



Douglas La Follette
Secretary of State

Jack C. Voight
State Treasurer

Peggy A. Lautenschlager
Attorney General

Tia Nelson
Executive Secretary

Location: 125 S. Webster Street, Room 200 • Madison, WI 53702

Mailing Address: PO Box 8943 • Madison, WI 53708-8943

General Information (608) 266-1370 • Loans (608) 266-0034 • Fax (608) 267-2787 • Website <http://bcpl.state.wi.us>

AGENDA

May 16, 2006

10:30 A.M.

Attorney General's Conference Room

State Capitol

Madison, Wisconsin

1. Call to Order
2. Approve Minutes – December 20, 2005; January 3 & 17; February 7 & 21; March 7 & 21; April 4 & 18; May 2, 2006
3. Approve Loan
4. Trust Land Items
 - A. Land Bank Authority – Description & Suggested Resolutions
 - Exhibit 1 - Sale & Purchase Criteria
 - Exhibit 2 - Option Form
 - B. Potential Sales, Purchases and Exchanges
 - i. Sawyer County Sale
 - ii. Florence County Sale
 - iii. Jacobson Property Purchase
 - iv. Plum Creek Purchase
 - v. American Timberlands Purchase
 - vi. Tyler Property Purchase
 - vii. Marinette County Exchange
 - C. Exception to ATV Policy for Handicap Access
 - D. Increase Timber Permit Sale Maximum
5. Adjourn

**BOARD MEETING
May 16, 2006**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the previous board meetings. They include:

- December 20, 2005
- January 3, 2006
- January 17, 2006
- February 7, 2006
- February 21, 2006
- March 7, 2006
- March 21, 2006
- April 4, 2006
- April 18, 2006
- May 2, 2006

BOARD ACTION _____

BOARD MEETING

May 16, 2006

AGENDA ITEM 3

APPROVE LOAN

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Amount</u>
1. Adell County of Sheboygan Application #: 02006123 Purpose: Fund street reconstruction and utilities	Village Rate: 5.00 Filed: April 17, 2006	\$600,000.00

BOARD ACTION _____

BOARD MEETING**MAY 16, 2006****AGENDA ITEM 4A
LAND BANK AUTHORITY**

The Board of Commissioners of Public Lands have been granted statutory authority pursuant to 2006 Wisconsin Act 352 (the "Land Bank Law") to acquire land through the use of proceeds from the sale of other BCPL Trust Lands, subject to certain limitations. Pursuant to the enactment of the Land Bank Law, BCPL staff developed a list of criteria for the evaluation of land parcels for sale or purchase. A copy of these purchase and sale criteria are attached as *Exhibit 1*. BCPL staff have also developed an Option Form to be used for the acquisition of property pursuant to the Land Bank Law. The Option Form is virtually identical to the form currently used by the DNR. It has been reviewed and approved by Assistant Attorney General Robert Hunter. The Option Form is attached as *Exhibit 2*. To foster a strong working relationship between agencies with respect to the Land Bank Law, BCPL staff is working on a Memorandum of Understanding (MOU) among the BCPL, DNR and DOA. Finally, the Executive Secretary and BCPL staff are working on the development of additional policies and procedures for the effective implementation of the Land Bank Law.

Recommendation: BCPL staff recommends that the Board:

1. Approve and adopt the purchase and sale criteria attached as Exhibit 1;
2. Approve the use of Option Form attached as Exhibit 2;
3. Authorize and direct the Executive Secretary to develop and execute an MOU with DNR and DOA; and
4. Authorize and direct the Executive Secretary to develop policies and procedures for the effective implementation of the Land Bank Law.

RESOLVED that the Board of Commissioners of Public Lands (the "Board") approves the criteria set forth in Exhibit 1 for the evaluation of sales and purchase of lands pursuant to the Land Bank Law.

FURTHER RESOLVED that the Board approves the use of the Option Form attached as Exhibit 2 by BCPL staff for the acquisition of land pursuant to the Land Bank Law.

FURTHER RESOLVED that the Board authorizes and directs the Executive Secretary to develop and execute an MOU with the DNR and DOA with respect to the implementation of the Land Bank Law.

FURTHER RESOLVED that the Board authorizes and directs the Executive Secretary to develop policies and procedures for the effective implementation of the Land Bank Law.

**BOARD MEETING
MAY 16, 2006**

AGENDA ITEM 4A – Exhibit 1

CRITERIA FOR EVALUATING BCPL LAND SALES

- 1.) Title to a parcel to be sold should be free and clear from encumbrances.
- 2.) Parcels located outside of the Consolidation Zone or isolated unproductive parcels within the Consolidation Zone are candidates for sale.
- 3.) A parcel to be sold should not provide the only reasonable access to other parcels that BCPL intends to retain unless BCPL retains proper easement rights over the parcel to be sold.
- 4.) Parcels with access problems should be analyzed to determine whether it makes financial sense to pay to acquire access rights prior to selling the parcel.
- 5.) If a parcel is located within a project boundary of another government agency or within or adjacent to a parcel of land owned by another unit of government, the parcel should be offered for direct sale to that government entity. If such government entity does not respond within a reasonable period of time to such offer or rejects such offer, the parcel can then be offered for public sale.

CRITERIA FOR EVALUATING BCPL LAND PURCHASES

- 1.) Forest Fragmentation
 - a.) Average tract size increases
 - b.) The ratio of perimeter to area decreases
 - c.) There is a clear reduction of the threat for conversion from forest to non-forest use.
- 2.) Access
 - a.) Management access to our existing timber tracts is improved
 - b.) There is an increase in the number of BCPL acres open to the public
- 3.) Management Efficiency
 - a.) The percentage of upland on BCPL properties increases
 - b.) The amount of line work per acre decreases
 - c.) The average distance from the tracts to the BCPL field office decreases
- 4.) Timber Character and Value
 - a.) The average site index of forest soils on BCPL property increases
 - b.) Within one cutting cycle there is an increase in the potential high value sawlog volume and growth, on the tract
 - c.) There is an increase in the forest types and species that diversify the BCPL's timber portfolio
 - d.) There is an increase in the number of acres and size of tracts where the BCPL has summer logging opportunities

Document Number

Document Title

STATE OF WISCONSIN
Board of Commissioners of Public Lands
Box 8943
Madison, Wisconsin 53708

OPTION

Rev. 5-06

KNOW ALL BY THESE PRESENTS that _____, of _____ Grantor, in consideration of \$1.00 paid to the Grantor or their agent the receipt of which is hereby acknowledged hereby grants an option to the State of Wisconsin Board of Commissioners of Public Lands, Grantee, to purchase the following described property upon the terms and conditions hereinafter provided:

Growing trees, shrubs and perennial plants presently on the premises may not be cut or removed after the date of this option. Included in the purchase price are the following items on the premises which shall be delivered free and clear of any encumbrance:

. If the Grantor shall breach any provision of this paragraph, the Grantee may deduct the amount of damage to the value of the property from the purchase price.

Prior to the closing of this transaction, the Grantor shall remove and properly dispose of all hazardous or toxic wastes or chemicals located on, in or under the above described property.

Recording Area

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

PIN _____

This option may be accepted by the Grantee any time within _____ days from the date of this option by the personal delivery of a notice of acceptance to the Grantor or by mailing said notice to the Grantor by certified mail addressed to the Grantor at _____.

It is expressly agreed that delivery of said notice or the deposit of such notice so addressed in the mails within the stated time period is a sufficient acceptance and shall constitute a binding contract upon the Grantor to convey and the Grantee to purchase the above described property.

A title insurance policy shall be furnished by the Grantee. If there are any defects in title, the Grantor shall have 120 days to cure said defects to the satisfaction of the Grantee; and if the Grantor fails to do so, Grantee may take necessary action to perfect the title and to deduct the cost thereof from the purchase price.

The price at which such property shall be sold to the Grantee is \$_____ and purchase price shall be due and payable after tender and recording of the warranty deed and after issuance and receipt of a title insurance policy showing marketable title in the Grantee.

If the purchase price of this transaction is in excess of \$15,000, then property taxes shall be prorated pursuant to s. 74.15(1), Stats. If the Grantor reserves any estate, interest or rights in said property, any and all real estate taxes and assessments levied during the term of such reservation shall be paid by the Grantor. If the Grantor fails to pay such taxes and assessments when due, such reservation shall terminate and title to said reservation shall immediately vest in the Grantee, and the Grantee shall be entitled to immediate and full possession of said property.

The terms Grantor and Grantee, when used herein, shall mean either masculine or feminine, singular or plural, as the case may be, and the provisions of this easement shall bind the parties mutually, their heirs, successors, personal representatives and assigns.

Dated _____

(Owner/Grantor)

(Owner/Grantor)

By _____
Name

By _____
Name

STATE OF WISCONSIN)
) SS.
COUNTY OF _____)

Personally appeared before me this _____ day of _____, 20____, the above named

to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin
My commission (expires) (is) _____

THIS INSTRUMENT WAS DRAFTED BY THE
STATE OF WISCONSIN
BOARD OF COMMISSIONERS OF PUBLIC LANDS

BOARD MEETING

MAY 16, 2006

**AGENDA ITEM 4B. i.
SAWYER COUNTY SALE**

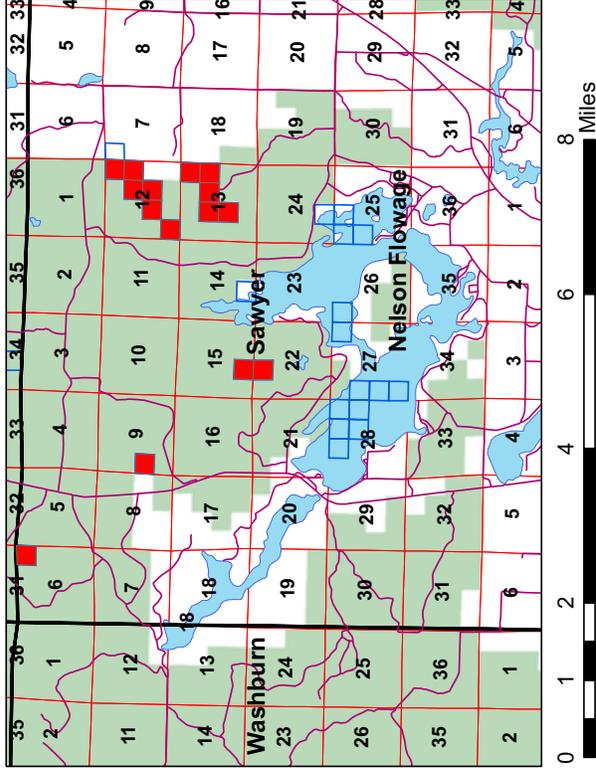
The Sawyer County Forest Administrator has proposed to the Board of Commissioners of Public Lands that Sawyer County purchase all BCPL Trust Lands within the boundaries of the Sawyer County Forest. This includes 34 descriptions for a total of 1362.12 acres (see BCPL Land Bank Sale to Sawyer County map).

The property will be appraised by an independent appraiser and sold to Sawyer County at the appraised value. The cost of the appraisal will be divided evenly between the BCPL and Sawyer County.

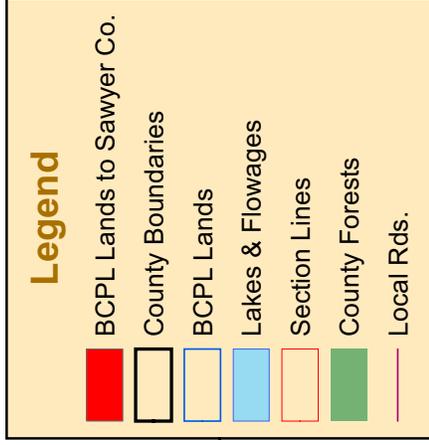
Sawyer County is outside of the BCPL's nine county Consolidation Zone. This sale qualifies for disposition based on the "draft" criteria for evaluating BCPL land sales and the Land Consolidation Plan approved by the Board at the July 10, 2003, board meeting. Proceeds of the sale would be deposited in the Land Bank.

Recommendation: It is recommended the Board approve the proposed Sawyer County land sale.

T42N-R9W - Town of Lenroot

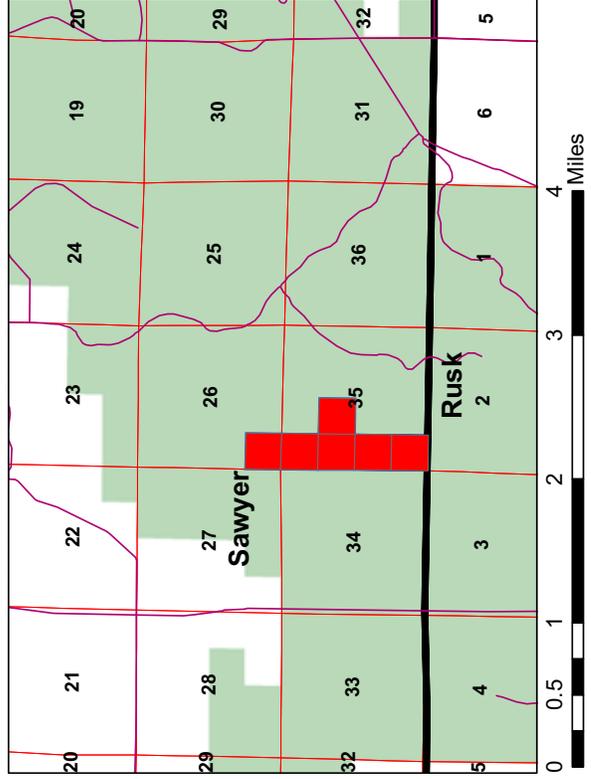


BCPL Land Bank Sale to Sawyer County 1362.12 Acres

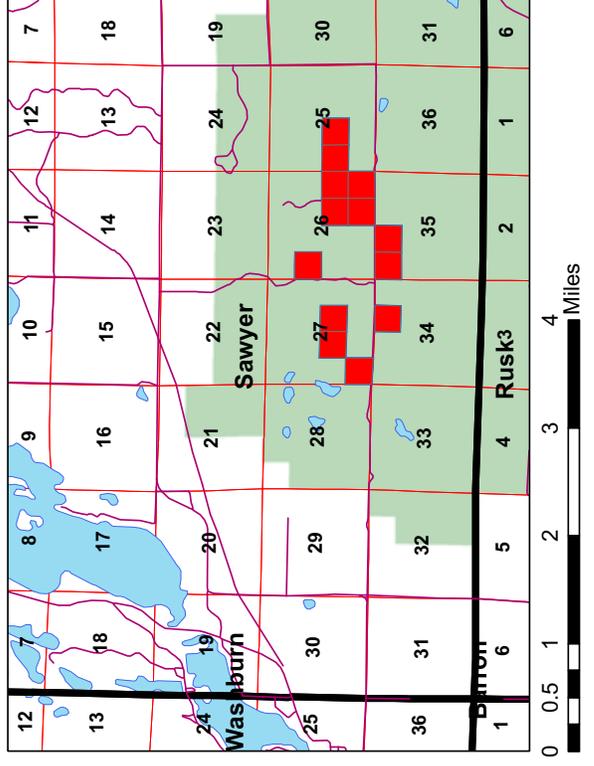


Scale 1:30,000

T37N-R6W - Town of Meadow Brook



T37N-R9W - Town of Edgewater



0 0.5 1 2 3 4 Miles

BOARD MEETING

MAY 16, 2006

**AGENDA ITEM 4B. ii.
FLORENCE COUNTY SALE**

The Florence County Forest Administrator has proposed to purchase from the Board of Commissioners of Public Lands a peninsula on Edith Lake that has approximately 800 feet of frontage and is 2.72 acres in size. The parcel is more accurately described as part of Government Lot 10, Sec 18, T40N-R17E in the town of Florence, Florence County (see BCPL Edith Lake Lot Sale to Florence County map).

The county plans to place a boat launch and gravel parking area on the property. The land will be surveyed to accurately determine the area, frontage and divide the peninsula parcel from the remainder of the approximate 33 acres. An appraisal by an independent appraiser will be obtained and the sale to Florence County will be at the appraised value. The cost of the survey and appraisal is to be divided evenly between the BCPL and Florence County.

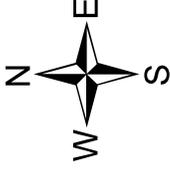
The approximately 2.72 acre parcel is isolated and non productive and qualifies for disposition based on the "draft" criteria for evaluating BCPL land sales and the Land Consolidation Plan approved by the Board at the July 10, 2003, board meeting.

Florence County may want to come to the Board for a short term loan in order to obtain interim financing until funding for the project is received from the DNR. Proceeds of the sale would be deposited in the Land Bank.

Recommendation: It is recommended the Board approve the proposed Florence County land sale.

BCPL Edith Lake Lot Sale to Florence County T40N-R17E Section 18 - 2.72 Acres

Scale 1:4,000



BCPL Lot to Florence County
Approx. 800 Feet of Frontage - 2.72 Acres

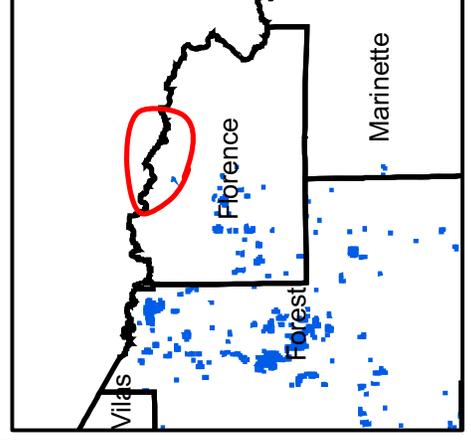
Edith Lake

Edith Lake Rd.

Legend

- Section Lines
- Edith Lake Lot to Florence Co.
- County Boundaries
- BCPL Lands

Locator Map



BOARD MEETING

MAY 16, 2006

**AGENDA ITEM 4B. iii.
JACOBSON PROPERTY PURCHASE**

This agenda item is for informational purposes only and no action is required.

The following property is currently available for purchase, important from a strategic long-term ownership perspective, and conforms to the conditions contained in the Consolidation Plan:

An 80 acre parcel owned by Helen Jacobson located in the township of Ainsworth, Langlade County more accurately described as the SENW, NESW, Sec 2, T34N-R12E has become available for acquisition (see Land Bank Purchase from Helen Jacobson map).

This parcel is an important acquisition as it, in part, gives access to 600 acres of currently land-locked BCPL Trust Lands adjacent to the Jacobson property. If ranked using the “draft” criteria for evaluating BCPL land purchases as outlined in Exhibit 1 of agenda item 4A, this property would meet 8 of 12 criteria.

BCPL staff has negotiated two separate easements, still to be signed, from adjoining landowners that will complete the permanent access to the 680 acres from N. Rolling Stone Lake Road (see Terzinski and Lewis Easements on Jacobson map).

Pending Board approval, obtaining legal access and an appraisal, if necessary, a tentative purchase price of \$140,000 has been negotiated from an asking price of \$180,000.

**Land Bank Purchase from Helen Jacobson - Langlade County
Town of Ainsworth - T34N-R12E Section 2, SENW, NESW - 80 Acres**

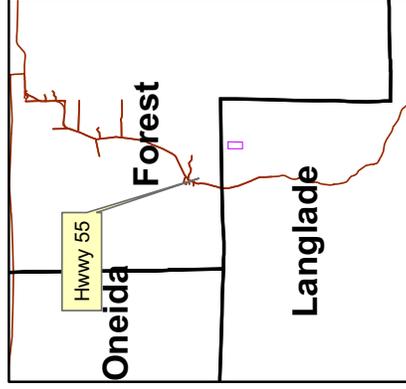
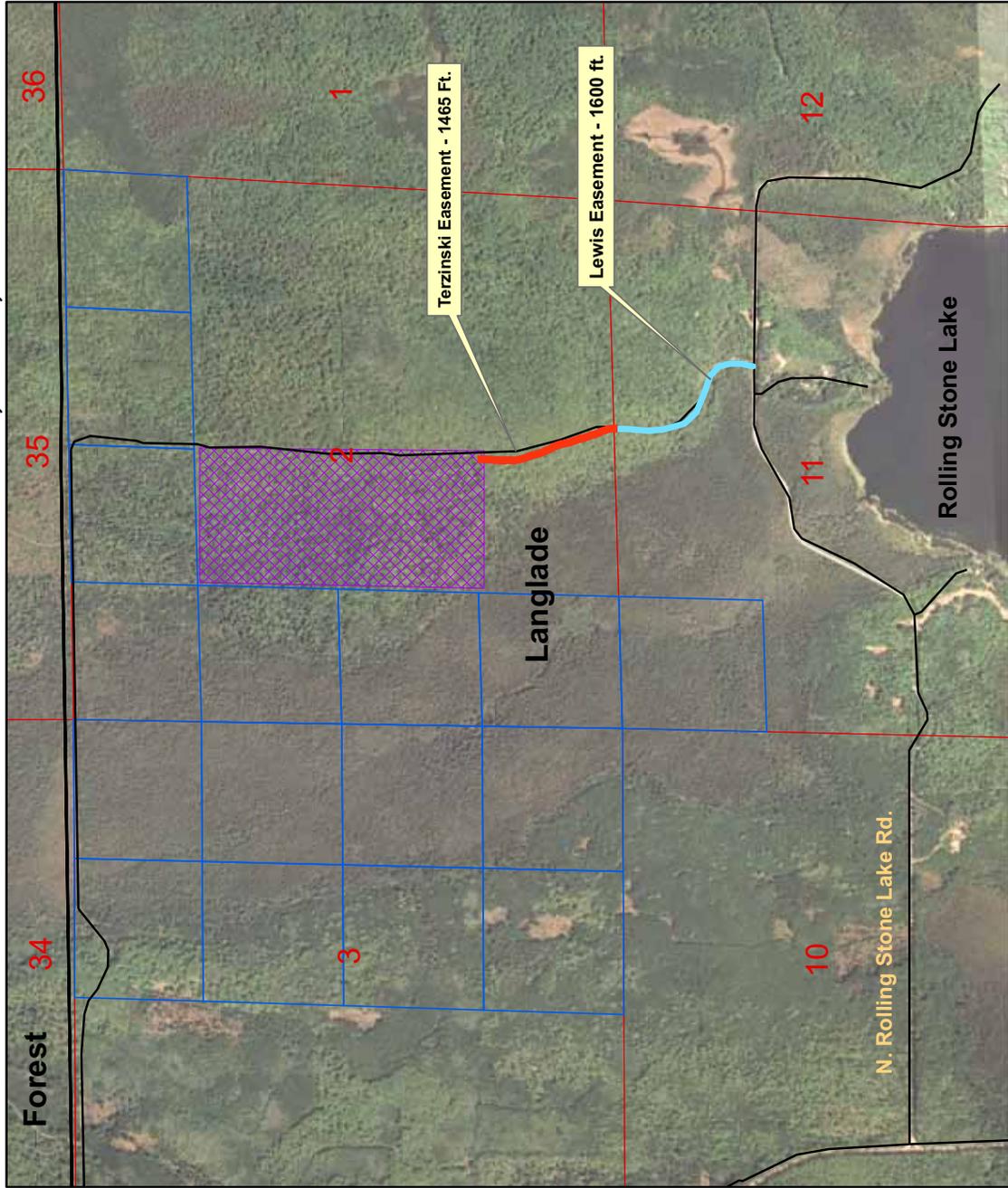


5/1/2006 J.F.S.

Scale 1:8,000

Legend

-  Helen Jacobson Purchase
-  Terzinski Easement
-  Lewis Easement
-  Local Rds.
-  County Boundaries
-  BCPL Lands
-  Section Lines



BOARD MEETING

MAY 16, 2006

**AGENDA ITEM 4B. iv.
PLUM CREEK PURCHASE**

This agenda item is for informational purposes only and no action is required.

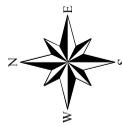
The following property is currently available for purchase, important from a strategic long-term ownership perspective, and conforms to the conditions contained in the Consolidation Plan:

BCPL staff are currently evaluating a 597 acre parcel owned by Plum Creek Timber Company in the Town of Ainsworth, Langlade County more accurately described as the NE¹/₄, E1/2NW, N1/2SE, SESE, Sec. 12; E1/4, Lots 1, 2, 3 & 4, Sec. 13, T34N-R12E (see Land Bank Purchase from Plum Creek map).

This parcel contains both soil and timber types that would compliment other holdings in the consolidation zone. If ranked using the “draft” criteria for evaluating BCPL land purchases as outlined in Exhibit 1 of agenda item 4A, this property would meet 9 of 12 criteria.

The BCPL forestry staff is conducting a comprehensive evaluation of the timber types and timber value on the subject property. Growth and yield calculations of the standing timber will be analyzed to determine the potential income of this property, which has an asking price of \$1,200,000. An outside appraisal may be needed to conducted to determine the current market value of the property.

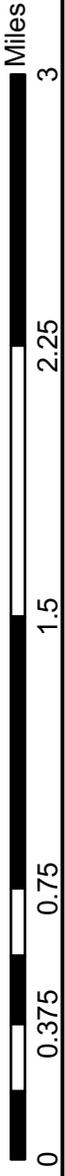
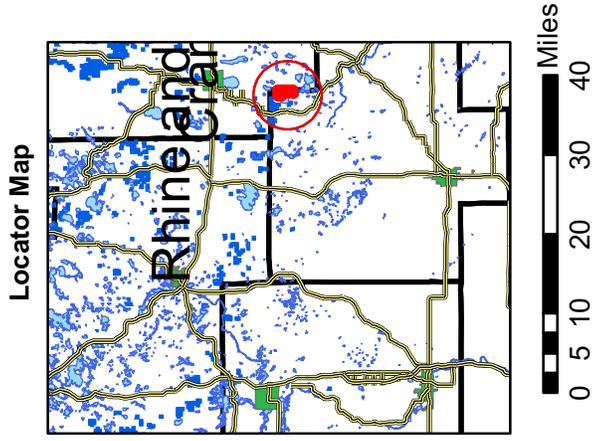
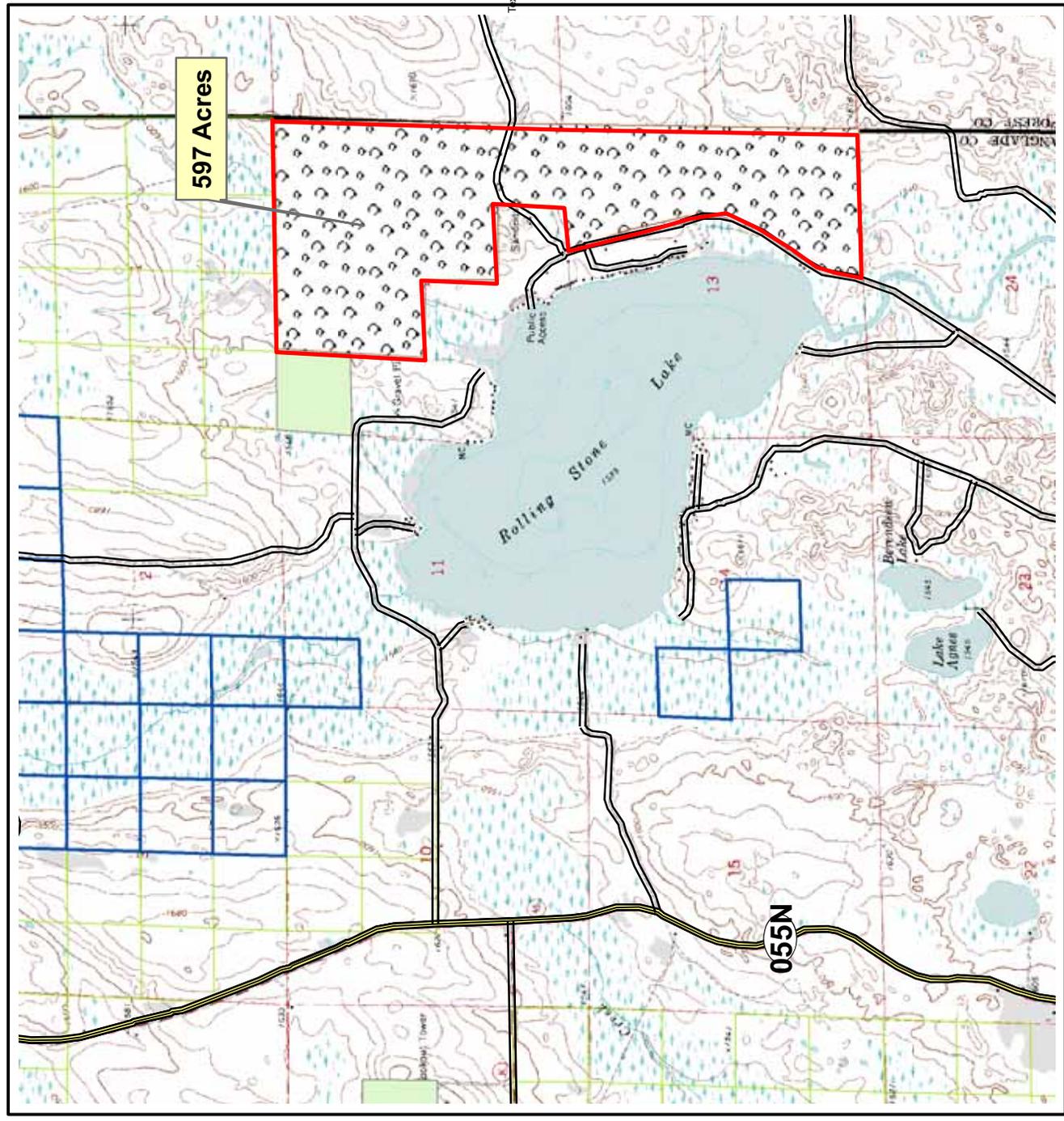
**Land Bank Purchase from Plum Creek - Langlade County, Town of Ainsworth
T34N-R12E - Section 12, NE1/4, E1/2-NW1/4, N1/2-SE1/4, SESE - Section 13, Lots 1,2,3,4**



Scale 1:15,840

Legend

- Local Roads
- State Hwy's
- BCPL Trust Lands
- WI DNR Lands
- County Forests
- County Boundaries
- Rolling Stone Property



BOARD MEETING

MAY 16, 2006

**AGENDA ITEM 4B. v.
AMERICAN TIMBERLANDS PURCHASE**

This agenda item is for informational purposes only and no action is required.

The following property is currently available for purchase, important from a strategic long-term ownership perspective, and conforms to the conditions contained in the Consolidation Plan:

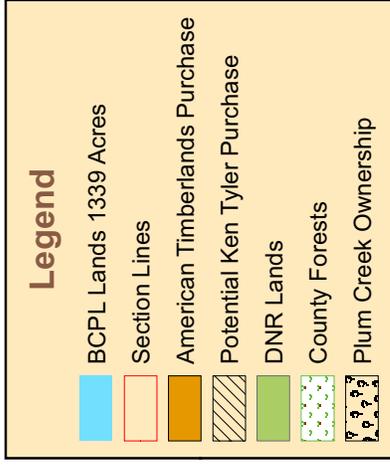
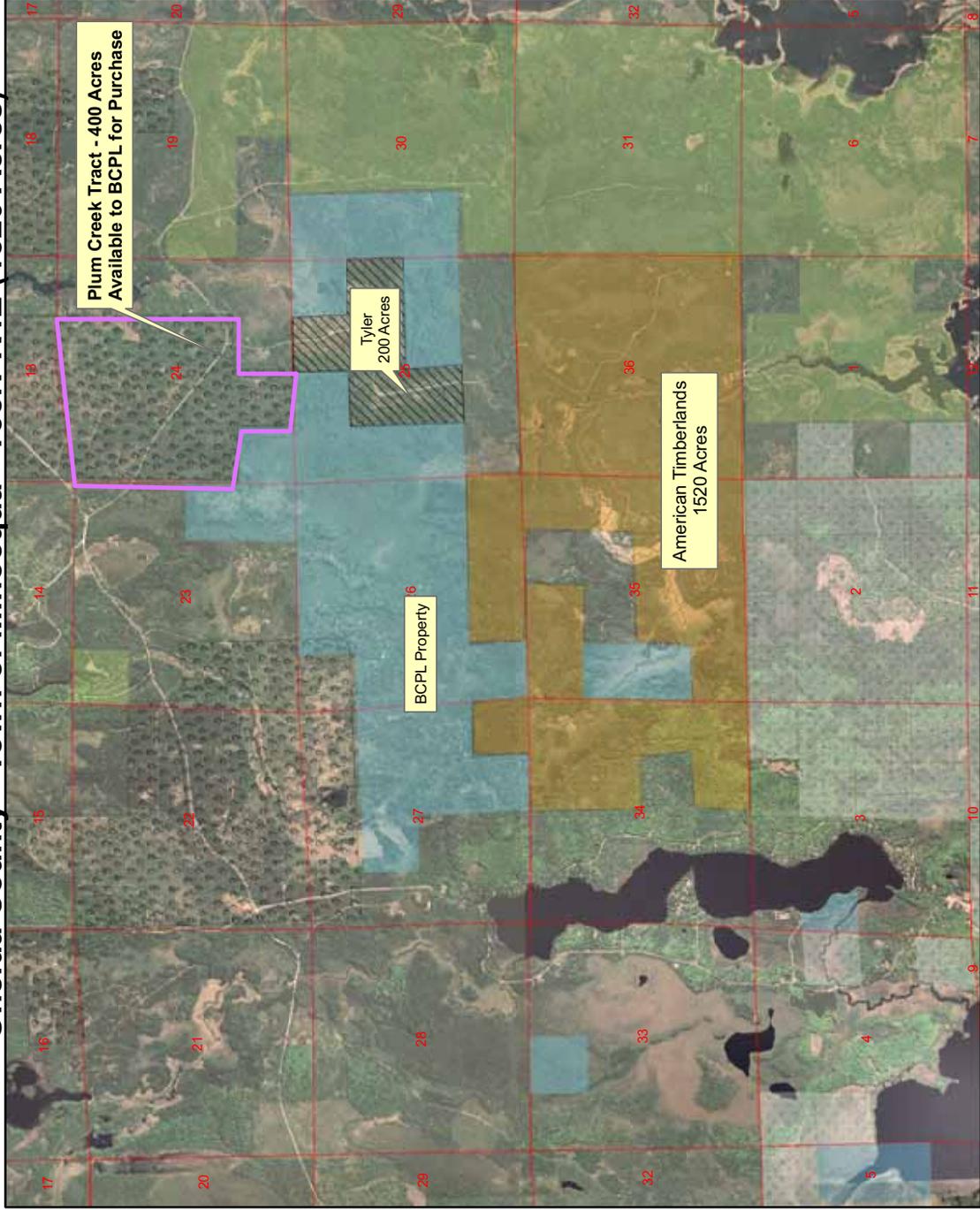
The DNR has requested that the BCPL become partners in a 1520 acre acquisition in the Willow Flowage Scenic Waters Area located in the Town of Minocqua, Oneida County, more accurately described as the S $\frac{1}{2}$ of the SE $\frac{1}{4}$, SESW, Sec 26; SESE, Sec 27; NE $\frac{1}{4}$, NESE, S $\frac{1}{2}$ of the SE $\frac{1}{4}$, Sec 34; N $\frac{1}{2}$ of the NW $\frac{1}{4}$, E $\frac{1}{2}$ of the NE $\frac{1}{4}$, SE $\frac{1}{4}$, NESW, S $\frac{1}{2}$ of the SW $\frac{1}{4}$, Sec 35; all of Sec 36, T38N-R4E (see Land Bank Purchase from American Timberlands map).

The DNR would purchase an easement for public recreation and to preclude development. This would lower the BCPL's cost to acquire the property in fee. Given the DNR's budget for the next two years, it is unlikely that the DNR would be able to purchase this property. This property lies within their Willow Flowage project boundary and would be an important acquisition for the DNR.

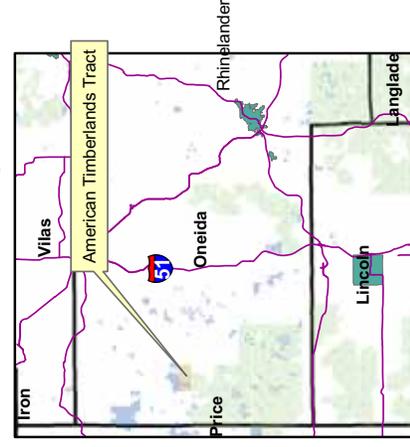
This parcel would also be an important purchase for the BCPL as it abuts over one thousand acres of existing and currently land-locked BCPL Trust Lands (see the blue area on map). If ranked using the "draft" criteria for evaluating BCPL land purchases as outlined in Exhibit 1 of agenda item 4A, this property would meet 9 of 12 criteria.

The DNR has a current appraisal on the property. Taking into consideration the easement for public recreation that the DNR will have placed on the property, the BCPL's negotiated price should be well below the normal market price.

Land Bank Purchase from American Timberlands Oneida County - Town of Minocqua - T38N-R4E (1520 Acres)



Locator Map



BOARD MEETING

MAY 16, 2006

**AGENDA ITEM 4B. vi.
TYLER PROPERTY PURCHASE**

This agenda item is for informational purposes only and no action is required.

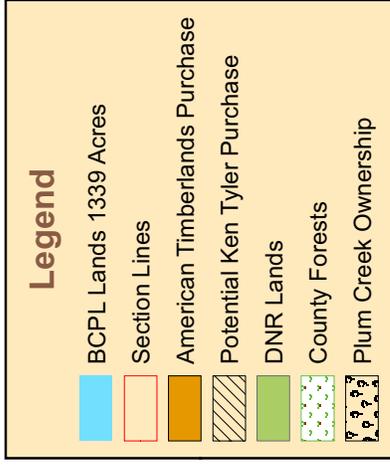
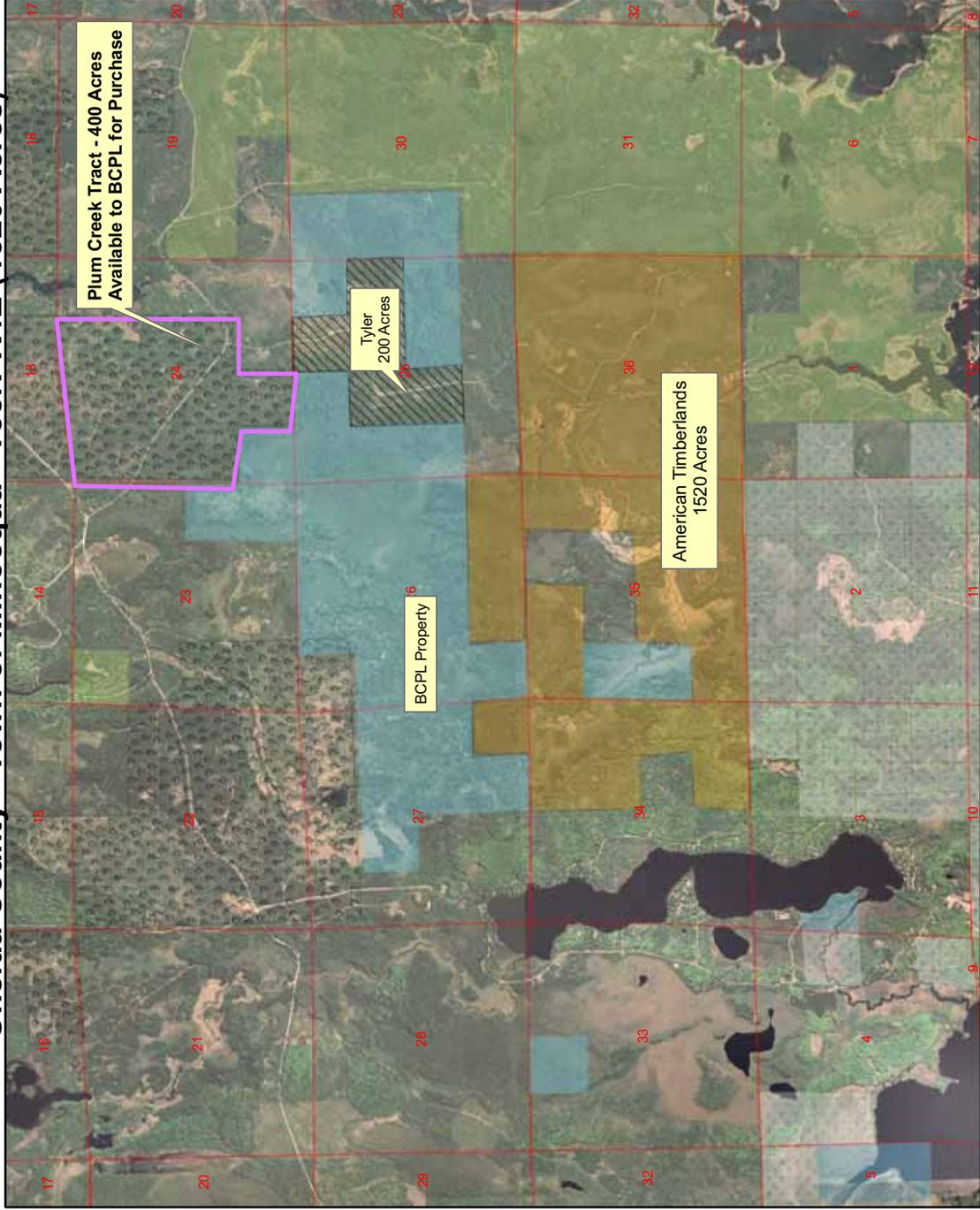
The following property is currently available for purchase, important from a strategic long-term ownership perspective, and conforms to the conditions contained in the Consolidation Plan:

The Board has the opportunity to purchase 200 acres of property owned by Ken Tyler located in the immediate proximity of the American Timberlands property described in agenda item 4B. v. This property is more accurately described as the NWNE, SWNE, SENE, SENW, NESW of Sec 25, T38N-R4E in the town of Minocqua, Oneida County (see the diagonal lines on the Land Bank Purchase from American Timberlands map).

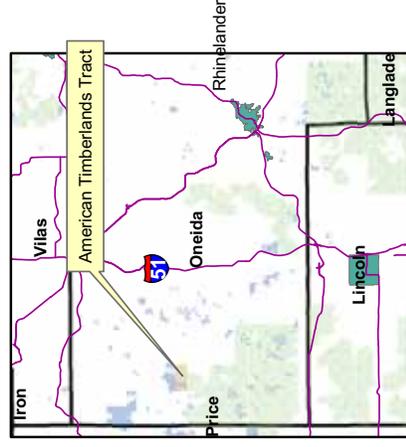
The Tyler parcel would be an important acquisition as it gives access to 1259 acres of BCPL Trust Lands, which is currently land-locked. This purchase would also create a contiguous block with the BCPL parcels to the east and west of the Tyler property. If ranked using the “draft” criteria for evaluating BCPL land purchases as outlined in Exhibit 1 of agenda item 4A, this property would meet 9 of 12 criteria.

It is anticipated that a negotiated price for this purchase would be approximately \$375,000.

Land Bank Purchase from American Timberlands Oneida County - Town of Minocqua - T38N-R4E (1520 Acres)



Locator Map



BOARD MEETING

MAY 16, 2006

AGENDA ITEM 4B. vii.

BCPL / MARINETTE COUNTY LAND EXCHANGE

A land exchange has been proposed by the Marinette County Forestry Department that would transfer a 80 acre tract of isolated BCPL land more accurately described as the S1/2NW, Sec 30, T32N-R19E in the Town of Stephensen, Marinette County to Marinette County in exchange for 80 acres of Marinette County property more accurately described as the SWNW, NWSW of Sec 35, T34N-R18E in the Town of Silver Cliff, Marinette County (see Land Exchange with Marinette County map).

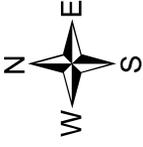
This is an advantageous exchange for the BCPL as the property to be received from Marinette County is contiguous with a larger 3040 acre BCPL tract and has excellent access from Camp 10 Road on the west side of the property (see map). Acquisition of this 80-acre parcel by the BCPL would create a single 3120-acre block. The 80 acre tract to be transferred to Marinette County is isolated and a good candidate for disposition.

This exchange is important to Marinette County as they intend to exchange this parcel with a third party that will protect lake frontage on Phillips Lake in the town of Athelstane, T35N-R19E.

An appraisal of both properties to be exchanged will be conducted by an independent appraiser and the appraisal cost divided between the BCPL and Marinette County. The two parcels should be nearly equal in value.

Recommendation: It is recommended the Board approve the proposed land exchange.

Land Exchange with Marinette County - 80 Acres Each

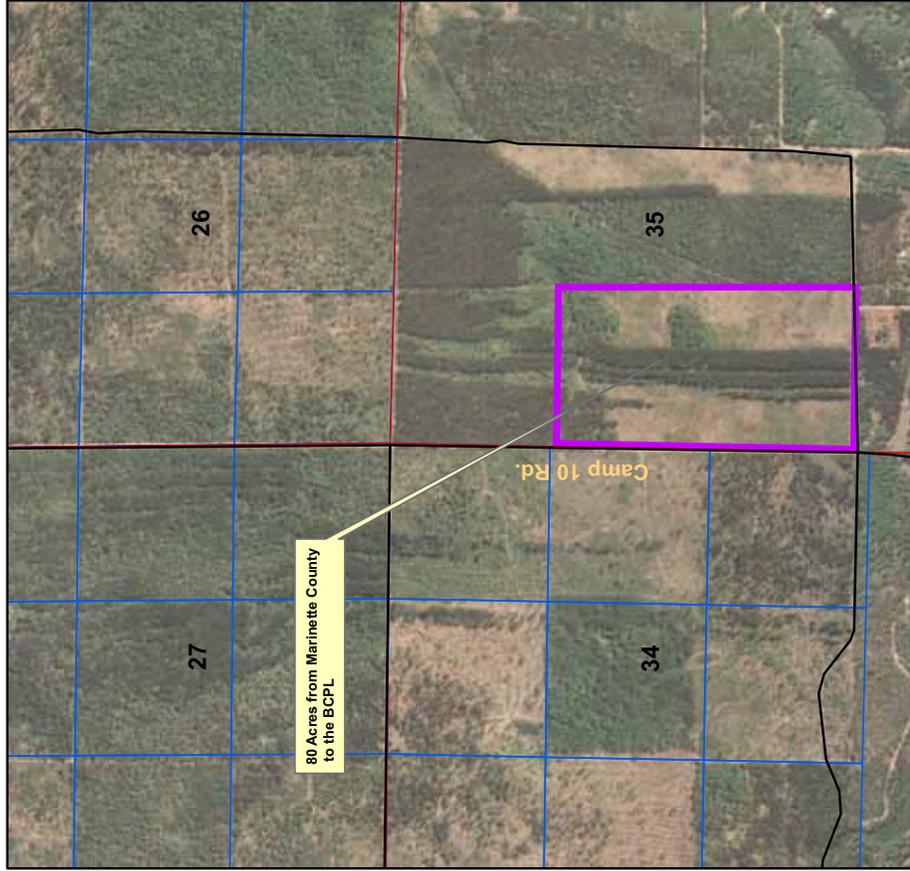


Scale 1:8,500

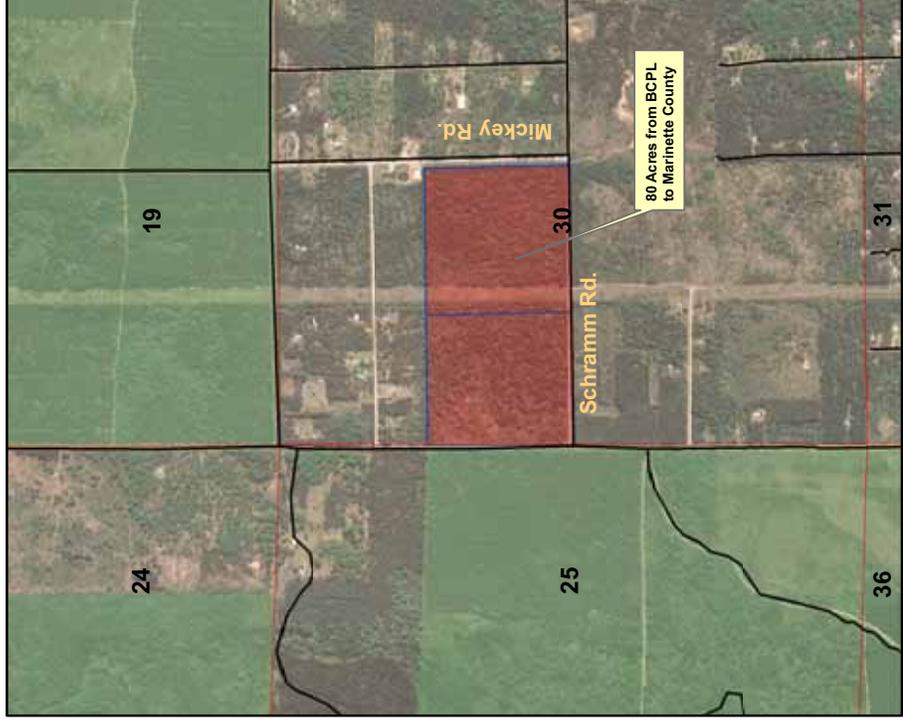
Legend

- BCPL Land to Marinette Co.
- County Forests
- Local Rds.
- BCPL Lands
- Marinette Co. to BCPL
- Section Lines

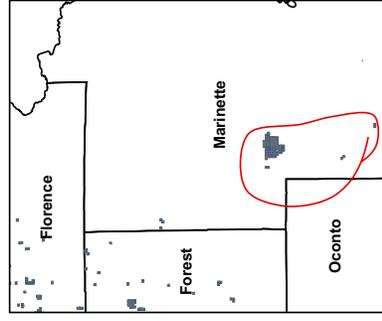
T34N-R18E Section 35, SWNW, NWSW - Town of Silver Cliff



T32N-R19E Section 30, S1/2NW - Town of Stephenson



Locator Map



5/12/06 J.F.S.

BOARD MEETING

MAY 16, 2006

AGENDA ITEM 4C

EXCEPTION TO ATV POLICY FOR HANDICAP ACCESS

The Board of Commissioners of Public Lands generally posts its Trust Lands with a prohibition against the use of All Terrain Vehicles (ATVs). The DNR also has a general prohibition against the use of ATVs on DNR lands with limited exceptions. BCPL staff have been asked by a disabled veteran, Mr. Phillip Smith, for permission to use his ATVs on certain Trust Lands. BCPL staff believe that a limited exception to the general prohibition against ATV use should be created for disabled persons and Mr. Smith's request should be granted subject to certain limitations.

ACTION RECOMMENDED:

BCPL staff recommend that the Board adopt a limited exception to the general prohibition against ATV use on Trust Lands in favor of disabled persons.

RESOLVED, that the Board of Commissioners of Public Lands recognizes a limited exception to the general prohibition against All Terrain Vehicles on Trust Lands in favor of disabled persons with a documented disability who have received a permit to use motorized vehicles on DNR Lands.

FURTHER RESOLVED, that the Executive Secretary is authorized and directed to implement this policy with any reasonable restrictions she deems necessary and the Executive Secretary is authorized and directed to develop any forms necessary for the implementation of this policy.

BOARD MEETING

MAY 16, 2006

AGENDA ITEM 4D

INCREASE TIMBER PERMIT SALE MAXIMUM

BCPL Trust Lands are scattered and often inefficient to manage because of their small size. Forest management access becomes more difficult as the Northwoods is fragmented by parcelization. This increased fragmentation of rural lands makes even some of the larger and more valuable blocks of Trust Lands increasingly difficult to access, both for forest management and for public recreation. While Land Bank authority will address this problem in the long term, in the short term BCPL foresters need to maintain flexibility in managing these tracts with difficult access. Direct permit sales to loggers has the advantage of providing the BCPL with a means to sell a modest amount of stumpage to loggers who are cutting sales adjacent to BCPL land. Often these sales can accomplish forest management objectives, such as pine release, more efficiently than larger sales.

In the past decade, rising timber prices and increasing fragmentation have necessitated two permit sale limit increases. The Board raised permit sale authority from \$2000 to \$5000 in late 1999, and again from \$5000 to \$9000 in 2003. We are recommending that the Board raise the permit sale authority to \$12,000 this year due to rapidly rising stumpage prices. For example, since 2003 prices received by BCPL for sugar maple sawtimber have risen 38% from an average of \$550 per thousand board feet to an average of \$760 in the 2006 sale. Similarly, hardwood pulpwood has risen from \$24 to \$33 per cord (37%), and aspen pulpwood from \$27 to \$40 (47%).

Given the increases in stumpage prices for the past three years, the BCPL land management staff believe it is reasonable to raise the permit sale authority by 33% from the current limit of \$9,000 to \$12,000.

Recommendation: Increase timber permit sales from the current limit of \$9,000 to \$12,000.