

**Sale & Exchange of Property & BWCA Subcommittee
Permanent School Fund Advisory Committee
Wednesday, August 12, 2009
1:00 p.m., 107 State Capitol**

Minutes

Present: Ron Nargang - Chair, Representative Denise Dittrich, Senator Tom Saxhaug, Mark Johnson (by telephone)

Absent: Senator Satveer S. Chaudhary, John Herman, Robert Krepps, Superintendent Patty Phillips

Ron Nargang called the meeting to order at 1:10 p.m.

Goal Statement – Discussion of Subcommittee Goal Statement

Ron Nargang introduced the draft goal statement.

Subcommittee discussion and questions followed.

Next step:

The Subcommittee agreed that some additions to the draft goal statement needed to be made. The revised draft goal statement will be circulated electronically before the next meeting and the Subcommittee will try to finalize the goal statement at the next meeting.

BWCAW – Presentation by DNR Staff and Discussion

Paul Pojar, DNR, presented pros and cons of different options for removing the school trust lands from the BWCAW.

The following options with pro and cons were presented:

- (1) Land exchange with the federal government following standard procedures.
- (2) Condemnation of school trust land.
- (3) Conservation easement issued on school trust land (legislation needed).
- (4) Court action seeking reverse condemnation.
- (5) Federal legislation enacted that mandates land exchange.

Subcommittee discussion and questions followed.

Paul Pojar, DNR, also presented on the federal government's failure to make lease payments on a few different areas used to access the BWCAW.

Subcommittee discussion and questions followed.

Next steps:

- (a) Subcommittee decided to focus on the option for removing lands from the BWCAW and not the lease issues.
- (b) Subcommittee visit with Range delegation, possibly in September.
- (c) Subcommittee visit with state's Congressional delegation.
- (d) Bring options for removing the school trust lands from the BWCAW to full committee.

Alternative Revenue Sources - Presentation by DNR Staff and Discussion

Dan Roark, DNR, reviewed the State of Washington Vehicle Use Permit program used to produce revenue for maintenance of water access sites and wildlife areas.

Subcommittee discussion and questions followed.

Next step:

Subcommittee would like to see some variations of the Montana and Washington programs that charge fees for use of state lands. These variations will take into account how the school trust will benefit from such programs.

Bass Lake Trespass - Presentation by DNR Staff and Discussion

Kathy Lewis, DNR, reviewed the history and the current status of the trespass on school trust lands near Bass Lake in Beltrami County.

Subcommittee discussion and questions followed.

The Subcommittee advised the DNR to hold off on a sale at this time and attempt to complete an exchange in the future.

Discussion of Future Meeting Topics

The Subcommittee decided the following topics would be addressed at the next meeting:

- (1) Finish up discussion of issues identified at the June 18, 2009 meeting.
- (2) Revised Goal Statement.
- (3) Variations on the Montana and Washington permit programs.

Next Meeting

The Subcommittee decided to meet again on September 17th, from 9:00 to 11:00 a.m., in a room at the State Capitol.

The meeting was adjourned at 2:55 p.m.

Ron Nargang, Chair