



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

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Managing Wisconsin's trust assets for public education.

AGENDA

October 19, 2010

2:00 P.M.

Board of Commissioners of Public Lands
125 S. Webster Street, Room 200
Madison, Wisconsin

1. Call to Order
2. Approve Minutes – October 5, 2010
3. Approve Loans
4. Proposed Land Bank Sale – Bass Lake Muskeg (S0909)
5. Executive Secretary's Report
6. Adjourn

**BOARD MEETING
OCTOBER 19, 2010**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the October 5, 2010, board meeting.

Board Meeting Minutes
October 5, 2010

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. Commissioner Van Hollen was unavailable for the meeting.

Present were:

Doug La Follette, Board Chair
Dawn Marie Sass, Commissioner
Tia Nelson, Executive Secretary

Secretary of State
State Treasurer
Board of Commissioners of Public Lands

ITEM 2. APPROVE MINUTES – September 21, 2010

MOTION: Commissioner Sass moved to approve the minutes; Board Chair La Follette seconded the motion. The motion passed, 2-0.

ITEM 3. APPROVE LOANS

Executive Secretary Nelson said the loans had received legal review.

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Amount</u>
1. Cadott Community Counties of Chippewa and Eau Claire Application #: 02011042 Purpose: Finance building repairs and energy projects	School Rate: 4.25 Filed: September 16, 2010	\$1,000,000.00
2. North Lake Management District County of Waukesha Application #: 02011044 Purpose: Reconstruct Monches Dam	Lake District Rate: 3.50 Filed: September 22, 2010	\$115,000.00
3. Remington County of Wood Application #: 02011043 Purpose: Purchase tractor	Town Rate: 4.25 Filed: September 21, 2010	\$34,000.00
TOTAL		\$1,149,000.00

MOTION: Commissioner Sass moved to approve the loans; Board Chair La Follette seconded the motion. The motion passed, 2-0.

ITEM 4. PROPOSED LAND BANK PURCHASE – MCKINNON PROPERTY (P1001)

Board Chair La Follette said the board had an opportunity to purchase 392.66 acres of land in Vilas County, which is within the agency's consolidation zone.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands authorizes the purchase of the Property at a price not to exceed Seven Hundred Forty-Six Thousand, Fifty-Four Dollars (\$746,054.00) 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 purchase transaction.

MOTION: Commissioner Sass moved to approve the purchase; Board Chair La Follette seconded the motion. The motion passed, 2-0.

ITEM 5. EXECUTIVE SECRETARY'S REPORT

Nothing to report.

ITEM 6. ADJOURN

MOTION: Commissioner Sass moved to adjourn the meeting; Board Chair La Follette seconded the motion. The motion passed, 2-0.



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.

**BOARD MEETING
OCTOBER 19, 2010**

**AGENDA ITEM 3
APPROVE LOANS**

Municipality	Municipal Type	Loan Amount
1. Ainsworth County of Langlade Application #: 02011045 Purpose: Finance road construction	Town Rate: 3.50 Filed: September 28, 2010	\$300,000.00
2. De Pere County of Brown Application #: 02011052 Purpose: Replace and upgrade HVAC system	School Rate: 4.25 Filed: October 7, 2010	\$718,000.00
3. Elk Mound County of Dunn Application #: 02011054 Purpose: Finance public works projects	Village Rate: 4.25 Filed: October 12, 2010	\$100,000.00
4. Lena Counties of Marinette and Oconto Application #: 02011046 Purpose: Refinance prior service pension liability	School Rate: 5.00 Filed: October 1, 2010	\$360,000.00
5. Oneida County of Oneida Application #: 02011048 Purpose: Finance economic development project	County Rate: 5.25 Filed: October 6, 2010	\$1,000,000.00
6. Rhinelander County of Oneida Application #: 02011053 Purpose: Finance economic development project	City Rate: 5.25 Filed: October 12, 2010	\$500,000.00
7. Slinger County of Washington Application #: 02011057 Purpose: Finance roof replacement and HVAC software upgrade	School Rate: 4.25 Filed: October 1, 2010	\$255,000.00
8. Troy County of Walworth Application #: 02011051 Purpose: Finance street and road improvements	Town Rate: 4.25 Filed: October 7, 2010	\$1,000,000.00
9. Twin Lakes #4 County of Kenosha Application #: 02011055 Purpose: Finance building upgrades	School Rate: 4.25 Filed: October 12, 2010	\$70,000.00

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Amount</u>
10. Twin Lakes #4 County of Kenosha Application #: 02011056 Purpose: Finance technology improvements	School Rate: 3.50 Filed: October 12, 2010	\$64,000.00
11. Wind Lake Management District County of Racine Application #: 02011047 Purpose: Finance land acquisition and raze house	Lake District Rate: 4.25 Filed: October 6, 2010	\$110,000.00
12. Winnebago County of Winnebago Application #: 02011049 Purpose: Refinance prior service pension liability	County Rate: 5.00 Filed: October 6, 2010	\$125,000.00
13. Winnebago County of Winnebago Application #: 02011050 Purpose: Remodel low income housing properties	County Rate: 5.25 Filed: October 7, 2010	\$1,057,500.00
	TOTAL	<hr/> \$5,659,500.00

**BOARD MEETING
OCTOBER 19, 2010**

**AGENDA ITEM 4
PROPOSED LAND BANK SALE – BASS LAKE MUSKEG (S0909)**

The Wisconsin Department of Natural Resources (“DNR”) has determined that approximately 234.48 acres of BCPL land in Price County is required for state use.

BCPL staff recommends the sale of the property to the DNR for the following reasons:

- The Property is an isolated landlocked parcel within the Consolidation Zone and is located contiguous to the Flambeau River State Forest;
- The Property is 60 percent lowland muskeg with limited timber potential;
- The Property does not provide access to other BCPL lands;
- Sale of the Property would provide BCPL with funds to purchase other lands that would provide better access to its existing lands, produce timber revenue, improve management efficiency, reduce forest fragmentation, or all of the above; and
- Sale of the Property to the DNR would allow the DNR to provide additional opportunities for public recreation and to better protect the natural and scenic resources of the Property and the adjoining Flambeau River State Forest.

Attachments:

Resolution w/Exhibits

Exhibit A - BCPL Sale Criteria

Exhibit B - Appraisal Certification

BCPL Project Map

**BOARD MEETING
OCTOBER 19, 2010**

**AGENDA ITEM 4
PROPOSED LAND BANK SALE – BASS LAKE MUSKEG (S0909)**

RECITALS

- A. The Wisconsin Department of Natural Resources (“DNR”) has determined that certain property more particularly described as the Southeast ¼ of the Northeast ¼ (SENE) of Section Eighteen (18), the Northeast ¼ of the Northwest ¼ (NENW), the Northwest ¼ of the Northwest ¼ (NWNW), the Southwest ¼ of the Northwest ¼ (SWNW), the Northwest ¼ of the Southwest ¼ (NWSW) and the Northeast ¼ of the Southwest ¼ (NESW) of Section Nineteen (19), all located in Township Thirty-Eight (38) North, Range Two (2) West, Flambeau Township, Price County, Wisconsin totaling approximately 234.48 acres in size (the “Bass Lake Muskeg Property”) is required for state use.
- B. The Bass Lake Muskeg Property is currently owned by the Board of Commissioners of Public Lands.
- C. The Bass Lake Muskeg Property is an isolated, landlocked parcel consisting of over 60 percent swamp with very limited timber potential. The Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Bass Lake Muskeg 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 Bass Lake Muskeg Property has been independently appraised by Gargulak Appraisal Services, LLC. Forty acres of the Bass Lake Muskeg Property was valued at \$26,000 and the other 194.48 acres was valued at \$78,000 for a total property value of One Hundred Four Thousand Dollars (\$104,000). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. BCPL staff obtained an access easement to certain portions of the Bass Lake Muskeg Property from the adjacent property owners through an earlier land exchange. Although the adjacent property owners were willing to grant such easement for the benefit of the public through BCPL and the other government entities, the adjacent property owners were unwilling to grant an easement that would allow access for the private development of the Bass Lake Muskeg Property. Therefore, the appraiser did not give any value to such access easement.
- F. The Bass Lake Muskeg Property is contiguous to the Flambeau River State Forest and the sale of the Property to the DNR would allow the DNR to provide additional opportunities for public recreation and to better protect the natural and scenic resources of the Property.
- G. DNR has offered to pay the sum of One Hundred Ten Thousand Dollars (\$110,000) to acquire the Bass Lake Muskeg Property.
- H. The DNR is offering to pay a purchase price higher than the appraised value in recognition of the access easement obtained by BCPL which benefits the property.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the sale of the Bass Lake Muskeg Property to the Wisconsin Department of Natural Resources at the price of One Hundred Ten Thousand Dollars (\$110,000) 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.

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

Common Name for Land Parcel Price-Flambeau-Bass Lake Muskeg

County Price Township Flambeau

Legal Description The NENW, NWNW, SWNW, NESW, NWSW of Section 19,
the SENE of Section 18, all located in T38N, R2W,
Flambeau Township, Price County, Wisconsin

Transaction ID# (from Accountant) S0909

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

3/25/09
Date

I accept the recommendation of the Trust Lands Forestry Supervisor and direct the staff to proceed accordingly.

- Yes
- No


Executive Secretary

April 1, 09
Date

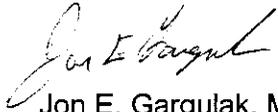
CERTIFICATION

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct;
2. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased analyses, opinions and conclusions;
3. I have no present or prospective interest in the property that is subject of this report and no personal interest with respect to the parties involved;
4. I have no bias with respect to the property that is the subject of this report or to the parties involved with the assignment;
5. My engagement in this assignment was not contingent upon developing or reporting predetermined results;
6. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal;
7. I have performed a previous appraisal on a portion of the subject property within three years prior to this assignment;
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics & Standards of Professional Appraisal Practice of the Appraisal Institute;
9. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice;
10. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representative;
11. I personally viewed the interior and exterior of the subject on November 16, 2009;
12. No one provided significant real property assistance to the person signing this certification;
13. I have the relevant knowledge and experience of the subject's market and property type to complete this appraisal assignment in a competent manner;
14. I am not currently and have not been the defendant in a lawsuit regarding fraud or negligence relating to a real property appraisal;

CERTIFICATION – CONTINUED

- 15. In the appraiser's opinion, the fee-simple market value of the 40-acre parcel is \$26,000 and the 194.48-acre parcel is \$78,000 as of January 12, 2010.
- 16. The appraiser has not discussed the property's price or value with the landowner.
- 17. As of the date of this report, I have completed the continuing education program of the Appraisal Institute.

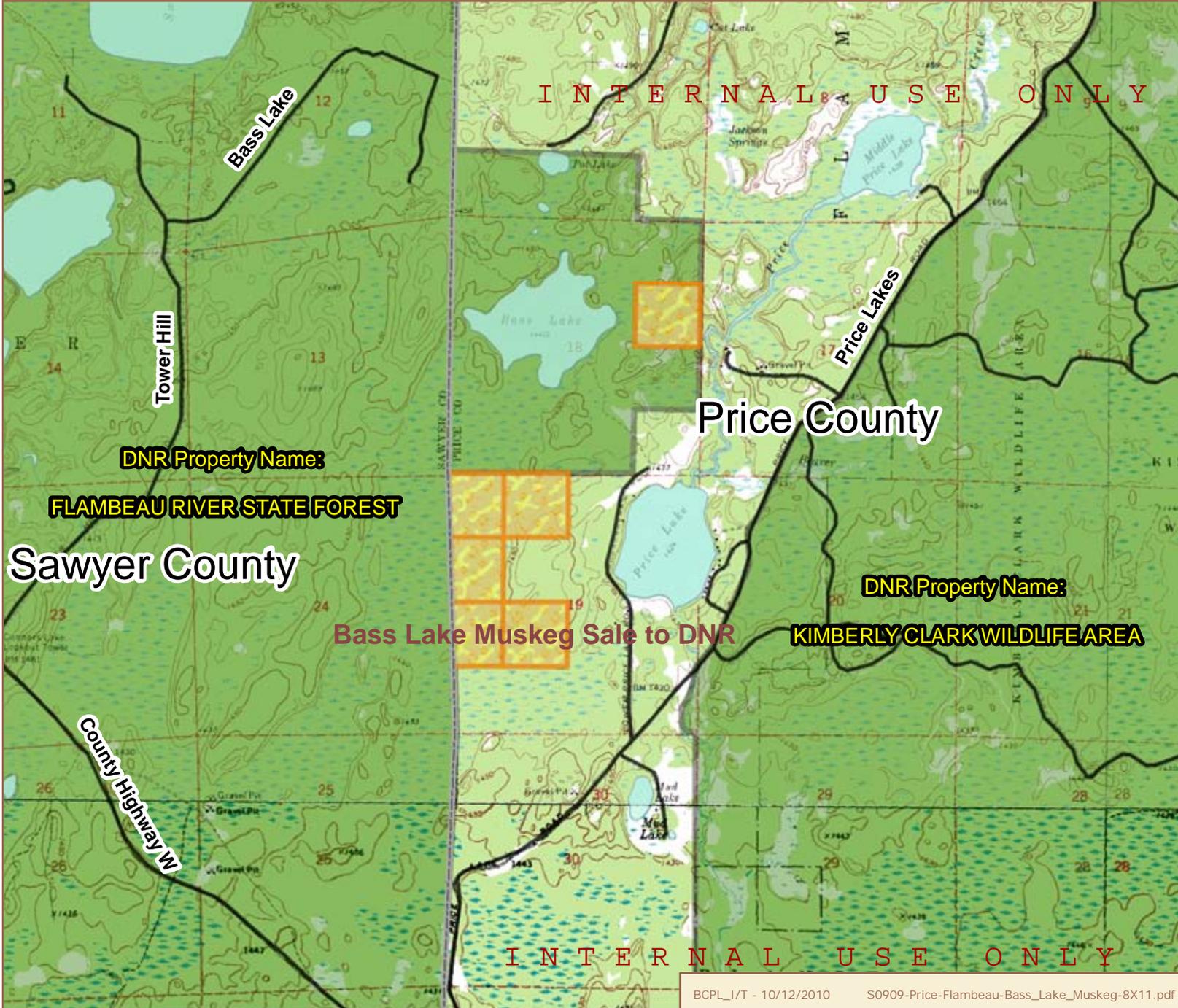


Jon E. Gargulak, MAI
Wisconsin Certified General Appraiser 1193

1/15/10

Date

Bass Lake Muskeg Sale to DNR



BCPL Project #:
S0909

County: Price

Town: Flambeau

Common Name

Bass Lake Muskeg

Appraised Acres - 234.48

Fund 745



- Outgoing**
- Other BCPL Land
- DNR PROJECT LANDS
- COUNTY FOREST
- USFS_NICH_OWN_P_24K

0 0.2 0.4 Miles