



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
April 21, 2009
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 – April 6, 2009
3. Approve Loans
4. Proposed Land Bank Purchase – Kretz Lumber Company
5. Executive Secretary's Report
6. Adjourn

**BOARD MEETING
APRIL 21, 2009**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the April 6, 2009, board meeting.

Board Meeting Minutes
April 6, 2009

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 |
| Dawn Marie Sass, 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 |
| Scott Eastwood, Loan Analyst | Board of Commissioners of Public Lands |

ITEM 2. APPROVE MINUTES – March 18, 2009

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

ITEM 3. APPROVE LOANS

Assistant Attorney General Bob Hunter had sent the Commissioners an e-mail indicating that the loans had received legal review.

Municipality	Municipal Type	Loan Amount
1. Blooming Grove County of Dane Application #: 02009185 Purpose: Fund capital purchases	Town Rate: 3.50 Filed: March 27, 2009	\$60,383.21
2. Blue Mounds County of Dane Application #: 02009181 Purpose: Finance street project	Village Rate: 5.50 Filed: March 23, 2009	\$875,181.00
3. Deerfield Community County of Dane Application #: 02009183 Purpose: Renovate High School and Middle School	School Rate: 3.50 Filed: March 23, 2009	\$500,000.00
4. Ellington County of Outagamie Application #: 02009180 Purpose: Finance road construction	Town Rate: 3.50 Filed: March 18, 2009	\$500,000.00
5. Flambeau County of Rusk Application #: 02009184 Purpose: Purchase truck	Town Rate: 3.50 Filed: March 23, 2009	\$106,385.18

6.	Fulton Sanitary District No. 2 County of Rock Application #: 02009179 Purpose: Finance sanitary sewer main installation	Sanitary District Rate: 4.50 Filed: March 17, 2009	\$129,100.00
7.	Lessor County of Shawano Application #: 02009182 Purpose: Purchase tanker truck	Town Rate: 3.50 Filed: March 23, 2009	\$48,000.00
8.	West Allis County of Milwaukee Application #: 02009178 Purpose: Finance TID #7 improvements	City Rate: 4.50 Filed: March 16, 2009	\$1,300,000.00
TOTAL			\$3,519,049.39

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

ITEM 4. LOAN LIMIT EXCEPTION – TOWN OF WINDSOR

Board Chair La Follette said that the town of Windsor was requesting an exception to the Board's current \$5 million loan limit to refinance an existing economic development note. The total amount requested was \$5,582,895.

MOTION: Commissioner Van Hollen moved to approve the loan limit exception for the town of Windsor; Commissioner Sass seconded the motion. The motion passed, 3-0.

ITEM 5. EXECUTIVE SECRETARY'S REPORT

Nothing to report.

ITEM 6. ADJOURN

MOTION: Commissioner Van Hollen moved to adjourn the meeting; Commissioner Sass 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
APRIL 21, 2009**

**AGENDA ITEM 3
APPROVE LOANS**

Municipality	Municipal Type	Loan Amount
1. Greenfield County of Milwaukee Application #: 02009186 Purpose: Construct administrative offices	School Rate: 4.50 Filed: April 1, 2009	\$1,500,000.00
2. Harrison County of Calumet Application #: 02009189 Purpose: Refinance utility borrowing	Town Rate: 3.50 Filed: April 13, 2009	\$705,000.00
3. Maple County of Bayfield and Douglas Application #: 02009191 Purpose: Finance construction costs	School Rate: 4.50 Filed: April 16, 2009	\$600,000.00
4. Ripon County of Fond du Lac Application #: 02009188 Purpose: Finance TIF improvements	City Rate: 4.50 Filed: April 13, 2009	\$600,000.00
5. Rutland County of Dane Application #: 02009190 Purpose: Purchase new truck chassis	Town Rate: 3.50 Filed: April 14, 2009	\$50,000.00
6. Westfield County of Adams, Marquette and Waushara Application #: 02009187 Purpose: Replace boiler	School Rate: 4.50 Filed: April 6, 2009	\$221,140.00
TOTAL		\$3,676,140.00

**BOARD MEETING
APRIL 21, 2009**

**AGENDA ITEM 4
PROPOSED LAND BANK PURCHASE – KRETZ LUMBER COMPANY**

Kretz Lumber Co., Inc. is offering to sell 479 acres of land in Langlade County to BCPL at a price of \$2,250 per acre for a total of \$1,077,750. The property has been recently appraised by BCPL at a value of \$2,600 per acre for a total of \$1,245,000. The property for sale is contiguous to approximately 80 acres of land currently owned by BCPL and within one half mile of another 900 acres that are currently owned by BCPL. The property is excellent timberland and the gross timber value on the Property is estimated at \$1,620 per acre.

BCPL staff recommends the purchase of the property from Kretz Lumber Co., Inc. for the following reasons:

- Purchase of the Property would provide BCPL and the public with better access to its existing lands, thereby increasing the value of those current holdings;
- Purchase of the Property would improve management efficiency by providing BCPL with a large manageable block 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 a sizeable block 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 w/Exhibits

Exhibit A - BCPL Purchase Analysis

Exhibit B - Appraisal Certification

BCPL Project Map

**BOARD MEETING
APRIL 21, 2009**

**AGENDA ITEM 4
PROPOSED LAND BANK ACQUISITION – KRETZ LUMBER COMPANY**

RECITALS

- A. Kretz Lumber Company, Inc. (“Kretz”) has offered to sell to BCPL certain property more particularly described as:
- the Southwest Quarter of the Southeast Quarter of Section Ten (10); the Northeast Quarter, the Southeast Quarter, that part of the East Half of the Southwest Quarter and that part of the East Half of the Northwest Quarter east of Highway 55 in Section Fifteen (15); in Township Thirty-Four North (T34N), Range Twelve East (R8E), Town of Ainsworth, Langlade County, Wisconsin; consisting of approximately 479 acres (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. A copy of the summary purchase analysis for the Property is attached to this resolution as Exhibit A.
- C. The Property is contiguous to approximately 80 acres of land currently owned by BCPL that does not have legal access. The acquisition of the Property will provide BCPL with legal access to the 80 acres of current BCPL holdings.
- D. The Property is comprised of a very productive 479 acre tract of timberland within BCPL’s consolidation zone.
- E. The gross timber value on the Property is estimated at \$1,620 per acre.
- F. The Property has been appraised at a value of \$2,600 per acre for a total of \$1,245,000. A copy of the Certification of the Appraisal has been attached as Exhibit B.
- G. Kretz is willing to sell the Property for \$2,250 per acre for a total of \$1,077,750.
- H. BCPL currently has slightly less than \$700,000 in land bank funds available for investment and BCPL staff project closing on the sale of \$500,000 of other lands to the DNR in the near future.
- I. The proceeds from the sale of other property to the DNR will provide enough funds to purchase the Property from Kretz 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 One Million, Seventy-Seven Thousand, Seven Hundred Fifty Dollars (\$1,077,750.00) 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 transaction is contingent upon BCPL having sufficient funds available in land bank accounts to close the purchase. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such purchase transaction.

**Board of Commissioners of Public Lands
Summary Analysis of Potential Property Purchase – Kretz Rolling Stone Parcel**

County & Township of Parcel(s): Langlade Ainsworth
Legal Description: SW ¼ of the SE ¼ of Section 10, the NE ¼, the SE ¼
That part of E ½ of the SW ¼ and the E ½ of the NW 1/4
East of Highway 55 in Section 15, all located in
T 34N, R 12E, Ainsworth Township, Langlade County, WI
Acres: 479
Parcel ID Number: 04-736,787,788,789,790,799,800,801,802,791,794,795,798
Previous Year Tax Levy: \$487.17
File # (Obtain from Accountant): _____
Name(s) of Seller(s): Kretz Lumber Co Inc
Address of Seller(s): P.O. Box 160
Antigo, WI 54409
Seller Phone #: () _____
Seller's Attorney or Agent: Season to Season Properties, LLC
Contact Information: Ronald Schroepfer
P.O. Box 505
Antigo, WI 54409
Seller's Attorney or Agent Phone Number(s): (715) 623-3600
Asking Price: \$1,197,500.00 Estimated

**Summary Analysis of Potential Property Purchase
Property Name – Kretz Rolling Stone Parcel**

Acres of productive forest land in parcel(s):	<u>479 acres</u>
Acres of non productive land in parcel(s):	<u>10 acres</u>
Acres of land with public access in parcel(s):	<u>479 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>80 acres</u>
Acres of our current BCPL land that will become accessible for timber management purposes through parcel(s):	<u>80 acres</u>

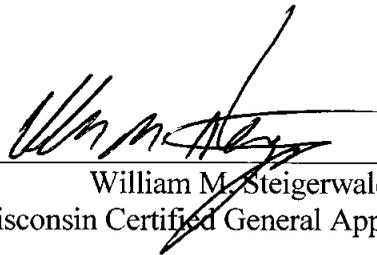
Comments (parcel cover type or other attributes of parcel or transaction):

This parcel is a large block of excellent quality northern hardwood timber with an ability to increase timber values within one 15-year cutting cycle. The 480 acre parcel is nearly 100% upland with excellent silt loam soils and rolling terrain. It has excellent public access from public roads along with a goods woods road network and existing gates that could be used to protect the roads during wet weather. Access is created to two existing adjoining parcels to the east. This parcel blocks well with our other 900 acre block ½ mile to the north. This area offers opportunity for expansion and the possible future consolidation of both blocks. Initial BCPL due diligence field visits did not discover any problems with noxious weeds, dumps or illegal structures. While there has been some recent timber harvests, the property has been well managed so that timber harvests could be resumed again in 7-8 years. This purchase would also protect a snowmobile trail.

CERTIFICATION

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

- a. The statements of fact contained in this report are true and correct.
- b. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- c. I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- d. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- e. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- f. 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.
- g. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the "Uniform Standards of Professional Appraisal Practice."
- h. I personally inspected the property that is the subject of this report and all comparable sales.
- i. No one provided significant assistance to the persons signing this report.
- j. It is my opinion that the subject property has a market value of \$1,245,000, as of March 16, 2009.



William M. Steigerwaldt
Wisconsin Certified General Appraiser #394

INTERNAL USE ONLY

KRETZ ROLLING STONE PURCHASE

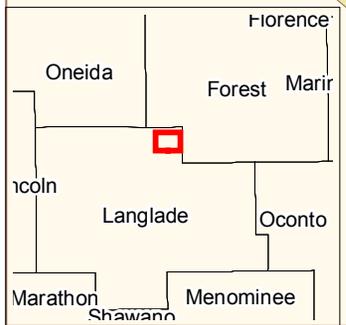
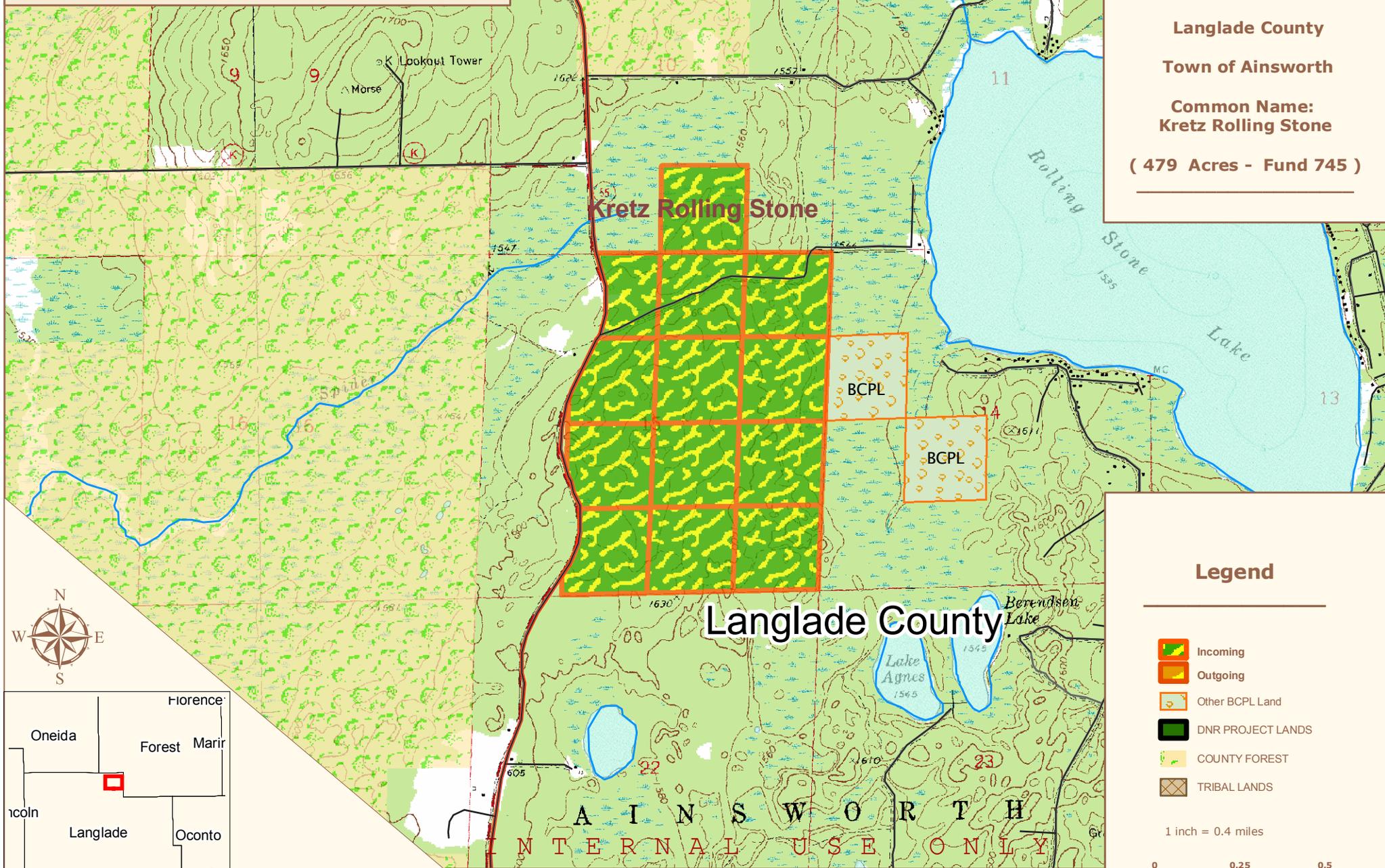
BCPL Project #: P0901

Langlade County

Town of Ainsworth

**Common Name:
 Kretz Rolling Stone**

(479 Acres - Fund 745)

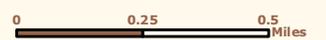


Langlade County

Legend

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

1 inch = 0.4 miles



INTERNAL USE ONLY