



Sarah Godlewski, *Secretary of State*
John Leiber, *State Treasurer*
Joshua L. Kaul, *Attorney General*

101 E. Wilson Street
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Thomas P. German, *Executive Secretary*

AGENDA

December 5, 2023

2:00 P.M.

Board of Commissioners of Public Lands
101 E. Wilson Street, 2nd Floor
Madison, Wisconsin

Routine Business:

1. Call to Order
2. Approve Minutes – November 21, 2023 (Attachment)
3. Approve Loans

Old Business:

4. None

New Business:

5. Submerged Land Lease - City of Superior, Douglas County
6. Rebalancing of US Forest Service Exchange lands
7. Discussion of potential statutory changes

Routine Business:

8. Chief Investment Officer's Report
9. Executive Secretary's Report
10. Board Chair's Report
11. Future Agenda Items
12. Adjourn

AUDIO ACCESS INFORMATION

Conference Line Number: 608-571-2209
1st Tues of the month Conf ID Code: 335 125 302#
3rd Tues of the month Conf ID Code: 207 822 241#

Board Meeting Minutes
November 21, 2023

Present were:

Sarah Godlewski, Board Chair	Secretary of State
John Leiber, Commissioner	State Treasurer
Tom German, Executive Secretary	Board of Commissioners of Public Lands
Rich Sneider, Chief Investment Officer	Board of Commissioners of Public Lands
Denise Nechvatal, Controller	Board of Commissioners of Public Lands
Chuck Failing, IT Manager	Board of Commissioners of Public Lands
Mike Krueger, IT Specialist	Board of Commissioners of Public Lands
Hannah Menchhoff, Communications Director	Secretary of State
Sydney Radwin, Staff/Intern	Secretary of State

ITEM 1. CALL TO ORDER

Board Chair Godlewski called the meeting to order at 2:01 p.m.

ITEM 2. APPROVE MINUTES

MOTION: Board Chair Godlewski moved to approve the minutes; Commissioner Leiber seconded the motion.

DISCUSSION: None.

VOTE: The motion passed 3-0.

ITEM 3. APPROVE LOANS

MOTION: Commissioner Leiber moved to approve the loans; Commissioner Kaul seconded the motion.

DISCUSSION: Executive Secretary German described the loans as being mostly bread and butter purposes. There are two loans for financing broadband projects. Both communities received broadband grants from the State of Wisconsin Public Service Commission (PSC). However, often PSC grants do not cover the full cost of the broadband projects so communities must come up with the remainder needed to complete the project. The City of Fox Lake is applying for a loan to refinance a bank loan.

VOTE: The motion passed 3-0.

The Board of Commissioners of Public Lands (BCPL) unanimously approved **\$2,426,949.00** in State Trust Fund Loans to support **8** community projects in Wisconsin.

1. Town of Jacksonport / Door County / Finance Broadband Project / \$1,250,000.00
2. Town of Chester / Dodge County / Finance purchase of plow-truck equipment / \$80,000.00
3. Village of Grantsburg / Burnett County / Finance capital equipment and roadwork / \$316,675.00
4. Town of Deer Creek / Taylor county / Finance purchase of grader / \$214,975.00
5. City of Fox Lake / Dodge County / Refinance Bank Loan / \$40,605.00
6. Village of Spring Valley / Finance purchase of plow truck and accessories / \$96,694.00
7. Town of Presque Isle / Vilas County / Finance broadband expansion / \$328,000.00
8. Town of Newark / Rock County / Finance transition of fire service to new provider / \$100,000.00

ITEM 4. OLD BUSINESS

None

ITEM 5. NEW BUSINESS

None

ITEM 6. CHIEF INVESTMENT OFFICER'S REPORT

None

ITEM 7. EXECUTIVE SECRETARY'S REPORT

Executive Secretary German reported that before the end of the month we will be closing on an investment in Blackstone's Private Credit Fund for the Normal School Fund, further diversifying investments for the Normal School Fund and bringing earnings up to a more robust level.

We will be bringing a new proposed submerged land lease to the board for the City of Superior. This lease is a bit unusual in that the city is looking to lease a significant amount of lakebed along Wisconsin Point in order to place fill and structure on the point in an effort to protect it as the waves of Lake Superior are eroding Wisconsin Point significantly.

In an upcoming meeting, we will be asking the Board to ratify a reallocation of lands that we received from the US Forest Service exchange from the Normal School Fund to the Common School Fund in order to make sure each of the funds received the proper amount of value for what each fund contributed to the transaction. After the exchange transaction closed, we hired the appraiser who did the original appraisal to make sure that we had a valuation we could use to make a fair reallocation.

ITEM 8. BOARD CHAIR'S REPORT

Board Chair Godlewski thanked everybody for their participation in the press conference, November 20th. We received great coverage across the state about the record breaking \$65 million distribution to public school libraries. This coverage shows the difference BCPL's work is making in our community. We had a very diverse group of stakeholders in attendance as well. The check presentation to DPI is one of her favorite events besides presenting the check to the librarians in March.

ITEM 11. FUTURE AGENDA ITEMS

Commissioner Kaul commented that the prudent investor authority played a significant role in the growth of the fund. He presented two questions for discussion at a later meeting: 1.) Are there legislative changes that the BCPL staff or commissioners would like to help improve performance? and, 2.) Does it make sense, thinking about the budget constraints that BCPL dealt with which included the position authority issues, to try to reach out to legislators to make sure they are aware of how well things were going and how the position that was requested would make a difference? He understands there were discussions in advance to the budget with legislators but, in his experience, it can often be beneficial to talk to legislators when they are not in the midst of budget discussions to identify issues early. He asked if other commissioners have thoughts or plans.

Board Chair Godlewski shared that BCPL had a fairly comprehensive legislative strategy the last few years. For example, meeting with new legislators to educate them on the BCPL. Throughout the year, Executive Secretary German and others checked in with individuals about the BCPL. That is something that is ongoing. The question is,

how do we build a more robust strategy? She asked Executive Secretary German to discuss this at an upcoming meeting. She asked that this topic be included on the next agenda for the next board meeting.

Executive Secretary German shared that he has always keeps a list of statutory changes that he would be interested in. However, it's always important to keep in mind that when you ask for statutory changes, once the door is open, what comes through may not look like what you're asking for. He is available to further discuss this with the board at another meeting or one-on-one with Commissioner Kaul if he would like. There are a number of statutory changes that may be helpful, not regarding our investment authority, but more specifically with the way fund accounting works at BCPL. We are an agency that dates back to statehood, so much of what we do was set up long before any accounting structures or processes were implemented by the state. We do have quite a few legacy issues, yes. Some of the other issues have to do with lands and how land transactions are handled.

Executive Secretary German discussed the second question. He agrees that this may be a better time to ask for legislative assistance as opposed to during the budget process. After meeting with all the members of Joint Finance and receiving many assurances that they all understood and were supportive of our work, he was disappointed when he sat in the Joint Finance meeting and the exact opposite happened. This makes you realize that the normal process is not necessarily helpful to BCPL anymore. Approaching legislators at an off budget time when we are celebrating significant accomplishments, may be the better time to do it. The availability of legislators for the next five weeks may be limited since many of them are likely planning time off. He does agree that this may be a better time to approach some of them.

Commissioner Kaul shared that he is happy to think about how to approach the legislators, with guidance from BCPL staff. Letting them know that BCPL asked for change several years ago and we've delivered on what we said we would do. When we ask for additional changes, it is with a track record that we can point to successes on. He believes this may resonate with them.

Board Chair Godlewski proposed that Executive Secretary German meet with individual commissioners to talk about the legislative work, approach and what has been done in the past, e.g., work with Jolene, meetings with the incoming commissioners, etc. Each commissioner has their own strengths so having one-on-one discussions would be very beneficial. Often the behind-the-scenes work goes unseen. She would like to make sure everyone is working together on this. Another item worth discussing at an upcoming meeting is our prudent investor authority. A lot of work went into implementing that and that is just one revenue stream. Other revenue streams that are extremely important to the Common School Fund are unclaimed property, and fines and forfeitures. It would be helpful to understand the other two revenue streams so we can optimize those revenue streams to the best of our ability for our public schools. She asked Executive Secretary German to provide ideas about legislative changes needed or updates regarding those two types of revenue streams for the trust funds.

Executive Secretary German stated he would be happy to discuss that with board members either collectively or individually. If done individually, he will need to be careful not to create a walking quorum. He made clear that he would not be asking the board to pass a resolution, but it would be strictly a briefing standpoint, letting the commissioners know what the issues are and how they affect the agency.

Board Chair Godlewski proposed that an upcoming agenda item should be Executive Secretary German discussing these issues with the commissioners. The other commissioners agreed.

Executive Secretary German added that each issue may have the potential for being lengthy discussions, so he suggests taking them one at a time from meeting to meeting, bringing one up at every meeting.

Executive Secretary German shared that he finally finished a draft memo that describes how money actually flows through BCPL. When he first arrived at BCPL, he could not understand how money flowed through. It made no sense at all. It took years to pull the pieces apart and Denise Nechvatal, the agency's controller, was patient and described things that he felt made no sense. He is finally able now to put all the pieces in place to tell the story in a way that would be understood by nonaccountants, by nonlawyers and by nonpolicy workers. We need to be able to tell our story in a way that other people can understand it. There are certain things like fund accounting that probably should have been changed 50 years ago.

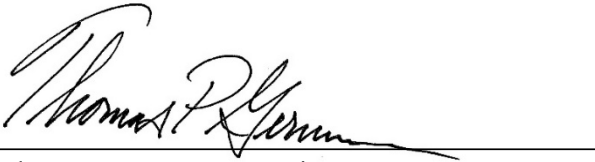
Commissioner Kaul commented that from a legislative standpoint if there are areas where there are priorities both because their significance but also feasibility, based on conversations you've had with legislators, it is worthwhile to make sure we put those first. Given that the news about this record-breaking distribution just came out, if there is follow up to build on the goodwill from that, we may be able to accomplish it. He believes it may be an opportune time to prioritize those key things for follow up.

Executive Secretary German agreed. He reiterated that a discussion on fund accounting will be had at the next board meeting. It is important to queue that up and have a discussion as to where we go from here.

Board Chair Godlewski asked that additional discussion be had about other areas after fund accounting.

ITEM 12. ADJOURN

Board Chair Godlewski moved to adjourn the meeting; Commissioner Kaul seconded the motion. The motion passed 3-0; the meeting adjourned at 2:24 p.m.

A handwritten signature in black ink, appearing to read "Thomas P. German", written over a horizontal line.

Thomas P. German, Executive Secretary

Link to audio recording:

[https://bcpl.wisconsin.gov/bcpl.wisconsin.gov/Shared Documents/Board Meeting Docs/2023/2023-11-21/BoardMtgRecording.mp3](https://bcpl.wisconsin.gov/bcpl.wisconsin.gov/Shared%20Documents/Board%20Meeting%20Docs/2023/2023-11-21/BoardMtgRecording.mp3)

**BOARD MEETING
DECEMBER 5, 2023**

**AGENDA ITEM 3
APPROVE LOANS**

Municipality	Municipal Type	Loan Type	Loan Amount
1. Egg Harbor Door County Application #: 02024077 Purpose: Finance Broadband Project	Town Rate: 6.25% Term: 20 years	General Obligation	\$2,430,555.00
2. Rhinelander Oneida County Application #: 02024078 Purpose: Finance TID #12 Infrastructure Costs	City Rate: 6.00% Term: 20 years	General Obligation	\$910,000.00
3. Oliver Douglas County Application #: 02024079 Purpose: Finance purchase of grader	Village Rate: 6.25% Term: 20 years	General Obligation	\$230,000.00
4. Woodville St Croix County Application #: 02024081 Purpose: Finance land purchase	Village Rate: 6.25% Term: 20 years	General Obligation	\$265,691.27
	TOTAL		<hr/> \$3,836,246.27

**BOARD MEETING
DECEMBER 5, 2023**

**AGENDA ITEM #5
PROPOSED SUBMERGED LANDS LEASE – CITY OF SUPERIOR**

- A. The City of Superior (“Superior”) desires to place fill on the bed of Lake Superior adjacent to Wisconsin Point.
- B. Pursuant to the Wisconsin constitution, the state holds the beds of lakes in trust for the citizens of Wisconsin. In order to legally place such fill on the lakebed, Superior must obtain the regulatory approval of the Wisconsin DNR and furthermore, Superior must also execute a Submerged Lands Lease with the Board of Commissioners of Public Lands which acts as leasing agent for the State of Wisconsin pursuant to Wis. Stats. Section 24.39(4).
- C. The area that would be subject to the lease is a parcel of land in Douglas County Wisconsin, described on Attached Exhibit A (the “Proposed Lease Premises”). Map of the Proposed Lease Premises is attached as Exhibit B. Superior is the riparian owner of the upland adjacent to the Proposed Lease Premises.
- D. The Wisconsin Department of Natural Resources has issued Findings pursuant to Wisconsin Statutes 30.11 (the “Findings”) concluding that the proposed physical changes will be consistent with the public interest in the navigable waters of Lake Superior provided certain conditions are met. A copy of the Findings is attached as Exhibit C.
- E. Wisconsin Point is a spit of sand that extends out into Lake Superior. In recent years, Wisconsin Point has faced increased frequency of storm surges, more rapid fluctuations in lake levels and increased wind speeds over Lake Superior. The proposed fill to be placed on the Proposed Lease Premises is intended to protect Wisconsin Point and improve its resiliency in the face of such physical challenges. The purpose of this proposed lease is for improvement of navigation and recreation related to navigation as the protection of Wisconsin Point will allow the public to access the waterfront and engage in recreational activities on Wisconsin Point. As the proposed purpose of the lease is for the benefit of the public and the public will have access to Wisconsin Point and the Proposed Lease Premises, Superior respectfully requests that the annual base rent for the proposed submerged land lease be set at a nominal amount. BCPL staff believes that \$200 per year is a reasonable amount of base rent as the lease does not inure to the benefit of private parties.
- F. For the above reasons, BCPL staff recommends that the Board authorize a Submerged Lands Lease for the Proposed Lease Area with the city of Superior:
 - For the purpose of navigation improvements and recreation related to navigation;
 - at a base rental rate of \$200 per year;

- for a term of no more than 25 years;
- subject to the conditions set forth in the DNR’s published Findings;
- and on such other terms and conditions as the BCPL Executive Secretary determines to be reasonable and necessary.

PROPOSED RESOLUTION

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands authorizes a Submerged Lands Lease for a term of up to twenty-five years for the Proposed Lease Area with the city of Superior in accordance with Section 24.39 of the Wisconsin Statutes with a base rental rate of Two Hundred Dollars per year for the purposes of providing recreation opportunities related to navigation and also for improving navigation, on such other 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.

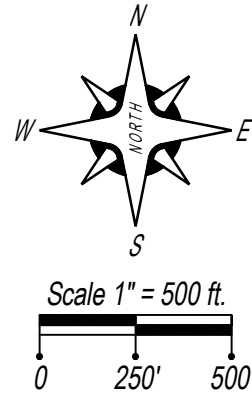
- Exhibit A: Legal Description of Leased Premises*
Exhibit B: Map of area subject to proposed new lease
Exhibit C: WI DNR’s Findings of Fact

Legal Description:

Item 5 - EXHIBIT A

That part of Government Lot 1, Section 34 and that part of Government Lot 1, Section 35, township 49 North, Range 13 West, City of Superior, Douglas County, Wisconsin and the submerged bed of Lake Superior lying north of said Government Lots described as follows:

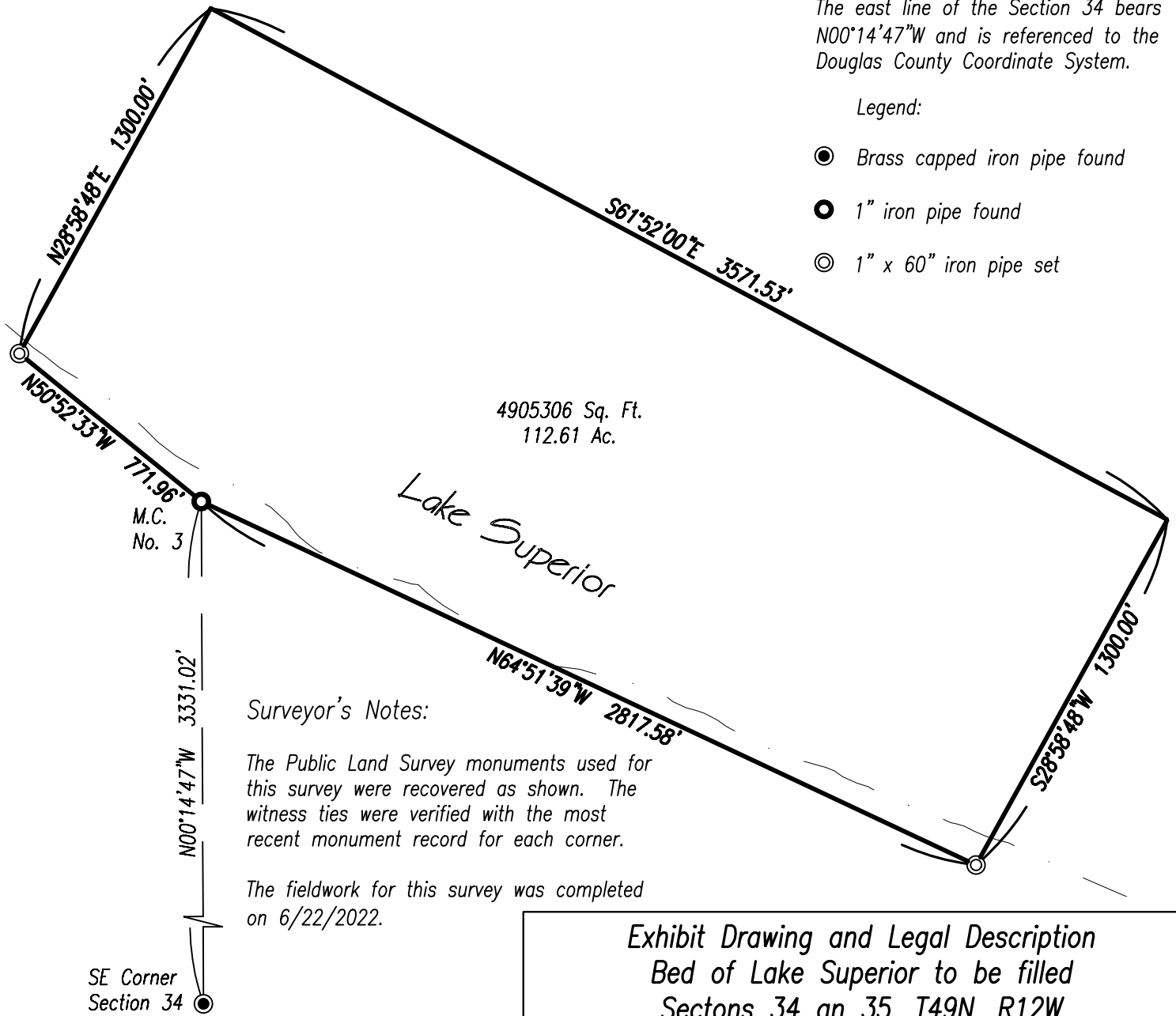
Commencing at the Southeast Corner of said Section 34 marked by a 2" brass capped iron pipe; thence North 00 deg 14 minutes 47 Seconds West, along the east line of said Section 34, a distance of 3331.02 feet to Meander Corner No. 3 and the Point of Beginning marked by a 1" iron pipe; thence North 50 degrees 52 minutes 33 seconds West a distance of 771.96 feet to a 1" iron pipe; thence North 28 degrees 58 minutes 48 seconds East a distance of 1300.00 feet; thence South 61 degrees 52 minutes 00 seconds East a distance of 3571.53 feet; thence South 28 degrees 58 minutes 48 seconds West a distance of 1300.00 feet to a 1" iron pipe; thence North 64 degrees 51 minutes 39 seconds West a distance of 2817.58 feet to the Point of Beginning.



The east line of the Section 34 bears N00°14'47"W and is referenced to the Douglas County Coordinate System.

Legend:

- Brass capped iron pipe found
- 1" iron pipe found
- ⊙ 1" x 60" iron pipe set



Surveyor's Notes:

The Public Land Survey monuments used for this survey were recovered as shown. The witness ties were verified with the most recent monument record for each corner.

The fieldwork for this survey was completed on 6/22/2022.

**Exhibit Drawing and Legal Description
Bed of Lake Superior to be filled
Sectons 34 an 35, T49N, R12W**

I hereby certify that this survey was prepared by me or under my direct supervision in accordance with Chapter A-E 7 and that it is correct to the best of my knowledge and belief.

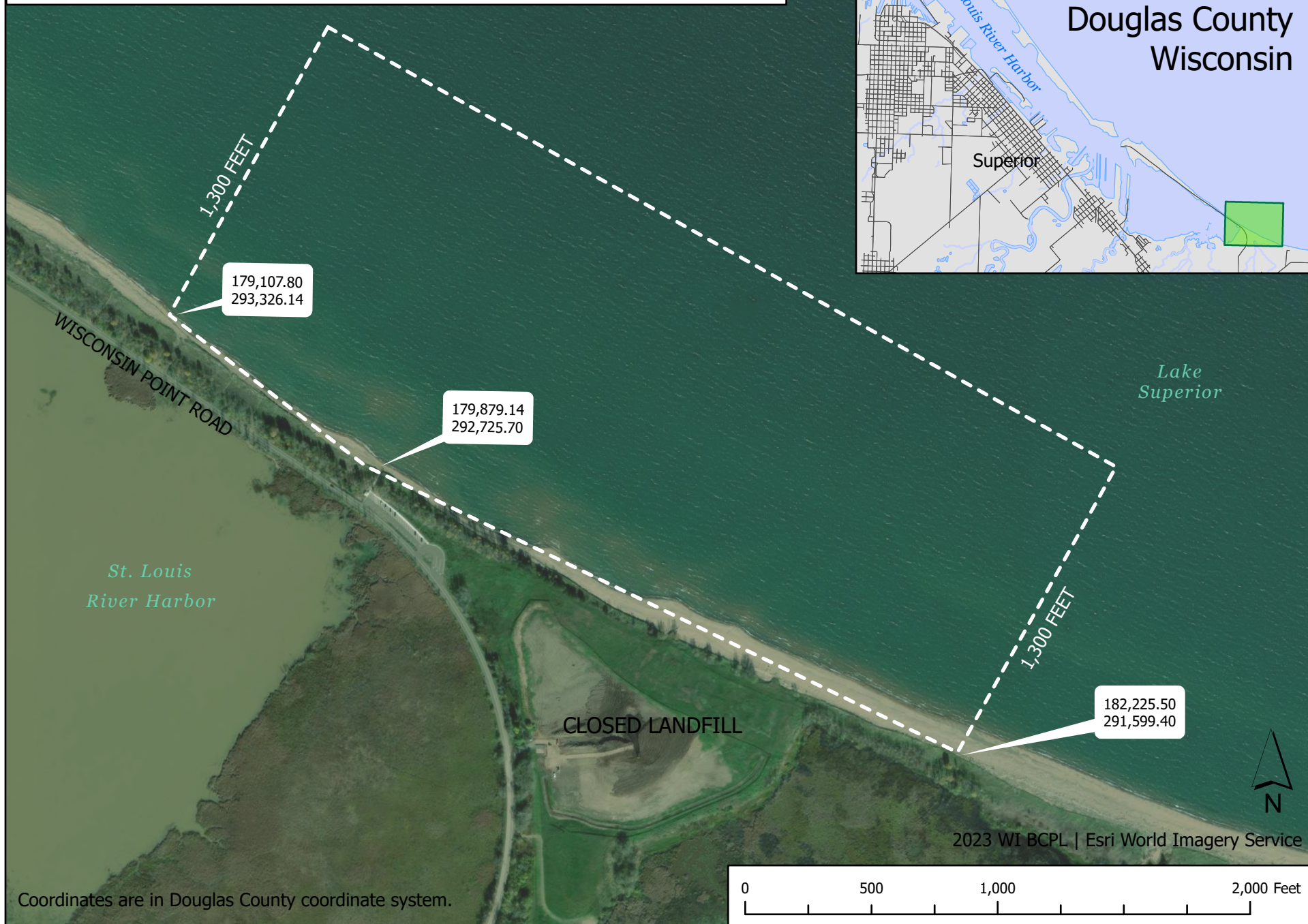
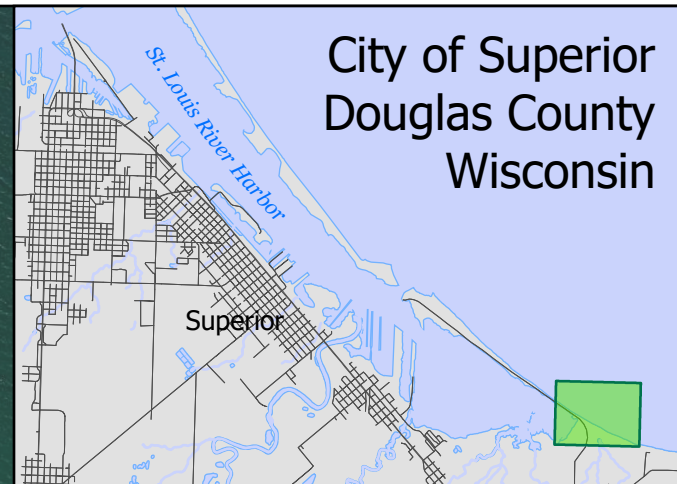
William G. Anderson

Date:
WI Lic. No. S-2547

**Cornerstone Surveying
and Mapping, Inc.**

6637 S. Woodland Trail * Lake Nebagamon, WI 54849
Phone: 715-374-2331 * www.csm-wi.net

Proposed Submerged Land Lease on Wisconsin Point



Coordinates are in Douglas County coordinate system.

Item 5 - EXHIBIT C (page 1 of 4)

State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
2984 Shawano Ave.
Green Bay, WI, 54313

Tony Evers, Governor
Adam N. Payne, Secretary
Telephone 608-266-2621
Toll Free 1-888-936-7463
TTY Access via relay - 711



June 1, 2023

FOR-NO-2022-16-03301

Darienne McNamara
1316 North 14th Street #200
Superior, WI 54880
[sent electronically:
mcmamarad@ci.superior.wi.us]

Douglas County
c/o: County Clerk, Kaci Jo Lundgren
1313 Belknap Street, Room 101
Superior, WI 54880
[sent electronically:
kaci.lundgren@douglascountywi.org]

City of Superior
c/o: City Clerk, Camila Ramos
1316 N. 14th Street, Suite 200
Superior, WI 54880
[sent electronically: cityclerk@ci.superior.wi.us]

U.S. Army Corps of Engineers
180 Fifth St. East Suite 700
St. Paul, MN 55101-1678
[sent electronically:
usace_requests_wi@usace.army.mil]

Re: 30.11 Wis. Stats. Findings for the City of Superior application for a
Submerged Land Lease for Wisconsin Point Resiliency.

Dear Darienne McNamara:

This letter contains important information regarding your DNR application for submerged land lease findings in the City of Superior, Douglas County. The submerged land lease findings are for the following parcels: 10-810-02440-00, 11-811-06996-00, and 11-811-06997-00.

The Department has determined that the lease will not threaten excessive destruction of wildlife habitat and the filling on submerged lands are consistent with the public interest in navigable waters. The purpose of the submerged land lease for Wisconsin Point is to improve the point's resiliency to predicted climate change stressors such as increased frequency of storm surges, more rapid and frequent fluctuations in lake levels, and increased wind speeds over Lake Superior. In doing so, the Wisconsin Point Resiliency Team will evaluate resiliency actions that incorporate natural processes, design with naturally occurring systems, and accept change as an important part of the system and solution to benefit this culturally significant area and citizens of Wisconsin.

If you have any questions about this letter, please feel free to call me at (715) 416-3827 or you can reach me by email at Sarah.Szabo@wisconsin.gov.

Sincerely,

Sarah Szabo
Water Management Specialist

Item 5 - EXHIBIT C (page 2 of 4)

Email CC: Tom German, Executive Secretary, Board of Commissioners of Public Lands
Linda Cadotte, Director of Parks, Recreation, and Forestry, City of Superior
David Grandmaison, Water Resources Management – Habitat Specialist

Attached: City of Superior Wisconsin Point Submerged Lakebed Lease Map

Item 5 - EXHIBIT C (page 3 of 4)

DEPARTMENT OF NATURAL RESOURCES FINDINGS PURSUANT TO 30.11 WISCONSIN STATUTES RELATING TO AN APPLICATION TO RENEW A SUBMERGED LAND LEASE, FOR-NO-2022-16-03301, TO THE CITY OF SUPERIOR FOR WISCONSIN POINT RESILIENCY.

The Department of Natural Resources (Department) has been notified of the proposed Submerged Land Lease (Lease) submitted to the State of Wisconsin Board of Commissioners of Public Lands (Lessor) by the City of Superior (Lessee) as required under Section 24.39 and 30.11, Wis. Stats., and hereby makes these findings.

- A. The City of Superior is the riparian owner of the parcels: 10-810-02440-00, 11-811-06996-00, and 11-811-06997-00.
- B. Wisconsin Point and the surrounding submerged lands are a significant landscape feature that have historically provided a sense of place: culturally, historically, recreationally, and ecologically.
- C. The Department has determined that the lease will not threaten excessive destruction of wildlife habitat and the filling on submerged lands are consistent with the public interest in navigable waters.
- D. All uses and activities in the lease area shall remain consistent with navigational uses as described in 24.39 Wis. Stats.
- E. Upon reasonable notice, the Lessee shall allow access to the project site during reasonable hours to any Department employee who is investigating the project construction, operation, maintenance, or compliance.
- F. The lease is valid for a period of no more than 25 years. Any activities to fill, place structures, grade, or conduct any other regulated activity in the area leased may require Department authorization.
- G. The Department hereby determines on the basis of the findings listed above that the proposed physical changes in the navigable water of Lake Superior as a result of the execution of a submerged land lease are consistent with the public interest upon compliance with the conditions specified in findings.

Dated at the Northeast Region Headquarters on 06/01/2023.

STATE OF WISCONSIN DEPARTMENT OF NATURAL RESOURCES
For the Secretary

By: 

Sarah Szabo

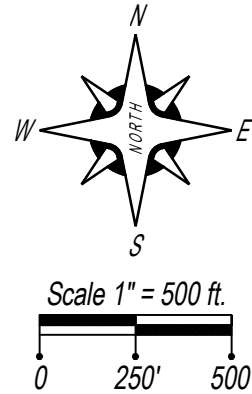
Water Management Specialist

Legal Description:

Item 5 - EXHIBIT C (page 4 of 4)

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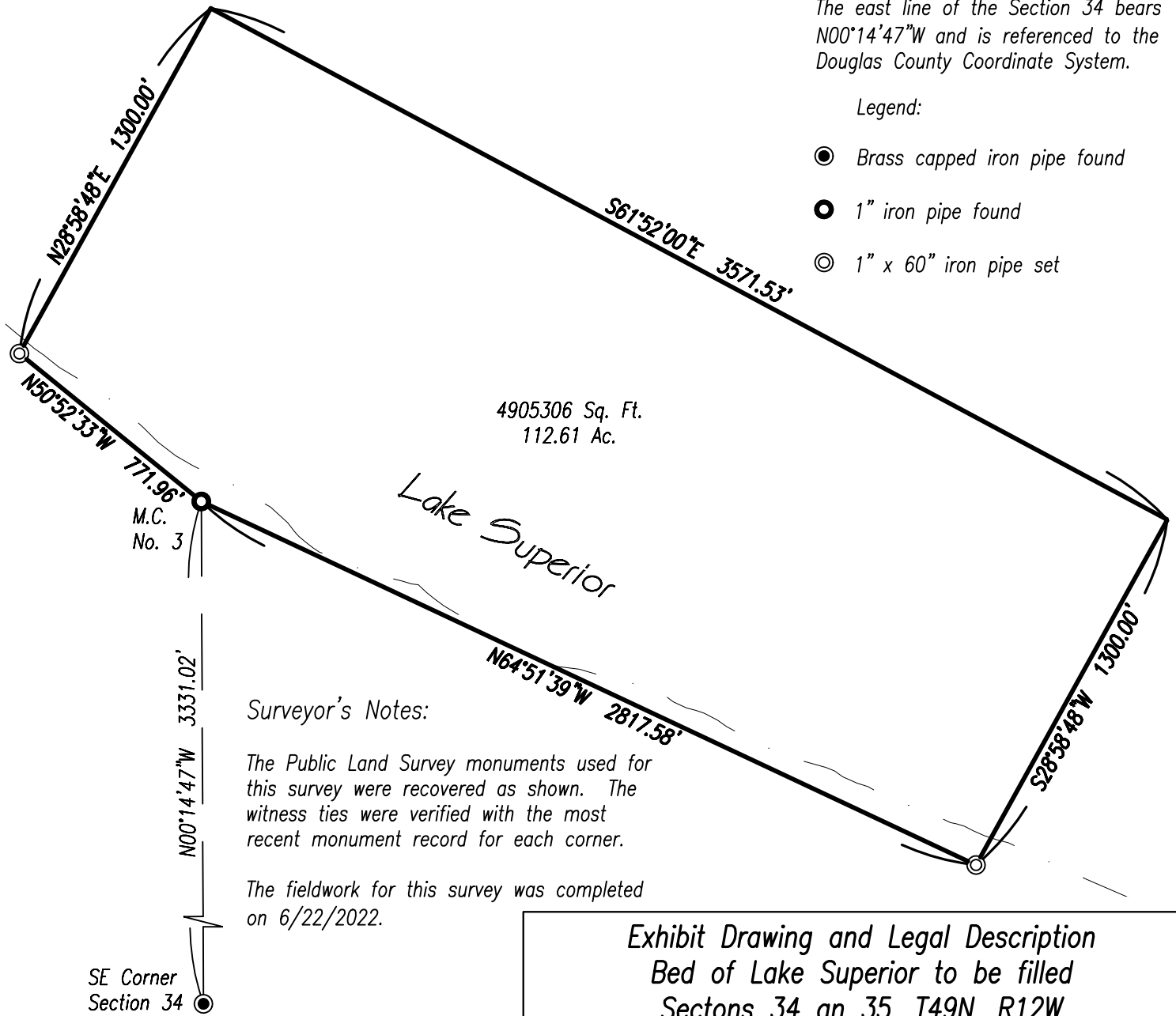
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- ◎ 1" x 60" iron pipe set



Surveyor's Notes:

The Public Land Survey monuments used for this survey were recovered as shown. The witness ties were verified with the most recent monument record for each corner.

The fieldwork for this survey was completed on 6/22/2022.

**Exhibit Drawing and Legal Description
Bed of Lake Superior to be filled
Sectons 34 an 35, T49N, R12W**

I hereby certify that this survey was prepared by me or under my direct supervision in accordance with Chapter A-E 7 and that it is correct to the best of my knowledge and belief.

William G. Anderson

Date:
WI Lic. No. S-2547

**Cornerstone Surveying
and Mapping, Inc.**

6637 S. Woodland Trail * Lake Nebagamon, WI 54849
Phone: 715-374-2331 * www.csm-wi.net

**BOARD MEETING
DECEMBER 5, 2023**

**AGENDA ITEM 6
PROPOSED ALLOCATION AND DESIGNATION OF LANDS RECEIVED IN THE
USFS LAND EXCHANGE (E1502)**

- A. Pursuant to Wis. Stat. Section 24.09(1)(b), BCPL may exchange any parcel of school trust lands for any other land of approximately equal value.
- B. Last year, BCPL closed on a significant land exchange with the United States Forest Service (“USFS”) (BCPL Transaction # E1502) in which BCPL conveyed approximately 4,350 acres of land to the USFS in exchange for approximately 3,350 acres of land. A comprehensive appraisal was completed which valued the total parcels contributed by each party at approximately \$8,500,000.
- C. The Normal School Fund contributed the vast majority of the acreage and value for the exchange transaction. In total, the Normal School Fund contributed approximately 3,950 acres to the transaction.
- D. The Common School Fund contributed approximately 398 acres to the transaction. These parcels are comprised of:
 - a. Approximately 198 acres located in Long Lake Township in Florence County;
 - b. Approximately 160 acres located in Ross Township in Forest County; and
 - c. Approximately 40 acres located in Worchester Township in Price County.
- E. However, at the time the exchange closed, BCPL did not have specific estimates on the values of the individual parcels contributed by each of the separate trust funds. Nor was a value assigned to individual parcels being conveyed by the USFS to BCPL. The land exchange was finally closed but BCPL still needs to finalize an allocation of the lands received between the two trust funds.
- F. In order to achieve a proper allocation, BCPL engaged professional appraiser Bill Steigerwaldt to perform an appraisal supplement with a focus on the lands contributed by the Common School Fund. Mr. Steigerwaldt was also engaged to provide an appraisal supplement on the value of certain individual parcels that BCPL received from the USFS in the exchange. Mr. Steigerwaldt had personally performed all of the appraisals for the land exchange with the USFS, had personally walked the properties and was familiar with the lands.
- G. The parcels identified by BCPL staff as suitable for allocation to the Common School Fund were chosen based on two criteria: 1) estimated value of the parcels and 2) proximity to other current Common School Trust Lands. The proximity criterion was

used as it would make it easier to manage timber sales in the future if the selected lands were contiguous to existing Common School Trust Lands thereby negating the need for setting boundary lines or allocating timber sale proceeds if a timber sale included both the Normal School Trust Lands and Common School Trust Lands. These parcels, the "Proposed Common School Trust Lands", are depicted on attached Exhibit A and are all located in Forest County and legally described as:

- a. The Northeast Quarter of the Northeast Quarter, The Southeast Quarter of the Northeast Quarter and the Northeast Quarter of the Southeast Quarter, all in Section 31, Township 38 North, Range 14 East; and
 - b. The Northwest Quarter of the Northwest Quarter and the Southwest Quarter of the Northwest Quarter all in Section 32, Township 38 North, Range 14 East.
- H. Mr. Steigerwaldt's appraisal supplement is attached here as Exhibit B. He determined that the value of the approximately 398 acres of Common School Trust Lands conveyed to the USFS was \$340,000. He further determined that the approximately 200 acres of Proposed Common School Trust Lands conveyed by the USFS identified by BCPL staff as suitable for allocation to the Common School Fund would also have a value of \$340,000. These outgoing and incoming parcels would be approximately equal value in accordance with Wis. Stats. Section 24.09.
- I. BCPL staff accepts Mr. Steigerwaldt's appraisal supplement and recommends that the Board accept such appraisal supplement. BCPL staff further recommends that the Proposed Common School Trust Lands described above be allocated to the Common School Fund as Common School Trust Lands. BCPL further recommends that all other lands received by BCPL in the USFS exchange be allocated to the Normal School Fund as Normal School Trust Lands.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands accepts the appraisal supplement of Mr. Steigerwaldt and accepts the recommendations of BCPL staff to allocate the Proposed Common School Trust Lands to the Common School Fund as Common School Trust Lands.

BE IT FURTHER RESOLVED, that the Board hereby orders that: The Proposed Common School Trust Lands are allocated to the Common School Trust Fund as Common School Trust Lands and all other lands received in the above described exchange transaction with the USFS shall be allocated to the Normal School Fund as Normal School Trust Lands. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

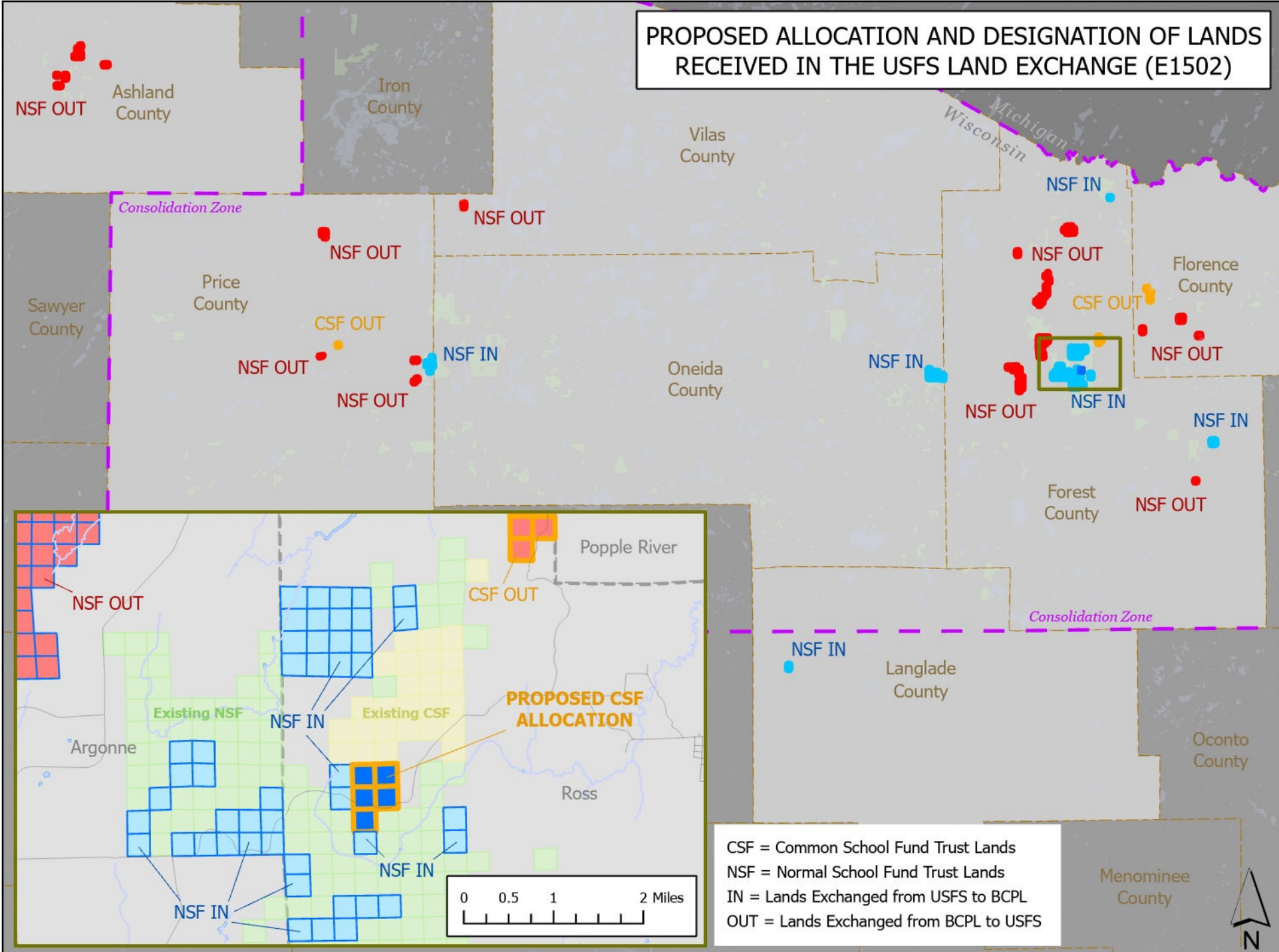
Attachments:

Exhibit A – Map

Exhibit B – Appraisal Supplement by William Steigerwaldt

Item 6 - EXHIBIT A

PROPOSED ALLOCATION AND DESIGNATION OF LANDS RECEIVED IN THE USFS LAND EXCHANGE (E1502)



November 21, 2023

Micah Zeitler, Real Estate Specialist
Board of Commissioners of Public Lands
P.O. Box 277
Lake Tomahawk, Wisconsin 54539

Re: USFS/BCPL Land Exchange – Appraisal Supplement

Dear Mr. Zeitler:

This letter will serve as an appraisal supplement to the completed USFS/BCPL land exchange completed on December 12, 2022. In this land exchange, the Board of Commissioners of Public Lands (BCPL) divested 4,349.58 acres which included 397.69 acres in the Common School Fund (CSF). In return, the BCPL received 3,658.58 acres from the United States. The exchange had an effective date of value of September 1, 2020. The appraisal reports are incorporated by reference to this supplement.

Scope of Work

The purpose of the supplement is to provide values for the lands divested in the CSF and to provide a set of legal descriptions acquired in the exchange to serve as replacement. After discussions with the client, it was decided that values for the property in the CSF should be based on individual tract values observed in the market, and not their contributory value to over 4,000 acres in an exchange. The perspective of the analysis is retrospective, dating back to market conditions as of the September 1, 2020 effective date.

The scope of work for this assignment included a review of materials from the appraisals provided by the client, a market study of appropriate sales in Price and Forest Counties in the period from 2018 to 2020. This is a desk assignment and no timber cruises or inspections of the CSF lands, replacement lands, nor the sales were performed by this author. The client is the BCPL. The intended use of the analysis is to use market data to evaluate lands removed from the CSF, and to use market data to evaluate an appropriate acreage for replacement. This supplement is not an appraisal report, and it is not intended to be relied upon for sale purposes of the individual tracts. The intended users of the supplement are officials in the BCPL.

The CSF Parcels

The CSF lands are three parcels comprised of 197.69 acres in Long Lake Township in Florence County, 160 acres in Ross Township in Forest County, and 40 acres in Worchester Township in Price County.

CSF Parcel Values

- 1) 197.69 acres in Florence County – As provided in the 2020 appraisal report, this CSF land was used to balance the exchange, with a separate appraised value provided at \$177,921. This value from 2020 will be used for this tract valuation.

- 2) 160 acres in Forest County – this parcel has road access but is heavily impacted by swamp and wetlands. My analysis of three sales in Forest County from 2018 to 2020 provide the following:

Date	Document #	Acres	Price/Acre	Comparison	Rating
2018	224965	120.00	\$500	Similar mix of swamp and hardwood with easement access	Inferior
2018	226947	320.00	\$500	Hardwood and forested wetlands with no access	Inferior
2020	232140	136.00	\$882	Forested wetlands with access	Superior

From these three sales, a value of \$650 per acre or \$104,000 is deemed appropriate for the 160 acres.

- 3) 40 acres in Price County – This parcel is a well wooded tract with road access. Five forestland sales in Price County (Worcester and nearby townships) with road access are provided as follows:

Date	Document #	Acres	Price/Acre	Comparison	Rating
2020	387163	40.00	\$1,875	Hardwood forest	Similar
2020	390134	40.00	\$1,623	Hardwood forest	Similar
2020	390478	40.00	\$1,413	Hardwood forest	Similar
2020	390556	40.00	\$1,425	Hardwood forest	Similar
2020	385354	40.00	\$1,300	Forested wetlands	Inferior

From these five sales, a value of \$1,500 per acre or \$60,000 is appropriate for the 40 acres.

Summary

CSF Tract	Value
197.69 acres in Florence County	\$177,921
160.00 acres in Forest County	\$104,000
40.00 acres in Price County	\$ 60,000
Total:	\$341,921
Rounded To:	\$340,000

The Replacement Lands

The client has requested that lands received in the exchange from the United States, and specifically in Forest County on Double Bend Road, be used as the replacement property in the CSF. In the same search for property sales in Forest and nearby Florence County, the following sale are applicable to the property character on Double Bend Road:

Date	Document #	Acres	Price/Acre	Comparison	Rating
2018	224944	280.00	\$1,609	Hardwood forest	Similar
2018	224945	457.00	\$1,854	Hardwood forest	Similar
2020	285114	214.00	\$1,505	Hardwood forest	Similar
2020	229062	428.00	\$1,589	Hardwood forest	Similar

These sales are hardwood forest that range from \$1,505 to \$1,854 per acre. It is my opinion that the lands along Double Bend Road would have a value of \$1,700 per acre if in similar sizes. Therefore, 200 acres of replacement land would be required. Based on land characteristics, the following legal descriptions would be used for transfer to the CSF:

Section-Town-Range	Description	Acres
31-T38N-R14E	NE NE, SE NE, NE SE	120.00
32-T38N-R14E	NW NW, SW NW	80.00
Total:		200.00

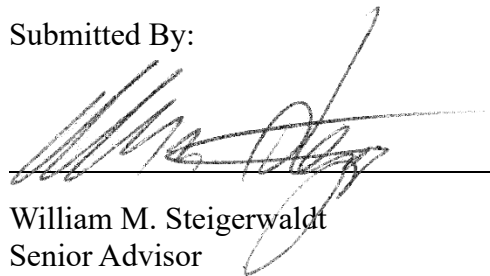
Conclusion

The assignment is summarized as follows:

Value of three CSF parcels with 397.69 acres: \$340,000

Value of the 200.00 acres selected for replacement on Double Bend Road: \$340,000

Submitted By:



William M. Steigerwald
Senior Advisor
LandVest, Inc.