 feet to point D, an angle point on said breakwall, then South 42°30’37” West 19.53 feet to point E, an angle in said breakwall, then South 47°01’44” East 370 feet to point F, a point on the steel sheet piling of said breakwall, then North 58°54’57” East 370.17 feet along the shoreline to the Point of Beginning. This parcel contains 4.99 acres.

2. Conditions. This Lease shall be null and void unless the following conditions have been met:

- (1) Lessee has all necessary permits and approvals, including those required by chapter 30, Wis. Stats., from the Department of Natural Resources for the fills involved; and
- (2) A bulkhead line is established and approved pursuant to section 30.11, Wis. Stats., which bulkhead line shall be in strict conformity with the monuments, lines and conditions set forth in Department of Natural Resources Findings of Fact, Conclusions of Law and Approval in Case 3-NW-90-11002. The bulkhead line meeting such requirements shall become a part of this Lease as if set forth in full herein.

This Lease is made subject to all applicable provisions of Sections 24.39(4) and 30.11(5), Wis. Stats., with the same force and effect as though said statutory provisions were fully set forth herein and is further

subject to the applicable Findings of Fact, Conclusions of Law and Approval of the DNR in decision 3-NW-90-11002.

3. **Term of Lease.** The term of this lease shall be effective as of the 1st day of May, 2008 and expire on the 30th day of April, 2018, subject to the provisions of Sections 24.39(4) and 30.11(5), Wis. Stats.

4. **Rental.** Lessee shall pay for the Premises subject to this Lease an administrative fee of five hundred dollars at the execution of this Lease and a rental fee of one hundred dollars per year, payable in advance on the 1st day of May of each year of this Lease.

5. **Lessee's Additional Obligations.** Lessee agrees to comply with any and all laws, orders, rules and regulations concerning disposal of dredge material, to keep and maintain the premises in a good and lawful condition and manner, to hold Lessor harmless from any and all demands or liability whatsoever because of, or on account of liens, claims or obligations of any nature whatsoever arising because of the improvement or filling of the said premises or because of the condition or use of said premises.

6. **Assignment.** The Lessee may sublease or assign the rights granted it by this Lease only with the prior written approval of the Lessor and subject to whatever conditions the Lessor may at such time impose. This Lease shall be binding upon the parties to this Lease, their successors and assigns, in accordance with the provisions of Sections 24.39(4) and 30.11(5), Wis. Stats.

7. **Default/Breach of Lease.** It is further understood and agreed, that if the Lessee, or its assigns, shall violate any of the conditions or materially breach any of the terms of this Lease Agreement, at the option of the Lessor, this Lease shall be void. However, upon such violation the Lessor shall give notice to the Lessee of such violation and Lessee shall have thirty days in which to rectify the violation. If at the expiration of said thirty days such violation is not rectified to the satisfaction of the Lessor, then the Lessor shall be entitled to the immediate possession of said Premises. Said possession to be without hindrance or delay, and to include recovery from the Lessee of all damage sustained by acts or omissions of the Lessee.

8. **Created Lands.** Title to all created lands, sand bars or islands from the deposit of sand, silt, or other dredge material, shall remain with the State of Wisconsin.

ORDINANCE INTRODUCED BY THE TOWN BOARD OF THE TOWN OF BELL
ESTABLISHING A BULKHEAD LINE IN THE TOWN OF BELL EAST OF THE HARBOR
ENTRANCE AT CORNUCOPIA HARBOR

WHEREAS, the Town of Bell, Wisconsin, through the Town Board and pursuant to Wis. Statutes 30.11(3), proposes to establish a new bulkhead line along part of the shore of Lake Superior in Bayfield County as hereinafter described; and

WHEREAS, the proposed bulkhead line would be in the public interest in lessening the erosion of the shoreline immediately east of the Entrance to Cornucopia Harbor and in providing a disposal site for unpolluted dredged material;

NOW, THEREFORE, THE TOWN BOARD OF THE TOWN OF BELL, WISCONSIN does ordain as follows:

1. That the bulkhead line described on Exhibit "A" attached and made a part hereof as though fully set forth herein is established and determined, subject to the approval of the State of Wisconsin, Department of Natural Resources;
2. That the establishment of the bulkhead line described in Exhibit "A" is in the public interest in that it will allow for disposal of unpolluted dredged material immediately east of the Entrance to Cornucopia Harbor, thus reducing the cost of some necessary harbor dredging and protecting the shoreline without endangering habitat;
3. That four certified copies of this ordinance and attached Exhibit "A", together with four true and exact copies of of such proposed bulkhead line, be submitted to the

Department of Natural Resources of the State of Wisconsin
for its approval.

4. That upon the return and receipt of such approved map the same be filed as follows: One in the office of the Department of Natural Resources; one in the office of the Town Clerk of the Town of Bell, Wisconsin; one in the office of the Bayfield County Clerk; and one in the office of the Register of Deeds for and in Bayfield County, Wisconsin.

Passed and adopted by the Town Board Council of the Town of Bell, Wisconsin, this 11th day of Dec, 1990. Ordinance # 90-05

Approved this 11th day of Dec., 1990.

Robert Baydo
Town Chairman

ATTEST:

Ronald W. Beaubien
Town Clerk

CORNUCOPIA, WISCONSIN DREDGE DISPOSAL SITE

A parcel of land lying in Section 34, T. 51 N., R. 6 W.

Bayfield County, Wisconsin in the township of Bell, Wisconsin.
Described as follows:

Commencing at the Center of Section 34, T. 51 N., R. 6 W.,
thence North 20 -48'-28" East 2,093.20 feet to point A, the point
of beginning on the shore line of Lake Superior, thence North 32 -
59'-36" West 480.00 feet to point B the northeasterly water point,
thence South 65 -32'-15" West 490.36 feet to point C a point on the
easterly side of the East Harbor Breakwall, thence South 47 -01'-
44" East 182.00 feet to point D a angle point on said breakwall,
thence South 42 -30'-37" West 19.53 feet to point E a angle point
in said breakwall, thence South 47 -01'-44" East 370.00 feet to
point F a point on the steel sheet piling of said breakwall,
thence North 58 -54'-57" East 370.17 along the shoreline to the
point of beginning.

This parcel contains 4.99 Acres.

EXHIBIT A

STATION	COORDINATES		BEARING	DISTANCE
CORN	N.619326.15	E.1723635.57		
PERM	N.618904.40	E.1724423.20		
0	N.618937.07	E.1724473.53	S.61-49-56E.	60.00
1	N.619100.43	E.1724725.15	N.57-00-24E.	300.00
CENTER 34				
SECTION CORNER	N.617152.14	E.1723976.13		
A	N.619108.82	E.1724719.70	N.20-48-28E.	2093.20
B	N.619511.41	E.1724458.23	N.32-59-36W.	480.00
C	N.619308.36	E.1724011.99	S.65-32-15W.	490.36
D	N.619184.30	E.1724145.15	S.47-01-44E.	182.00
E	N.619169.91	E.1724131.96	S.42-30-37W.	19.53
F	N.618917.70	E.1724402.69	S.47-01-44E.	370.00
A	-----	-----	N.58-54-57E.	370.17

All Coordinates, Bearings and Distances are referanced to Grid, North American Datum 1927. Grid Factor = 0.0999973.

EXHIBIT A

3-NW-90-11002

ORDINANCE NUMBER

- city
- county
- town

The village of BELL, BAYFIELD County, Wisconsin, by and through its governing board, proposes to establish in the interest of public and

according to Section 30.11 (3), Wis. Stats., a new bulkhead line along a part of the shore of Lake Superior BAYFIELD County, described below, and ordains as follows:

1. That the bulkhead line along the shore of LAKE SUPERIOR (name of body of water)

described as follows and as shown by the attached map, is established subject to the approval of the Department of Natural Resources:

(Attach here the legal description of the new bulkhead line.)

2. That the bulkhead line is in the public interest because:

It establishes where dredgings can be dumped to prevent the erosion of the beach area as established by the U.S. Corp of Engineers

3. That three certified copies of the ordinance and three true and correct copies of such map, be submitted to the Department of Natural Resources for its approval.

4. That upon the return and receipt of the approved ordinances and maps, copies shall be filed with

- city
- county
- town

Department of Natural Resources, the clerk of the BELL & Bayfield Co. Clerk village of

Wisconsin, and the Register of Deeds for BAYFIELD County, Wisconsin.

Passed on Dec. 11, 19 90 (date)

Robert Reeds, Chairman
Signed president, mayor, chairperson

Attest:

- city
- county
- town clerk
- village

I, Ronald W Beguhn

Ordinance No. OR 90-05, passed by the

- city
- county
- town
- village clerk, certify that the above is a true and correct copy of
- city
- county
- town
- village

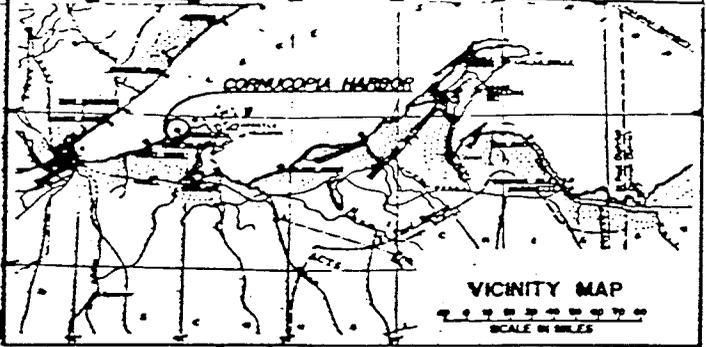
board council of the

- city
- county of
- town
- village

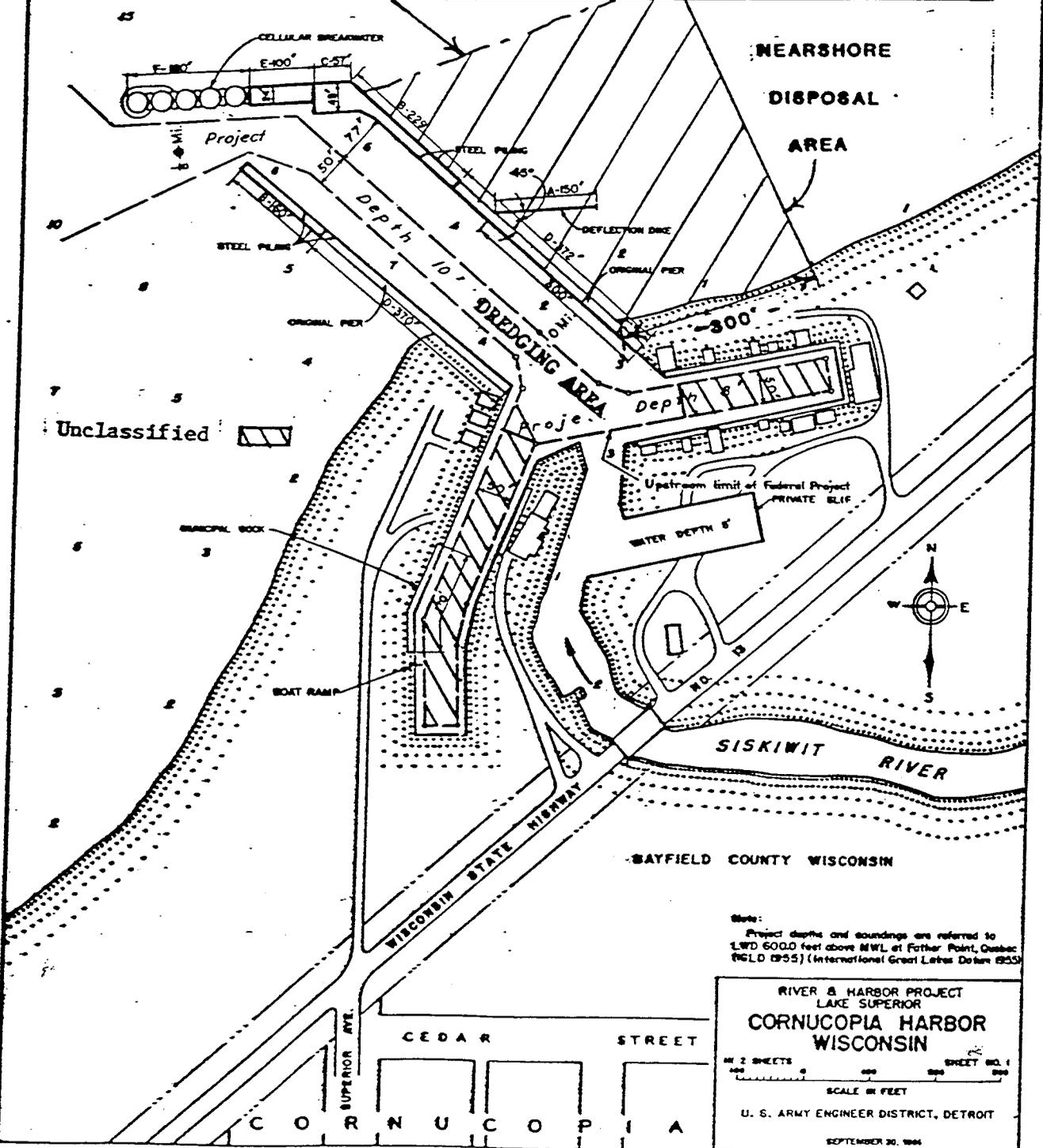
Wisconsin, on Dec 11, 19 90

Ronald W Beguhn
 city
 county
 town clerk
 village

LAKE SUPERIOR
SISKIWIIT BAY



5' DEPTH
CONTOUR



Unclassified

Note:
Project depths and soundings are referred to
LWD 600.0 feet above M.W.L. of Father Point, Quebec
(IGLD 1955) (International Great Lakes Datum 1955)

RIVER & HARBOR PROJECT
LAKE SUPERIOR
**CORNUCOPIA HARBOR
WISCONSIN**

OF 2 SHEETS SHEET NO. 1

SCALE IN FEET

U. S. ARMY ENGINEER DISTRICT, DETROIT

SEPTEMBER 30, 1964

Incl 91

BEFORE THE
DEPARTMENT OF NATURAL RESOURCES

Proposed Bulkhead Line on Lake Superior)
by the Town of Bell. Request of the)
Town of Bell for Authority to Lease)
Submerged Lands in Lake Superior, Town)
of Bell, Bayfield County.)

3-NW-90-11002

FINDINGS OF FACT AND ORDER

The Town of Bell, on December 26, 1990 completed filing with the Department an ordinance and map adopted pursuant to section 30.11, Statutes, for a proposed bulkhead line along the shore of Lake Superior in the Town of Bell, Bayfield County.

The Town of Bell also completed filing a request with the Department on December 26, 1990, for authority to lease submerged lands in Lake Superior along the shore adjacent to the east breakwater in the Town of Bell, Bayfield County.

FINDINGS OF FACT

1. The Town of Bell, on December 26, 1990, completed filing with the Department an ordinance and map adopted pursuant to section 30.11, Statutes, for a proposed bulkhead line to encompass approximately 4.99 acres of lake bed located adjacent to the east breakwater in the Town of Bell, Bayfield County. The municipality and the Department have complied with all procedural requirements of section 30.11 Statutes.

2. The Town of Bell also filed a request with the Department on December 26, 1990, for authority to lease submerged lands in Lake Superior along the shore adjacent to the east breakwater in the Town of Bell, Bayfield County.

3. The proposed bulkhead line was established by the Town of Bell by ordinance and accompanying map on December 11, 1990.

4. The proposed bulkhead line is located adjacent to upland in the Town of Bell in section 34, township 51 north, range 6 west, Bayfield County. See attached legal description shown as "Exhibit A".

5. The bulkhead line runs approximately from the east harbor breakwater roughly parallel to the shoreline in an easterly direction for approximately 370 feet and extends from the ordinary high watermark to the eight foot water depth contour.

6. The submerged lands in question lay adjacent to riparian land owned by the Town of Bell.

7. The purpose of the proposed bulkhead line/lease request is to allow the disposal of unpolluted and suitable sized dredged material from Cornucopia Harbor within the boundaries of the bulkhead line to provide erosion protection and improvement of the public beach through beach nourishment.

8. On November 7, 1991 the bulkhead line survey and map were approved by the Department, subject to the condition that a lease of submerged lands be obtained from the Board of Commissioners of Public Lands of the State of Wisconsin.

9. On April 5, 1991, the Department sent a written notice as required by section 30.11(5)(a), Statutes, to the U.S. Army Corps of Engineers, St. Paul District Office, the Clerk of the Town of Bell and the Clerk of Bayfield County. No objection to the proposed lease was received within 30 days after the mailing of the notice.

10. The Department finds that, having received no objection to the above notices and to the subsequent public notice issued pursuant to Section 1.11, Statutes, that further notice or hearing on this matter is not necessary to provide additional opportunity for public input.

11. The area described above is used by the public for swimming, wading and other recreational purposes and is adjacent to Town of Bell property and the Cornucopia Harbor.

12. The area in question does now provide limited habitat for fish and wildlife.

13. The approval of the proposed bulkhead line under section 30.11 and submerged lands lease under section 24.39 will not cause destruction of fish and wildlife habitat provided the conditions in the Order are complied with.

14. The proposed bulkhead line would not significantly damage the scenic or recreational use of this portion of Lake Superior if the conditions in the Order are complied with.

15. Deposition of dredged material behind the proposed bulkhead line would not adversely affect water quality or increase water pollution in Lake Superior or cause environmental pollution as defined in subsection 144.01(3), Statutes, if the sediments meet the criteria for disposal in Wisconsin Waters and upon compliance with the conditions in the Order.

16. No development behind the proposed bulkhead line will take place which will be inconsistent with the current uses of the area.

17. The proposed bulkhead line does not conform as nearly as practicable to the existing shore of Lake Superior. Therefore, the execution of a submerged lands lease under Section 24.39, Wisconsin Statutes, consistent

with the bulkhead line is necessary.

18. The proposed bulkhead line is in the public interest, provided the conditions in the order are complied with.

19. The proposed physical changes contemplated in the area of the submerged lands lease will be consistent with the public interest in the navigable waters involved provided the conditions in Findings of Fact numbers 15, 16, and 20 are met by the lessee and its successors, assigns, or sublessees.

20. The following conditions upon any work done pursuant to a submerged lands lease are necessary to protect the public interest in the navigable waters involved and to limit the use of the area to functions primarily related to public recreational use or otherwise of public benefit.

a. A copy of the executed lease shall be filed with the Department.

b. Any sublease of submerged lands or proposed change in use of the leased area from those specified in the ordinance adopted by the Town of Bell on December 11, 1990, shall be submitted to the Department for its consideration prior to making such sublease, change in use or additional development. The Department shall approve or reject within 30 days of receipt of any such change in lessee or use in writing as an amendment of the Findings of Fact and Order entered herein.

21. The Department has made an environmental assessment of the proposed project and has concluded that the exercise of its approval authority in this matter is not a major state action significantly affecting the quality of the human environment.

22. The proposed bulkhead line/lease does not affect any areas defined as wetlands under subsection NR 1.95(4)(c), Wisconsin Administrative Code.

CONCLUSIONS OF LAW

1. The Department has complied with the applicable procedural requirements of section 24.39 and 30.11, Statutes.

2. The prospective lessee of the submerged lands involved is a riparian owner within the meaning of subsection 24.39(4)(a), Statutes.

3. The Department has authority under section 24.39 and 30.11, Statutes, and the foregoing Findings of Fact, to issue an order approving the bulkhead line and confirming that the Town of Bell has complied with all requirements of the Department prerequisite to entering into a lease of submerged lands with the Board of Commissioners of Public Lands.

4. The Department has complied with section 1.11, Statutes and NR 1.95, Wisconsin Administrative Code.

ORDER

IT IS THEREFORE ORDERED, that the request of the Town of Bell for approval of a proposed bulkhead line in Lake Superior, established by municipal ordinance on December 11, 1990 be, and the same hereby is, granted, subject to the following conditions:

1. Deposition of dredged material behind the bulkhead line will be permitted only if the sediments meet appropriate criteria to protect water quality and are suitable for beach nourishment according to chemical composition and particle size.

2. Prior to each proposal for dredging and placement of dredged materials within the bulkhead line area, a sediment sampling analysis shall be submitted to the Department for approval. The analysis shall contain the physical and chemical characteristics of the sediment for the parameters determined by the Department to be necessary to protect water quality and to ensure that the sediment is suitable for its intended use as beach nourishment. Other information required to be submitted with the sediment analysis includes the volume of proposed dredging in cubic yards, the location, method, and proposed time of dredging, and other information the Department feels is necessary to adequately review the project. The Department shall advise the Town in writing as to the results of each project review, including any restrictions on disposal location, time, or methods.

3. All requirements of the Chapter NR 299, Water Quality Certification shall be complied with. The conditions are attached to this approval.

4. Only suitable dredged material from Cornucopia Harbor is authorized to be placed behind the bulkhead line from the ordinary high watermark to the eight foot water depth contour. The dredged material shall be levelled to provide a gradual slope similar to the slope of the existing beach immediately after placement.

5. No dredged material or other fill shall be placed behind the bulkhead line with the intent of extending the upland for any purpose other than beach nourishment. No structures, facilities, or stock piling of materials are authorized by this approval.

6. Disposal shall be conducted in a manner which will minimize siltation and resuspension of sediment into the lake. Upland areas disturbed during the project may require additional stabilization measures to control erosion.

7. Critical erosion areas along the beach shall receive priority for receipt of beach nourishment material. The material shall be placed at or as near the ordinary high watermark as equipment and methods will allow.

8. The Town of Bell shall obtain a lease or interim approval for use of submerged lands inside the bulkhead line from the Board of Commissioners of Public Lands pursuant to section 24.39, Statutes, prior to placement of any

dredged material in that area.

9. Use of the area shall be in accordance with the conditions contained in Findings of Fact numbers 15, 16, and 20.

10. Proceedings may be initiated by the Department to rescind approval of the bulkhead line if it is determined by the Department to be in the public interest to do so.

11. Appropriate approvals shall be obtained from other Department sections requiring approval, the U. S. Army Corps of Engineers, and any other agencies having jurisdictional authority prior to proceeding with any phase of this project.

12. Written notification shall be sent to the Water Management Specialist, Brule Area Headquarters, Box 125, Brule, Wisconsin 54820, not more than 10 calendar days after each period of dredging and disposal within the bulkhead line area is completed.

13. The two attached copies of the approved ordinance and map shall be filed with the Clerk of the Town of Bell and with the Register of Deeds of Bayfield County. Within 30 days of the date of this order, the Department at the address shown in order #12 above, shall be advised in writing of the volume and page of the Register of Deeds on which the bulkhead line is recorded.

IT IS ALSO ORDERED that a copy of the Findings of Fact and Order contained herein be forwarded to the Board of Commissioners of Public Lands in fulfillment of the requirements of sections 24.39(4)(c) and 30.11(5)(a) and (b), Statutes.

If you believe that you have a right to challenge this decision, you should know that Wisconsin statutes and administrative rules establish time periods within which requests to review Department decisions must be filed.

To request a contested case hearing pursuant to section 227.42, Stats., you have 30 days after the decision is mailed, or otherwise served by the Department, to serve a petition for hearing on the Secretary of the Department of Natural Resources. The filing of a request for a contested case hearing is not a prerequisite for judicial review and does not extend the 30 day period for filing a petition for judicial review.

This notice is provided pursuant to section 227.48(2), Stats.

Dated at Spooner, Wisconsin

12/10/91

STATE OF WISCONSIN DEPARTMENT OF NATURAL RESOURCES
For the Secretary

By

William H. Smith
William H. Smith
District Director
Northwest District

WZ8B3112.DJL