



Douglas La Follette, *Secretary of State*
Kurt Schuller, *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 4, 2011

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 – September 20, 2011
3. Approve Loans
4. Proposed Land Exchange with Nickolas Somers (E0903)
5. Proposed Oneida County Easement Purchase
6. Executive Secretary's Report
7. Adjourn

**BOARD MEETING
OCTOBER 4, 2011**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the September 20, 2011, board meeting.

Board Meeting Minutes
September 20, 2011

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

Kurt Schuller, Commissioner

J.B. Van Hollen, Commissioner

Tia Nelson, Executive Secretary

Tom German, Deputy Secretary

Richard Sneider, Loan Analyst

Secretary of State

State Treasurer

Attorney General

Board of Commissioners of Public Lands

Board of Commissioners of Public Lands

Board of Commissioners of Public Lands

ITEM 2. APPROVE MINUTES – September 6, 2011

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

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. Brillion Calumet County Application #: 02012030 Purpose: Finance TID 3 projects	City Rate: 3.75% Term: 10 years	\$500,000.00
2. Hebron Jefferson County Application #: 02012033 Purpose: Finance road construction and maintenance	Town Rate: 3.25% Term: 5 years	\$515,000.00
3. Kiel Calumet and Manitowoc Counties Application #: 02012032 Purpose: Finance TID Projects	City Rate: 5.00% Term: 20 years	\$1,300,000.00
4. Sparta Area Jackson and Monroe Counties Application #: 02012025 Purpose: Construct football locker facility	School Rate: 3.75% Term: 10 years	\$150,000.00
5. Wood Wood County Application #: 02012031 Purpose: Finance public safety communication towers	County Rate: 3.75% Term: 10 years	\$750,000.00
TOTAL		\$3,215,000.00

MOTION: Commissioner Schuller 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 legislation authorizing the Board to provide revenue-based State Trust Fund Loans was scheduled for a committee hearing on Tuesday, September 27, and that BCPL was asked to testify.

ITEM 5. ADJOURN

MOTION: Commissioner Schuller moved to adjourn the meeting; Commissioner Van Hollen 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.

**BOARD MEETING
OCTOBER 4, 2011**

**AGENDA ITEM 3
APPROVE LOANS**

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Amount</u>
1. Harmony Grove Lake Protection & Rehabilitation District Columbia County Application #: 02012034 Purpose: Finance channel dredging and sediment removal	Lake District Rate: 3.75% Term: 10 years	\$404,000.00
2. Hazel Green Grant and Lafayette Counties Application #: 02012035 Purpose: Upgrade wastewater treatment plant	Village Rate: 3.75% Term: 10 years	\$230,000.00
	TOTAL	<hr/> \$634,000.00

**BOARD MEETING
OCTOBER 4, 2011**

**AGENDA ITEM 4
PROPOSED LAND EXCHANGE WITH NICKOLAS SOMERS (E0903)**

Staff is requesting authority to convey a 40 acre parcel of BCPL land in Portage County in exchange for a 40 acre parcel of land located in Oneida County.

BCPL staff recommends the exchange of the property with Nickolas Somers for the following reasons:

- The exchange is for approximately equal valued parcels of land.
- The incoming property would contribute to the consolidation of a block of 120 acres of existing BCPL property, which when combined with the easement in Agenda Item 5, would provide public and management access.
- The exchange would provide better access to existing BCPL lands, produce timber revenue, improve management efficiency, and reduce forest fragmentation.
- The exchange of the property with Nickolas Somers would allow BCPL to convey its last remaining property in Portage County, which would eliminate BCPL's ownership in one more county outside of the Consolidation Zone.

Attachments:

Resolution w/Exhibits

Exhibit A: Certification of Appraisal (Parcel A)

Exhibit B: Summary Analysis of Outgoing Property (Parcel A)

Exhibit C: Certification of Appraisal (Parcel B)

Exhibit D: Summary Analysis of Incoming Property (Parcel B)

BCPL Project Map

**BOARD MEETING
OCTOBER 4, 2011**

**AGENDA ITEM 4
PROPOSED LAND EXCHANGE WITH NICKOLAS SOMERS (E0903)**

RECITALS

- A. BCPL owns a 40 acre landlocked parcel of land located in Portage County described as the SW ¼ of the SW ¼ of Section 12, Township 25N, Range 8E (Parcel “A”). Parcel A has been independently appraised by Brod Appraisal Services, LLC at \$1,400 per acre for a total value of \$56,000. A copy of the Certification of Appraisal of Parcel A is attached as Exhibit A.
- B. Parcel A has been evaluated by BCPL staff against criteria previously adopted by the Board and has been determined by BCPL staff to be appropriate for exchange according to such criteria. A copy of the summary analysis of the outgoing BCPL Property is attached to this resolution as Exhibit B.
- C. The owner of the land adjoining Parcel A, Nickolas Somers (“Somers”) has proposed that BCPL exchange Parcel A for other property of approximately equal value. Somers does not currently own any property that he would exchange with BCPL. However, Somers has agreed to pay a third party up to \$60,000 for property that he could then convey to BCPL in exchange for Parcel A.
- D. BCPL staff has identified a 40 acre parcel in Oneida County owned by Dave and Judy Robertson (Robertson) described as the NW ¼ of the SE ¼ of section 31, Township 36N, R9E (Parcel “B”) as suitable for the proposed exchange. Parcel B is a productive timber parcel that would block well with 120 acres of existing BCPL property.
- E. Parcel B has been independently appraised by Brod Appraisal Services, LLC at a value of \$1,500 per acre for a total of \$60,000. A copy of the Certification of Appraisal of Parcel B is attached as Exhibit C.
- F. Parcel B has been evaluated by BCPL staff against criteria previously adopted by the Board and has been determined by BCPL staff to be appropriate for exchange according to such criteria. A copy of the summary analysis of the incoming property is attached to this resolution as Exhibit D.
- G. Robertson has agreed to sell Parcel B to Somers for \$60,000.
- H. The value of Parcel B is approximately equal to the value of parcel A as defined in Wis. Stats. Section 24.09(bm).

- I. BCPL staff recommends approval of this proposed exchange of parcels of approximately equal value because the property received by BCPL in the transaction would further consolidate a block of productive timberland.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the exchange of Parcel A for Parcel B with Nickolas Somers 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.

CERTIFICATION OF THE APPRAISAL

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

I have made a personal inspection of the appraised property which is the subject of this report and all comparable sales used in developing the opinion of value. The date of inspection was April 16, 2009, and the method of inspection was field inspection. All comparable sales were inspected on April 16, 2009, unless otherwise noted.

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 reported analyses, opinions and conclusions represent my best and unbiased judgment and the reported analyses, opinions and conclusions are limited only by the reported assumptions, limiting conditions and legal instructions.

I have no present or contemplated future interest in the real estate that is the subject matter of this appraisal report or personal interest or bias with respect to the parties involved. Also, I have not discussed the matter of price or value with the owner or his/her representative.

Neither the employment nor the compensation for this report is contingent upon the analyses, opinions and conclusions contained within this report.

The appraisal was made and the appraisal report prepared in accordance with Standards 1 and 2 of the Uniform Standards of Appraisal Practice (USPAP).

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

I did not receive any significant professional assistance in the development of the analyses, opinions and conclusions contained in this report.

Jeff Niese, Senior Forester for WBCPL, accompanied the appraiser during an inspection of the property. The subject property was inspected on April 16, 2009.

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

\$56,000 as of April 16, 2009.
Appraised Subject Value/Valuation Date

Signed: Jolene M. Brod 5/12/09
Jolene M. Brod Date Report Submitted
Wisconsin Certified General Appraiser #1339

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Exchange
Transaction ID#: E0903

Common Name for Land Parcel Dewey Marsh

County Portage Township Dewey

Legal Description SWSW of Section 12, T25N, R8E, Town of Dewey, Portage County,
Wisconsin

GLO Acres 40

Criteria - Outgoing BCPL Property

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

5/5/11
Date

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

- Yes
- No


Executive Secretary

5/11/11
Date

CERTIFICATION OF THE APPRAISAL

Item 4
Exhibit C

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

I have made a personal inspection of the appraised property which is the subject of this report. The date of inspection for the subject property was May 18, 2011. Inspection of the comparable sales was by aerial photos and topography mapping.

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 reported analyses, opinions and conclusions represent my best and unbiased judgment and the reported analyses, opinions and conclusions are limited only by the reported assumptions, limiting conditions and legal instructions.

I have no present or contemplated future interest in the real estate that is the subject matter of this appraisal report or personal interest or bias with respect to the parties involved. Also, I have not discussed the matter of price or value with the owner or his/her representative.

Neither the employment nor the compensation for this report is contingent upon the analyses, opinions and conclusions contained within this report.

I have not previously performed any prior services regarding the subject property, as an appraiser, or in any other capacity, within the 3-year period immediately preceding acceptance of this appraisal assignment.

The appraisal was made and the appraisal report prepared in accordance with Standards 1 and 2 of the Uniform Standards of Appraisal Practice (USPAP).

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

I did not receive any significant professional assistance in the development of the analyses, opinions and conclusions contained in this report.

Terry Hess, Real Estate Specialist/Forester for WBCPL, accompanied the appraiser on the property inspection. The subject property was inspected on May 18, 2011.

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

\$60,000 as of May 18, 2011.
Appraised Subject Value/Valuation Date

Signed: Jolene M. Brod 7/19/11
Jolene M. Brod Date Report Submitted
Wisconsin Certified General Appraiser #1339

**Board of Commissioners of Public Lands
Summary Analysis of Potential Property Exchange
Transaction ID#: E 0903**

Item 4
Exhibit D
Page 1 of 3

Incoming Property

Common Name for Land Parcel: Lassig Creek

County: Oneida Township: Pelican

Legal Description: NWSE of Section 31, T36N, R9E, Town of Pelican, Oneida County,
Wisconsin

Acres: 40

Parcel ID Number: PE-445

Previous Year Tax Levy: \$535.94

Name(s) of Seller(s): Nicolas & Diane Somers

Address of Seller(s): 722 Cty Rd J North, Stevens Point, WI 54482

Seller Phone #: (715) 592-4926

Seller's Attorney or Agent: _____

Contact Information: _____

Seller's Attorney or Agent Phone Number(s): (_____) _____

Asking Price: \$60,000

**Summary Analysis of Potential Property Exchange
Transaction ID#: E 0903**

Item 4
Exhibit D
Page 2 of 3

Incoming Property

Acres of productive forest land in parcel(s): 25 acres
Acres of non productive land in parcel(s): 15 acres
Acres of land with public access in parcel(s): 40 acres
Acres of land without public access in parcel(s): 0 acres
Acres of current BCPL land that will become
accessible to the public through parcel(s): 120 acres
Acres of our current BCPL land that will become
accessible for timber management purposes through parcel(s): 120 acres

Comments (parcel cover type or other attributes of parcel or transaction):

This Exchange allows BCPL to liquidate a landlocked isolated property which is the last property BCPL owns in Portage County and replace it with a property within the Consolidation Zone that is adjacent to 120 acres of BCPL's existing Lassig Creek property. The incoming property will provide timber revenue and will help provide access to the 120 acres. Mr. Somers proposes to purchase this property from Dave & Judy Robertson and exchange it for the Portage County property. As part of this transaction BCPL will purchase an easement across the Robertson's adjacent property to the West..

Summary Analysis of Potential Property Exchange
Transaction ID#: E 0903

Criteria – Incoming Property

1. Forest Fragmentation

- Average tract size increases
- The ratio of perimeter to area decreases
- There is a clear reduction of the threat for conversion from forest to non-forest use

2. Access

- Management access to our existing timber tracts is improved
- There is an increase in the number of BCPL acres open to the public

3. Management Efficiency

- The percentage of upland on BCPL properties increases
- The amount of line work per acre decreases
- The average distance from the tracts to the BCPL field office decreases

4. Timber Character and Value

- The average site index of forest soils on BCPL property increases
- Within one cutting cycle there is an increase in the potential high value sawlog volume and growth, on the tract
- There is an increase in the forest types and species that diversify the BCPL's timber portfolio
- There is an increase in the number of acres and size of tracts where the BCPL has summer logging opportunities

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

- Yes
- No


Trust Lands Forestry Supervisor

5/5/11
Date

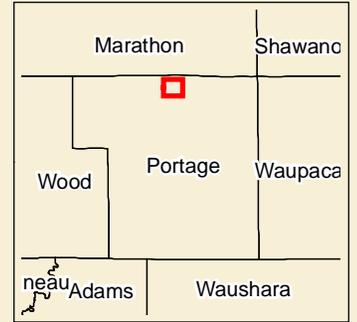
I accept the recommendation of the Trust Lands Forestry Supervisor and direct the staff to proceed accordingly.

- Yes
- No

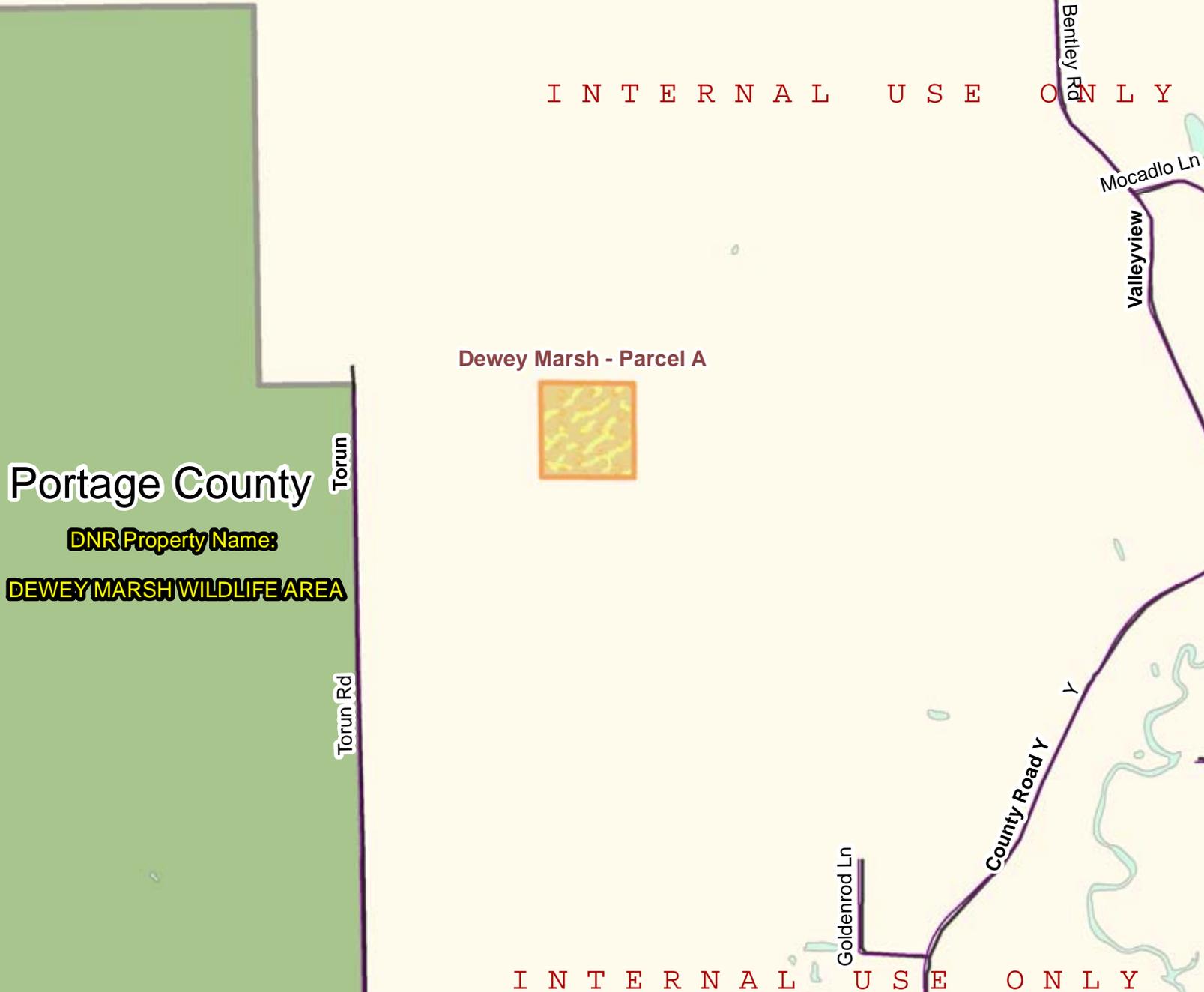

Executive Secretary

5/14/11
Date

Dewey Marsh Exchange Parcel A (Outgoing)



INTERNAL USE ONLY



Dewey Marsh - Parcel A

Portage County

DNR Property Name:

DEWEY MARSH WILDLIFE AREA

BCPL Project #: E0903

County: Portage

Town: Dewey

Common Name

Dewey Marsh Parcel A

Acres - 40.00

Fund 744

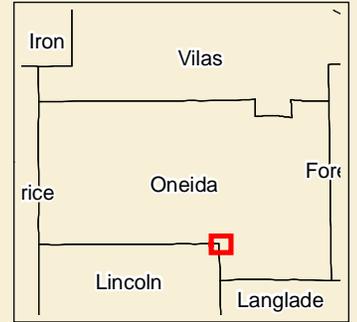
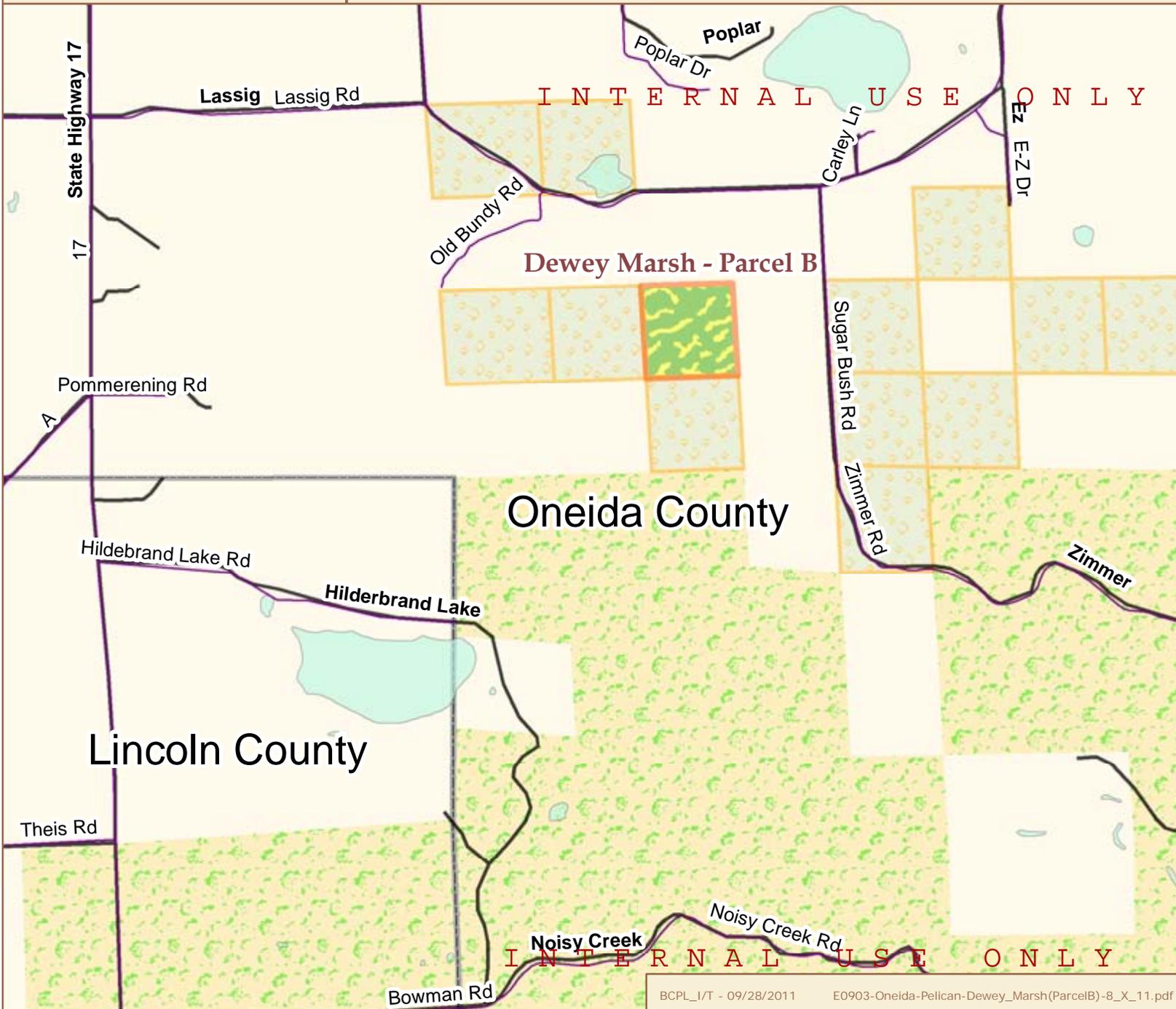


- Incoming
- Outgoing
- Other BCPL Land
- DNR PROJECT LANDS
- COUNTY FOREST
- USFS_NICH_OWN_P_24K



INTERNAL USE ONLY

Dewey Marsh Exchange Parcel B (Incoming)



BCPL Project #:
E0903

County: Oneida

Town: Pelican

Common Name

Dewey Marsh Parcel B

Acres - 40.00

Fund 744



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



**BOARD MEETING
OCTOBER 4, 2011**

**AGENDA ITEM 5
PROPOSED ONEIDA COUNTY EASEMENT PURCHASE**

Staff is requesting authority to purchase an access easement from David and Judith Robertson. The easement would provide access across Robertson's property to at least 120 acres of existing BCPL property located in Oneida County.

BCPL staff recommends the purchase of the easement from Robertson's for the following reasons:

- The easement would provide public and management access to 120 acres of existing land locked BCPL lands, which in turn would help produce timber revenue and improve management efficiency.
- The easement will increase the value of the existing BCPL property.

Attachments:

Resolution w/Exhibits

Exhibit A: Value of Easement Access

BCPL Project Map

**BOARD MEETING
OCTOBER 4, 2011**

**AGENDA ITEM 5
PROPOSED ONEIDA COUNTY EASEMENT PURCHASE**

RECITALS

- A. BCPL currently owns 120 acres of landlocked property known as the N ½ of the SW ¼ and the SW ¼ of the SE ¼ of Section 31, Township 36N, R9E, Town of Pelican, Oneida County, Wisconsin. (the “BCPL Parcel”).
- B. BCPL staff is requesting authority to purchase an access easement across adjacent lands owned by David and Judith Robertson (Collectively “Robertson”). Robertson owns the N ½ of the SE ¼ of Section 31, Township 36N, Range 9E, Town of Pelican, Oneida County, Wisconsin. (the “Robertson Parcel”).
- C. The access easement would benefit the BCPL Parcel and any contiguous property later acquired by BCPL
- D. At the request of BCPL staff, Brod Appraisal Services, LLC has performed a comparison of values between landlocked parcels and other parcels with public access. The analysis shows that properties with at least an access easement are valued at least \$660 more per acre than landlocked parcels. A copy of the Value of Easement Access is attached as Exhibit A.
- E. The Robertson’s have offered to sell the access easement across the Robertson Parcel to BCPL for \$4,000.
- F. The value of BCPL’s 120 acres of existing property will be increased significantly more than \$4,000 due to the acquisition of the access easement.
- G. BCPL staff recommends approval of this proposed access easement purchase. The transaction would provide BCPL with increased public access and would improve management efficiency of BCPL Lands.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the purchase of the access easement from the Robertson’s for the sum of \$4,000 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.

Value of Easement Access

The WBCPL owns 95.2 acres to the west of the Roberston property that would directly benefit from the purchase of an access easement. The easement as appraised would run to the northeast corner of the WBCPL property. WBCPL also owns property adjacent to the south of the Robertson property located in the NW ¼ SE ¼. Mr. Hess has requested the appraiser to provide sales data of landlocked parcels and parcels with easement access to show the benefit of an easement access.

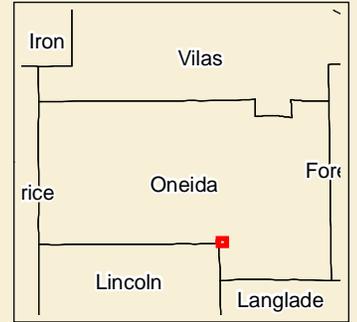
The appraiser used three sales in the appraisal of the NW ¼ SE ¼ of the Robertson property that had easement access and those sales ranged in per acre values of \$1,411-\$1,650. The sales were 70-80 acres in size.

In searching for market data concerning landlocked parcels, the appraiser only found one sale of a larger acre landlocked parcel occurring in Oneida County. The sale was 120 acres in size and sold for \$750 per acre. The appraiser expanded the search to counties surrounding Oneida County and found the following sales:

County	Acreage	Sale Price	Price per Acre
Forest	40	\$18,000	\$450
Langlade	80	\$33,000	\$413
Langlade	280	\$193,435	\$691
Price	40	\$27,600	\$690
Price	40	\$19,900	\$498

The price range for sales of six landlocked parcels, occurring in the last three years, is \$413-750. Significantly less that price range of \$1,411-\$1,650 the appraiser found for the three sales with easement access. This illustrates the potential increase in value for the WBCPL lands that will directly benefit from the easement access.

Robertson Easement



BCPL Project #: -----

County: Oneida

Town: Pelican

Common Name

Robertson Easement

(Benefiting E0903,

Dewey Marsh Parcel B)



-  Incoming
-  Other BCPL Land
-  DNR PROJECT LANDS
-  COUNTY FOREST
-  USFS_NICH_OWN_P_24K

