



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

125 S. Webster Street  
Room 200  
PO Box 8943  
Madison, WI 53708-8943

608 266-1370 INFORMATION  
608 266-0034 LOANS  
608 267-2787 FAX  
bcpl.state.wi.us

**Managing Wisconsin's trust assets for public education.**

AGENDA  
June 3, 2008  
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 – May 20, 2008
3. Approve Loans
4. Proposed Wausau Paper Land Bank Acquisitions
5. Executive Secretary's Report
6. Adjourn

**BOARD MEETING  
JUNE 3, 2008**

**AGENDA ITEM 2  
APPROVE MINUTES**

Attached for approval are the minutes from the May 20, 2008, board meeting.

Board Meeting Minutes  
May 20, 2008

**ITEM 1. CALL TO ORDER**

Board Chair La Follette called the meeting of the Board of Commissioners of Public Lands to order at 4:00 p.m.

Present were:

Doug La Follette, Board Chair  
Dawn Marie Sass, Commissioner  
Tom German, Deputy Secretary  
Colleen Holtan

Secretary of State  
State Treasurer  
Board of Commissioners of Public Lands  
Dept. of Veterans Affairs

**ITEM 2. APPROVE MINUTES – May 6, 2008**

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

**ITEM 3. APPROVE LOANS**

Board Chair La Follette noted that he received an e-mail from Assistant District Attorney Bob Hunter stating that the loans had received legal review. Commissioner Sass noted that she received the e-mail also.

Municipality	Municipal Type	Loan Amount
1. Algoma County of Kewaunee Application #: 02008094 Purpose: Finance public works projects (storm and sanitary sewers, streets and curbs)	City Rate: 4.75 Filed: May 13, 2008	\$300,000.00
2. Barnes County of Bayfield Application #: 02008093 Purpose: Purchase new tanker truck	Town Rate: 3.25 Filed: May 12, 2008	\$103,000.00
<b>TOTAL</b>		<b>\$403,000.00</b>

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

**ITEM 4. PURCHASE OF STATE OF WI GENERAL OBLIGATION BONDS**

Board Chair La Follette explained that the bonds are being issued by the State of Wisconsin to provide funding for veteran's home loan mortgages and the bonds will pay interest at a rate of 4.9%. Deputy Secretary German explained that the bond interest rate of 4.9% was developed by adding 1.05% to the average yield on 10-year U.S. Treasury Notes, calculated over the previous ten business days.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Commissioners of Public Lands authorizes and approves the purchase of \$4,445,000 in State of Wisconsin General Obligation Bonds 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.

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

**ITEM 5. EXECUTIVE SECRETARY'S REPORT**

Nothing to report.

The meeting was adjourned.



Thomas P. German, Deputy 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  
JUNE 3, 2008**

**AGENDA ITEM 3  
APPROVE LOANS**

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Amount</u>
1. Beloit County of Rock Application #: 02008098 Purpose: Refunding City's Capital Appreciation Bonds	City Rate: 4.75 Filed: May 27, 2008	\$1,250,000.00
2. Middleton-Cross Plains Area County of Dane Application #: 02008096 Purpose: Build a classroom addition	School Rate: 3.25 Filed: May 16, 2008	\$350,000.00
3. Oshkosh County of Winnebago Application #: 02008097 Purpose: Renovate the Convention Center	City Rate: 4.75 Filed: May 19, 2008	\$1,832,000.00
4. Verona County of Dane Application #: 02008095 Purpose: Construct a public athletic field grandstand	City Rate: 3.25 Filed: May 16, 2008	\$130,000.00
<b>TOTAL</b>		<b>\$3,562,000.00</b>

**BOARD MEETING**

**JUNE 3, 2008**

**AGENDA ITEM 4**

**PROPOSED WAUSAU TIMBERLAND - LAND BANK ACQUISITION**

Wausau Timberland Company, LLC is offering to sell 204 acres of land in Lincoln County (Exhibit A) and 1360 acres of land in Oneida County (Exhibit B). The Oneida County property for sale is contiguous to approximately 1000 acres that are currently owned by BCPL. However, BCPL currently has limited access to those current lands.

BCPL staff recommends the purchase of the property from Wausau Papers for the following reasons:

- Purchase of the property would provide BCPL with better access to its existing lands, thereby increasing their value;
- Purchase of the property would improve management efficiency by providing BCPL with large manageable blocks of land in reasonable proximity to the Lake Tomahawk Office;
- Purchase of the property would provide BCPL with productive timberland, that can be expected to produce revenue for the trust funds through future timber harvests;
- Purchase of the property would reduce forest fragmentation as it would keep two sizeable blocks of forestland from subdivision; and
- The property is available at a discount from its appraised value due to the recent slowdown in the real estate market.

Attachments:

*Resolution*

*Exhibit A - BCPL Purchase Criteria & Project Map*

*Exhibit B - BCPL Purchase Criteria & Project Map*

**BOARD MEETING**

**JUNE 3, 2008**

**AGENDA ITEM 4**

**PROPOSED WAUSAU TIMBERLAND – LAND BANK ACQUISITION**

**RECITALS**

- A. Wausau Timberland Company, LLC has offered to sell certain property more particularly described as:
  - a. the West Half of the Southeast Quarter; the East Half of the Southwest Quarter and the Northwest Quarter of the Southwest Quarter of Section Seven (7) in Township Thirty-Three North (T33N), Range Eight East (R8E), Town of Russell, Lincoln County, Wisconsin; (204 acres) and
  - b. the Southeast Quarter of Section Five (5); the Northeast Quarter and the Southeast Quarter of Section Eight (8); The Southwest Quarter of the Northwest Quarter, the Southwest Quarter, the West Half of the Southeast Quarter and the Northeast Quarter of Section Nine (9); the Northwest Quarter and the North Half of the Southwest Quarter of Section Sixteen (16); the Northeast Quarter of the Southeast Quarter and the Northeast Quarter of Section Seventeen (17); in Township Thirty-Four North (T38N), Range Ten East (R10E), Town of Sugar Camp, Oneida County Wisconsin (1360 acres) (collectively, the “Property”).
- B. The Property has been evaluated by BCPL staff against purchase criteria previously adopted by the Board. The Property has been determined by BCPL staff to be appropriate for purchase according to such criteria. Copies of the summary purchase analysis for the Property are attached to this resolution as Exhibits A and B.
- C. The Property is comprised of two large productive tracts of timberland within BCPL’s consolidation zone.
- D. The Oneida County portion of the Property is contiguous to approximately 1000 acres of land currently owned by the Board of Commissioners of Public Lands and the acquisition of the Property from Wausau Timberlands will provide improved access to BCPL’s current land holdings.
- E. The Property has been appraised at a value of \$2,881,840. However, Wausau Timberlands is willing to sell the Property at the discounted price of \$2,250,596 due to the recent slowdown in the real estate market.

- F. BCPL currently has more than \$770,000 in land bank funds available for investment and BCPL staff project closing on the sale of \$1,500,000 of other lands to the DNR and Sawyer County in the near future.
- G. The proceeds from the sale of other property to the DNR and Sawyer County will provide enough funds to purchase the Property from Wausau Timberlands under BCPL's Land Bank Authority.

**NOW, THEREFORE BE IT RESOLVED**, that the Board of Commissioners of Public Lands authorizes the purchase of the Property at the price of Two Million, Two Hundred Fifty Thousand, Five Hundred Ninety-Six Dollars (\$2,250,596.00) 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.

70804

**Board of Commissioners of Public Lands**  
**Summary Analysis of Potential Property Purchase**

County & Township of Parcel(s): Lincoln County Russell Township

Legal Description: W1/2 of the SE, E1/2 of the SW, and the NWSW  
Section 7, Township 33N, Range 8E,  
Russell Township, Lincoln County, Wisconsin

Acres: 204

Parcel ID Number: 020-3308-074-9997, 020-3308-074-9996, 020-3308-073-9997, 020-3308-073-9996, 020-3308-073-9999

Previous Year Tax Levy: \$169.36

File # (Obtain from Accountant): \_\_\_\_\_

Name(s) of Seller(s): Wausau Timberland Company, LLC

Address of Seller(s): 200 Paper Place  
Mosinee, WI 54455

Seller Phone #: (715)692-2942

Seller's Attorney or Agent: \_\_\_\_\_

Contact Information: Rob Kudick  
\_\_\_\_\_  
\_\_\_\_\_

Seller's Attorney or Agent Phone Number(s): ( ) \_\_\_\_\_

Asking Price: \$489,700.00

70804

**Summary Analysis of Potential Property Purchase  
Property Name Wausau Papers, Turtle Lake Parcel (LI-19)**

**EXHIBIT A  
Page 2**

Acres of productive forest land in parcel(s):	<u>180 acres</u>
Acres of non productive land in parcel(s):	<u>24 acres</u>
Acres of land with public access in parcel(s):	<u>0 acres</u>
Acres of land without public access in parcel(s):	<u>204 acres</u>
Acres of current BCPL land that will become accessible to the public through parcel(s):	<u>0 acres</u>
Acres of our current BCPL land that will become accessible for timber management purposes through parcel(s):	<u>0 acres</u>

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

This is a very high quality Northern Hardwood stand with desirable soils and a very diverse species composition on nicely rolling terrain. This parcel does not provide blocking or access to other BCPL parcels and has a limited amount of nearby lands for additions. This parcels is contiguous with and located just South of a large block of County Forest. Although it is land locked, the neighbor to the West has agreed to sell their eight acre parcel to us for \$2,000 per acre. The main selling points of this parcel are the location to the office and the quality, diverseness and growth potential of the existing timber.

Summary Analysis of Potential Property Purchase  
Property Name Turtle Lake Parcel

Purchase Criteria

1. Forest Fragmentation

- X Average tract size increases
- X The ratio of perimeter to area decreases
- X 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
- X There is an increase in the number of BCPL acres open to the public

3. Management Efficiency

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

4. Timber Character and Value

- X The average site index of forest soils on BCPL property increases
- X Within one cutting cycle there is an increase in the potential high value sawlog volume and growth, on the tract
- X 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 BCP:

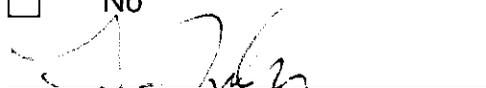
- X Yes
- No

  
Trust Lands Forestry Supervisor

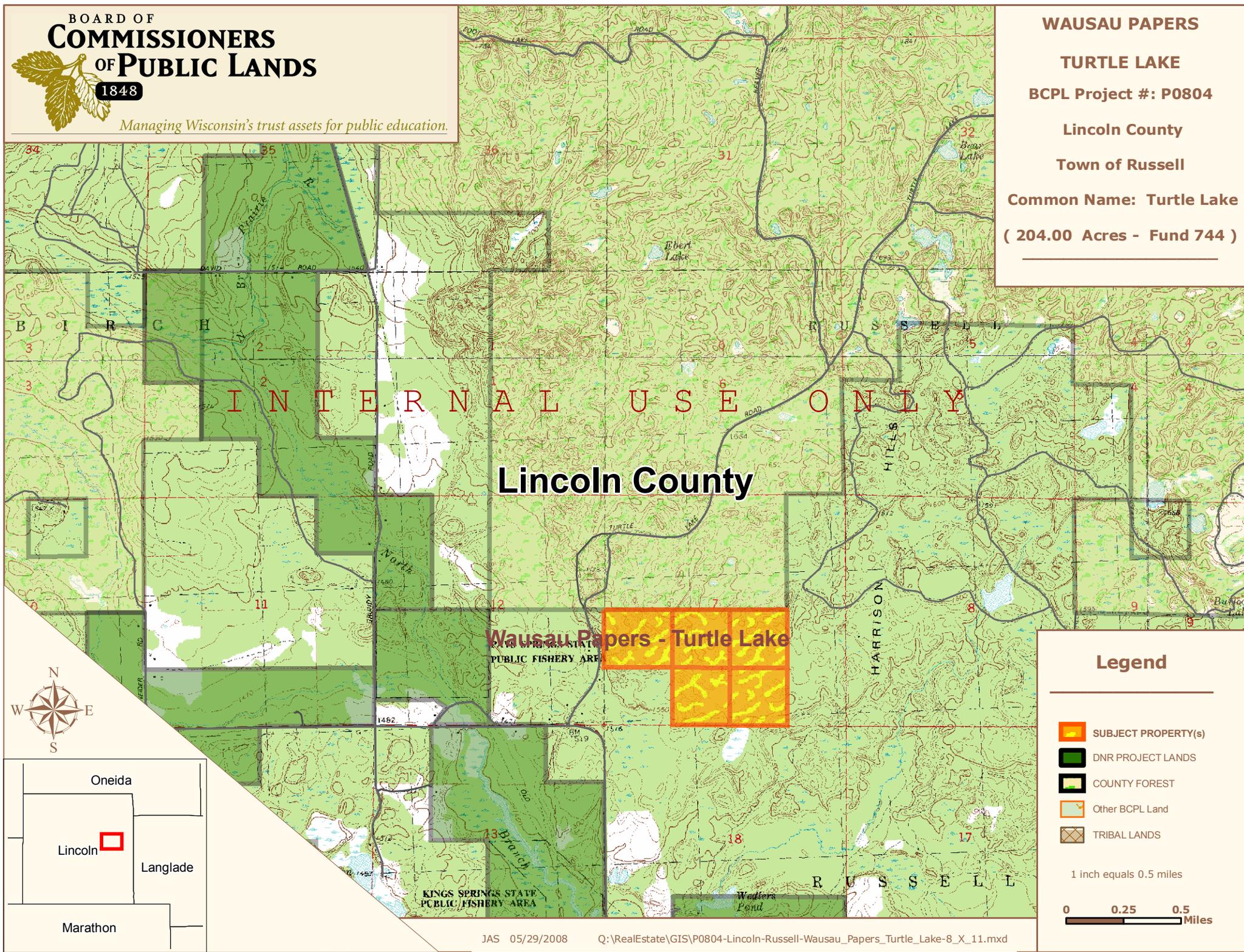
5/15/08  
Date

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

- Yes
- No

  
Executive Secretary

5/20/08  
Date



**Wausau Papers - Turtle Lake**  
 PUBLIC FISHERY AREA

**Legend**

-  SUBJECT PROPERTY(S)
-  DNR PROJECT LANDS
-  COUNTY FOREST
-  Other BCPL Land
-  TRIBAL LANDS

1 inch equals 0.5 miles



70806

**EXHIBIT B**  
**Page 1**

**Board of Commissioners of Public Lands**  
**Summary Analysis of Potential Property Purchase**

County & Township of Parcel(s): Oncida Sugar Camp  
Legal Description: The SE ¼ of Section 5, the East ½ of Section 8, the NE ¼ and NESE of Section 17, the SWNW, SW ¼, the NE ¼, and West ½ of the SE ¼ of Section 9, the NW ¼, the North ½ of SW ¼ of Section 16, all in Township 38 North, Range 10 East, Sugar Camp Township, Oneida County, Wisconsin

Acres: 1360  
Parcel ID Number: SU-1053, 1054, 1055, 1056, 1078, 1079, 1080, 1081, 1089, 1090, 1091, 1092, 1093, 1094, 1095, 1096, 1099, 1101, 1102, 1103, 1104, 1106, 1107, 1126, 1127, 1128, 1129, 1138, 1114, 1115, 1116, 1117, 1118, 1119  
Previous Year Tax Levy: \$1,128.80  
File # (Obtain from Accountant): \_\_\_\_\_  
Name(s) of Seller(s): Wausau Timberland Company, LLC  
Address of Seller(s): 2290 County Road X, Suite A, Mosinee, WI 54455

Seller Phone #: (715-675-8344)  
Seller's Attorney or Agent: Rob Kudick  
Contact Information: \_\_\_\_\_

Seller's Attorney or Agent Phone Number(s): (715-297-4727)  
Asking Price: \$2,244,000

F0806

**EXHIBIT B**  
**Page 2**

**Summary Analysis of Potential Property Purchase**  
**Property Name-Wausau Papers, Sugar Camp Parcel**

Acres of productive forest land in parcel(s):	<u>1060 acres</u>
Acres of non productive land in parcel(s):	<u>300 acres</u>
Acres of land with public access in parcel(s):	<u>1360 acres</u>
Acres of land without public access in parcel(s):	<u>0 acres</u>
Acres of current BCPL land that will become accessible to the public through parcel(s):	<u>1000 acres</u>
Acres of our current BCPL land that will become accessible for timber management purposes through parcel(s):	<u>1000 acres</u>

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

This parcel ranks high in terms proximity to the District Office, access, quality saw timber potential, and the reduction of forest fragmentation. Purchasing this tract would compliment existing Trust Lands along with providing a buffer for an existing State Wildlife Refuge while at the same time providing a large block of land available for public recreation. This parcel contains a mixture of cover types consisting of approximately 200 acres of Aspen, 300 acres of Spruce and Pine, 360 acres of Northern Hardwood, 200 acres of Aspen/Hardwood mix which is in the process of converting to Hardwood, and 300 acres of unproductive forest lands, 160 acres of which the DNR has expressed an interest in. This entire parcel has great access with a good road network and would also provide direct access for recreation and timber management on existing Trust Lands to the North. In general the timber is in good health although some of the Spruce does show early signs of needle cast. In the short term, revenue could be generated from this parcel with a selection harvest in the Spruce stands and by removing the Aspen in the Aspen/Hardwood stands. The pure Hardwood stands are about 10 years away from a selection harvest and potential high value saw timber volumes. With the planned sale of our adjacent 1300 acres of Natural Area lands to the DNR this purchase would exemplify the spirit of the Land Bank Program in so much as we would be basically swapping out unproductive Natural Area lands for very productive and accessible forest lands.

P0806

**EXHIBIT B**  
**Page 3**

**Summary Analysis of Potential Property Purchase**  
**Property Name \_Wausau Papers, Sugar Camp Parcel**

**Purchase Criteria**

**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

*John Sch...* 4/1/08  
 Trust Lands Forestry Supervisor Date

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

- Yes
- No

*Lia Nelson* 5/30/08  
 Executive Secretary Date

