



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

December 18, 2012

2:00 P.M.

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

1. Call to Order
2. Approve Minutes – December 4, 2012
3. Approve Loans
4. Proposed Land Bank Sale – Harris / Nell (S1204)
5. Executive Secretary's Report
6. Adjourn

**BOARD MEETING
DECEMBER 18, 2012**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the December 4, 2012, board meeting.

Board Meeting Minutes
December 4, 2012

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 | Secretary of State |
| Kurt Schuller, Commissioner | State Treasurer |
| J.B. Van Hollen, Commissioner | Attorney General |
| Tia Nelson, Executive Secretary | Board of Commissioners of Public Lands |
| Tom German, Deputy Secretary | Board of Commissioners of Public Lands |
| Richard Sneider, Loan Analyst | Board of Commissioners of Public Lands |

ITEM 2. APPROVE MINUTES – November 20, 2012

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

ITEM 3. APPROVE LOANS

Secretary Nelson said the loans had received legal review.

Municipality	Municipal Type	Loan Amount
1. Albany Green County Application #: 02013084 Purpose: Finance water main project	Village Rate: 2.50% Term: 5 years	\$80,000.00
2. Boscobel Area Crawford, Grant and Richland Counties Application #: 02013090 Purpose: Refinance prior service pension liability	School Rate: 2.75% Term: 10 years	\$500,000.00
3. Douglas Douglas County Application #: 02013089 Purpose: Refinance prior service pension liability	County Rate: 3.75% Term: 20 years	\$6,000,000.00
4. Dunn Dane County Application #: 02013091 Purpose: Finance road reconstruction and purchase truck	Town Rate: 2.50% Term: 5 years	\$177,671.00
5. Dunn Dane County Application #: 02013092 Purpose: Refinance BCPL Loan #02010084.01	Town Rate: 2.50% Term: 5 years	\$92,715.41

6.	Dunn Dane County Application #: 02013093 Purpose: Refinance BCPL Loan #02012051.01	Town Rate: 2.75% Term: 10 years	\$240,000.00
7.	Lac La Belle Waukesha County Application #: 02013086 Purpose: Finance dam repair	Village Rate: 3.75% Term: 20 years	\$75,000.00
8.	Lake Mills Jefferson County Application #: 02013094 Purpose: Finance road project engineering costs	Town Rate: 2.50% Term: 5 years	\$100,000.00
9.	Northern Ozaukee Ozaukee County Application #: 02013085 Purpose: Refinance prior service pension liability	School Rate: 2.00% Term: 2 years	\$1,171,402.00
10.	Sturtevant Racine County Application #: 02013095 Purpose: Finance TID #3 projects	Village Rate: 2.75% Term: 10 years	\$4,000,000.00
11.	Wausaukee Marinette County Application #: 02013083 Purpose: Finance wastewater projects	Village Rate: 2.75% Term: 10 years	\$800,000.00
12.	Wisconsin Dells Adams, Columbia, Juneau and Sauk Counties Application #: 02013087 Purpose: Finance highway and road projects	City Rate: 3.75% Term: 16 years	\$1,944,658.00
13.	Wisconsin Dells Adams, Columbia, Juneau and Sauk Counties Application #: 02013088 Purpose: Finance highway and road projects	City Rate: 2.75% Term: 10 years	\$907,981.00
		TOTAL	\$16,089,427.41

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

ITEM 4. PROPOSED SUBMERGED LANDS LEASE – GENERAL MILLS, LLC

MOTION: Commissioner Van Hollen moved to approve the increase in bond purchase authority; Commissioner Schuller seconded the motion. The motion passed 3-0.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands authorizes a fifty-year Submerged Lands Lease with General Mills, LLC in accordance with Section 24.39 of the Wisconsin Statutes with a beginning rental rate of Four Thousand Eight Hundred Thirty-seven Dollars and Fifty Cents (\$4,837.50) per year with regular scheduled rent increases over the term of the lease to a rate of Eleven Thousand Four Hundred Six Dollars and Fifty-Eight Cents (\$11,406.58) per year for the purpose of the improvement of navigation or for the improvement or construction of “harbor facilities” 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.

ITEM 5. EXECUTIVE SECRETARY’S REPORT

Executive Secretary Nelson shared information about the Western States Land Commissioners Association’s January 13-17, 2012, conference in Oklahoma City, Oklahoma.

ITEM 6. ADJOURN

MOTION: Commissioner Van Hollen moved to adjourn the meeting; Commissioner Schuller 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, 101 E. Wilson Street, 2nd Floor, Madison, Wisconsin.

**BOARD MEETING
DECEMBER 18, 2012**

**AGENDA ITEM 3
APPROVE LOANS**

Municipality	Municipal Type	Loan Amount
1. Brown Deer Milwaukee County Application #: 02013097 Purpose: Finance capital expenditures	Village Rate: 2.50% Term: 5 years	\$301,122.00
2. Kohler Sheboygan County Application #: 02013104 Purpose: Finance 2012 capital budget	Village Rate: 2.50% Term: 5 years	\$150,000.00
3. Kohler Sheboygan County Application #: 02013105 Purpose: Purchase fire truck	Village Rate: 2.00% Term: 2 years	\$950,000.00
4. Lamartine Fond Du Lac County Application #: 02013107 Purpose: Purchase truck	Town Rate: 2.50% Term: 4 years	\$25,000.00
5. Orfordville Rock County Application #: 02013102 Purpose: Purchase land	Village Rate: 3.75% Term: 20 years	\$290,000.00
6. Sharon J11 Walworth County Application #: 02013106 Purpose: Refinance prior service pension liability	School Rate: 3.75% Term: 20 years	\$324,800.00
7. Strum Trempealeau County Application #: 02013098 Purpose: Finance utility reconstruction	Village Rate: 2.50% Term: 5 years	\$141,000.00
8. Strum Trempealeau County Application #: 02013099 Purpose: Finance stree reconstruction	Village Rate: 2.00% Term: 2 years	\$184,000.00

Municipality	Municipal Type	Loan Amount
9. Strum Trempealeau County Application #: 02013100 Purpose: Purchase recycling center baler	Village Rate: 2.50% Term: 4 years	\$62,500.00
10. Strum Trempealeau County Application #: 02013101 Purpose: Refinance BCPL Loan #02010063.01	Village Rate: 2.75% Term: 10 years	\$189,592.47
11. Washburn Washburn County Application #: 02013103 Purpose: Finance road and bridge projects	County Rate: 2.00% Term: 1 years	\$146,801.00
12. Yorkville Racine County Application #: 02013096 Purpose: Finance storm water district	Town Rate: 2.75% Term: 10 years	\$225,000.00
	TOTAL	\$2,989,815.47

**BOARD MEETING
DECEMBER 18, 2012**

**AGENDA ITEM 4
PROPOSED LAND BANK SALE – HARRIS/NELL (S1204)**

The Wisconsin Department of Natural Resources (“DNR”) has determined that 554.2 acres of BCPL land in Vilas County is required for state use.

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

- The Property is within the Consolidation Zone but is an isolated parcel.
- The Property is located entirely within the Northern Highland American Legion State Forest Project Boundaries;
- 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.

Attachments:

Resolution w/Exhibits

Exhibit A - BCPL Sales Criteria

Exhibit B - Appraisal Certification

BCPL Project Map

**BOARD MEETING
DECEMBER 18, 2012**

**AGENDA ITEM 4
PROPOSED LAND BANK SALE TO DNR – HARRIS/NELL (S1204)**

RECITALS

- A. The Wisconsin Department of Natural Resources (“DNR”) has determined that certain property more particularly described as the SWNE, SENW, NESW, SESW, NWSE, SWSE, SESE of Section Twenty-two (22), the NESW, NWSW, SWSW of Section Twenty-three (23), Government Lot One (GL-1) of Section Twenty-six (26), Part of Government Lot Two (GL-2), the SWSE of Section Twenty-seven (27), and the NWNE of Section Thirty-four (34), all in Township Forty-four (44) North, Range Five (5) East, Town of Winchester, Vilas County, Wisconsin totaling 554.2 acres in size (the “Harris/Nell Property”) is required for state use. (The Property is listed as having 579.74 acres on the historic land records of the BCPL because at the time the Property was surveyed in 1862, most of today’s Nell Lake was mapped as dry land. However, approximately 25 acres shown as “dry” in the original survey are now underwater and, therefore, are appropriately subtracted from the previous total acreage.)
- B. The Harris/Nell Property is currently owned by the Board of Commissioners of Public Lands.
- C. The Harris/Nell Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Harris/Nell 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 Harris/Nell Property has been independently appraised by Brod Appraisal Services, LLC. at a value of Two Thousand Two Hundred and Fifty Dollars (\$2,250) per acre for a total of One Million Two Hundred Forty-seven Thousand Dollars (\$1,247,000). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. Another appraiser had valued the property at \$1,279,000. The DNR has offered to pay the sum of One Million Two Hundred Sixty-three Thousand Dollars (\$1,263,000), which is the midpoint between the appraisals to acquire the Harris/Nell Property. The offered price is greater than BCPL’s appraised value.
- F. BCPL staff recommends that the Board authorize the sale of the Harris/Nell Property to the DNR at the offer price of \$1,263,000.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the sale of the Harris/Nell Property to the Wisconsin Department of Natural Resources at the price of One Million Two Hundred Sixty-three Thousand Dollars (\$1,263,000) 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
Transaction ID#: S1204

Common Name for Land Parcel **Harris/Nell**

County Vilas Township Winchester

Legal Description SWNE, SENW, NESW, SESW, NWSE, SWSE, SESE of Sec 22, NESW, NWSW, SWSW of Sec 23, GL-1 of Sec 26, Part of GL-2, SWSE of Sec 27, NWNE of Sec 34, all in T44N, R5E

GLO Acres 579.74

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

4/2/12
Date

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

- Yes
 No


Executive Secretary

April 17, 2012
Date

REC'D APR - 9 2012

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 August 02, 2012 and the method of inspection was field inspection. All comparable sales were inspected on the indicated date in the individual sale sheets, 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.

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) and the Uniform Appraisal Standards for Federal Land Acquisition and the Wisconsin Department of Natural Resources Appraisal Report Guidelines.

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

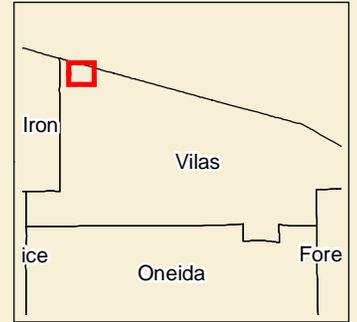
I did not receive any significant professional assistance in the development of the analyses, opinions and conclusions contained in this report.

The property was inspected on August 02, 2012. John Schwarzmann, Forest Supervisor for WBCPL, accompanied the appraiser on the property inspection.

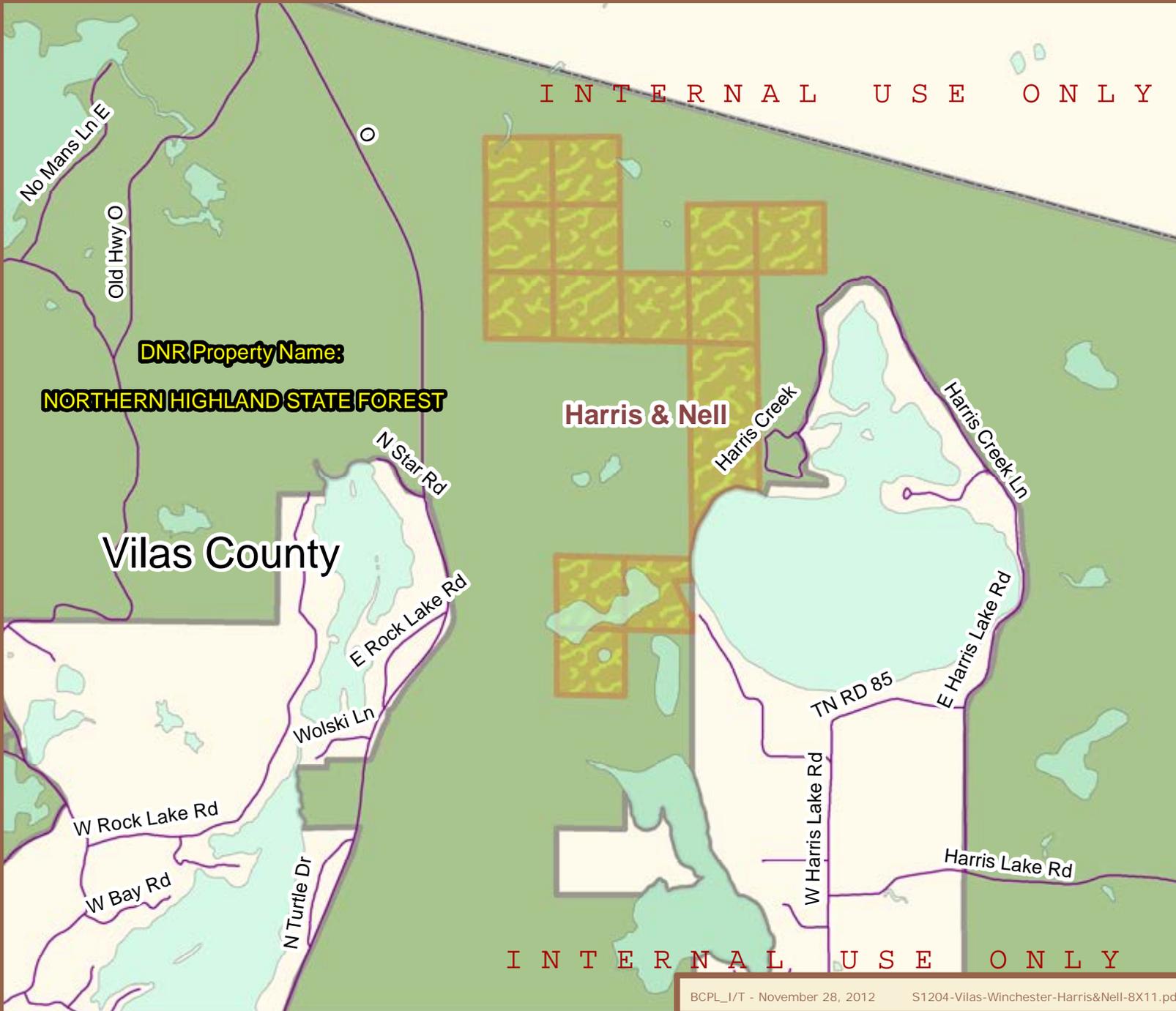
In my opinion, the market value of the described real estate, subject to conditions stated in the legal description, is \$1,247,000 as of August 02, 2012.

Signed: Jolene M. Brod 9/25/2012
Jolene M. Brod Date Report Submitted
Wisconsin Certified General Appraiser #1339

SALE TO DNR
Harris/Nell Property



INTERNAL USE ONLY



DNR Property Name:

NORTHERN HIGHLAND STATE FOREST

Harris & Nell

Vilas County

INTERNAL USE ONLY

BCPL Project #:
S1204

County: Vilas

Town: Winchester

Common Name

Harris/Nell

Acres - 579.74

Fund 745



-  Outgoing
-  DNR Project Lands

