



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.wisconsin.gov

Managing Wisconsin's trust assets for public education.

AGENDA
April 6, 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 – March 16, 2010
3. Approve Loans
4. Proposed Land Bank Sale to Oconto County (S0918)
5. Executive Secretary's Report
6. Adjourn

**BOARD MEETING
APRIL 6, 2010**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the March 16, 2010, board meeting.

Board Meeting Minutes
March 16, 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.

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 2, 2010

MOTION: Commissioner Sass moved to approve the minutes; Board Chair La Follette seconded the motion. The motion passed, 3-0.

ITEM 3. APPROVE LOANS

Deputy Secretary German said that the loans had received legal review.

Municipality	Municipal Type	Loan Amount
1. Kimberly County of Outagamie Application #: 02010151 Purpose: Finance TIF district project	Village Rate: 5.50 Filed: March 4, 2010	\$1,000,000.00
2. Lena County of Oconto Application #: 02010150 Purpose: Finance public works project	Village Rate: 3.50 Filed: February 25, 2010	\$20,000.00
3. Montello County of Marquette Application #: 02010152 Purpose: Refinance other outstanding debt	City Rate: 3.50 Filed: March 4, 2010	\$284,814.00
4. Okauchee Lake Management District County of Waukesha Application #: 02010155 Purpose: Finance public works project	Lake District Rate: 4.50 Filed: March 10, 2010	\$300,000.00
5. Sullivan County of Jefferson Application #: 02010153 Purpose: Finance the purchase of capital equipment and vehicles	Town Rate: 3.50 Filed: March 8, 2010	\$30,000.00

6.	West Bend	City	\$519,005.00
	County of Washington	Rate: 4.50	
	Application #: 02010154	Filed: March 8, 2010	
	Purpose: Finance the purchase of capital equipment and vehicles		
		TOTAL	\$2,153,819.00

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

ITEM 4. ALLOW EXECUTIVE SECRETARY TO EXTEND DRAW PERIOD

Board Chair La Follette explained that the timeframe to draw monies on State Trust Fund Loans was reduced from one year to four months at a recent board meeting. A customer may need an extension to draw funds due to a technicality. Staff is asking that the Executive Secretary be given discretion to extend the draw period by no more than 30 days for such exceptions.

MOTION: Commissioner Van Hollen moved to allow the Executive Secretary to extend the draw period; Commissioner Sass seconded the motion. The motion passed, 3-0.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners Public Lands authorizes the Executive Secretary to administratively extend the four month allowable draw period for State Trust Fund Loans by up to 30 days, taking into account:

- The affect of the draw extension on Trust Fund earnings;
- The immediate availability of other alternative investments; and
- Extenuating circumstances encountered by the borrower after the date of the loan application.

ITEM 5. REQUEST FOR SIX MONTH EXTENSION OF DRAW PERIOD BY MIDDLETON-CROSS PLAINS SCHOOL DISTRICT

The Board agreed with staff's recommendation to deny the Middleton-Cross Plains School District's request for a six month extension of the draw period on their State Trust Fund Loan.

ITEM 6. EXECUTIVE SECRETARY'S REPORT

Executive Secretary Nelson reported that she met with congressional staff and also staff at the U.S. Forest Service in Washington, DC, to discuss a federal appropriations request that would allow the Forest Service to purchase BCPL Trust Lands within their project boundaries.

ITEM 7. 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 6, 2010**

**AGENDA ITEM 3
APPROVE LOANS**

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Amount</u>
1. Coon Valley County of Vernon Application #: 02010157 Purpose: Finance TIF district project	Village Rate: 4.50 Filed: March 22, 2010	\$330,000.00
2. Ferryville County of Crawford Application #: 02010158 Purpose: Finance public works project	Village Rate: 4.50 Filed: March 22, 2010	\$35,000.00
3. Rosendale County of Fond Du Lac Application #: 02010156 Purpose: Finance the purchase of capital equipment and vehicles	Village Rate: 3.50 Filed: March 22, 2010	\$39,650.00
	TOTAL	\$404,650.00

BOARD MEETING

APRIL 6, 2010

AGENDA ITEM 4

PROPOSED LAND BANK SALE TO OCONTO COUNTY (\$0918)

Oconto County has determined that approximately 80 acres of BCPL Trust Lands in the town of Brazeau in Oconto County is required for county use. The County would like to purchase the Property in two phases. In the first phase, the County would purchase a Conservation Easement from BCPL using funding from the Wisconsin Department of Natural Resources. Immediately after purchasing the Conservation Easement, the County would purchase the remaining fee title to the Property.

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

- The Property is an isolated, unproductive parcel located outside of BCPL's Consolidation Zone that does not produce revenue for the trust funds;
- 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 Oconto County would allow Oconto County to expand an existing tract of land, preserve and enhance Peshtigo Brook, while developing recreational opportunities on the Property.

Attachments:

Resolution w/Exhibits

Exhibit A - BCPL Sale Criteria

Exhibit B - Appraisal Summary

BCPL Project Map

BOARD MEETING

APRIL 6, 2010

AGENDA ITEM 4

PROPOSED LAND BANK SALE TO OCONTO COUNTY (S0918)

RECITALS

- A. Oconto County has determined that certain property located in Oconto County and more particularly described as the NW ¼ of the SE ¼ and the SW ¼ of the SE ¼ of Section Thirty-Two (32), Township Thirty-One North (T31N) Range Eighteen East (R18E) (the “Property”) is required for County use.
- B. The Property is currently owned by the Board of Commissioners of Public Lands.
- C. The Property is adjacent to the Oconto County Forest.
- D. The Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The 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.
- E. Oconto County (the “County”) wishes to purchase the Property, but can only do so by acquiring interests in the Property in phases.
- F. In the first phase, the County has offered to purchase a Conservation Easement on the Property for the sum of One Hundred Thirty-Four Thousand Eight Hundred Dollars (\$134,800) using funding from the Wisconsin Department of Natural Resources. The DNR funding is for the express purpose of purchasing a Conservation Easement.
- G. The Conservation Easement has been independently appraised by Stephan G. Hannot at a value of One Hundred Thirty-Four Thousand and Eight Hundred Dollars (\$134,800.00). A copy of the summary page of the appraisal is attached as Exhibit B.
- H. In the second phase commencing immediately after the purchase of the Conservation Easement, the County has offered to purchase the Fee Title to the Property for the sum of Seven Thousand Seven Hundred Dollars (\$7,700).
- I. Mr. Hannot has appraised the value of the Property (without the Conservation Easement) at One Hundred Forty-Two Thousand and Five Hundred Dollars (\$142,500.00). After subtracting the value of the Conservation Easement (\$134,800), the remaining value of the property is Seven Thousand Seven Hundred Dollars (\$7,700). See attached appraisal summary Exhibit B.

- J. The offered price for the Conservation Easement and fee title to the Property is equal to the appraised value.
- K. BCPL staff recommends the sale of the Conservation Easement and fee title to the Property to Oconto County at the total price of One Hundred Forty-Two Thousand Five Hundred Dollars (\$142,500.00)

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the sale of a Conservation Easement and fee title to the Property to the Oconto County at the total price of One Hundred Forty-Two Thousand Five Hundred Dollars (\$142,500.00) Such sale shall be conducted 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 Brazeau 80

County Oconto Township Brazeau

Legal Description NWSE and the SWSE of Section 32, T31N, R18E
Brazeau Township, Oconto County, Wisconsin

Transaction ID# (from Accountant) 50918

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:

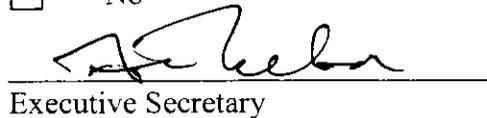
- Yes
- No


Signature of Forest Land Supervisor

12/17/08
Date

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

- Yes
- No


Executive Secretary

Dec 28, 08
Date

Hannot Appraisal Services, LLC

Real Estate Appraisals / Consulting

Serving Northeast Wisconsin and the Upper Peninsula of Michigan

416 Jones Avenue
Oconto, WI 54153
Ph 920-834-3031
Fx 920-834-5188
shannot@centurytel.net

July 1, 2009

Oconto County Land and Water Resources
Forest, Parks, and Recreation Division
Attn: Robert Skalitzky
301 Washington Street
Oconto, WI 54153

RE: Appraisal of 80 Acres in W½ of SE¼ of Section 32, T31N-R18E
State of Wisconsin - Board of Commissioners of Public Lands, Owners

Dear Mr. Skalitzky:

At your commission we have prepared this report of the above described property for an appraisal of real property in a before grant of conservation easement valuation and again in an after grant of conservation easement valuation. The scope of work in this assignment included a physical viewing of the property as it also is described herein, review of the general real estate in the market area it is located to develop an opinion of value of the property in fee simple as it exists (before), and again to develop an opinion of value of the interests in the property as if encumbered by a conservation easement (after).

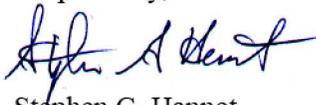
The effective date of valuation is as of June 26, 2009, the last date of property viewing.

The report describes the appraisal process and development of value opinions for the property in both states, and it is subject to the stated and attached general assumptions, limiting conditions and certifications. At the time of the effective date of this report and valuation, the property was not encumbered by a conservation easement. This appraisal assignment assumes in the after valuation that the property will be encumbered by a conservation easement similar to the terms of the draft conservation easement document submitted.

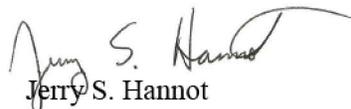
Based on the study made in this assignment as the property exists in the before, it is my opinion that the subject property had a market value of \$142,500 as of June 26th of 2009. As a result of the study made in the after state, as if it had been encumbered by a conservation easement as of June 26th of 2009, the property would have a market value of \$7,700. Subtracting the "after" value from the "before" value arrives at an estimated value of the conservation easement at \$134,800.

Thank you for giving us the opportunity to be of service to you. If you or the reviewer for the granting agency has any questions after reading this report, please do not hesitate to contact us.

Respectfully,



Stephen G. Hannot
WI CGA 177-010
MI CGA 1201002304



Jerry S. Hannot
Assistant Appraiser

Summary of Facts

Client: Oconto County Land and Water Resources
Forest, Parks, and Recreation Division

Mailing Address: 301 Washington Street
Oconto WI 54153

Client Agent: Mr. Robert Skalitzky

Phone: 920.834.6825

Purpose of Appraisal: Provide opinion of market value of subject property in fee simple interest before grant of conservation easement and then the real property rights in the property after grant of conservation easement

Property Description: Approximately 80 acres of land on north side of State Highway 64 and both sides of Peshtigo Brook, described as 'the West Half of the Southeast Quarter (W½ of SE¼) in Section 32, Township 31 North, Range 18 East, Town of Brazeau, Oconto County, State of Wisconsin'

Property Owners: State of Wisconsin - Board of Commissioners of Public Lands

Mailing Address: Lake Tomahawk District Office
P. O. Box 277
Lake Tomahawk, WI 54539

Owner Agent: Mr. Terry Hess

Phone: 715.277.3366

Lot Size: 80.0 Acres, according to county records

Improvements: None

County Zoning: Forestry, Shoreland, Wetlands (Town of Brazeau Unzoned)

Present Use: Public Recreational

Highest & Best Use Before: Recreational, Timber Harvest

Highest & Best Use After: Recreational

Sales History: Fee Simple Interest acquired by Land Grant from United States of America in 1865, with a reproduction of the original document recorded as Document No. 491554 in the Oconto County Register of Deeds Office

Value Opinion
Before Grant of Easement: \$142,500

Value Opinion
After Grant of Easement: \$7,700

Value Opinion
Of Conservation Easement: \$134,800

Assumptions Made: Land area of 80.0 acres; No contamination of site

Extraordinary Assumption Made: Language of finalized conservation easement document similar to the draft submitted

Hypothetical Condition: Conservation easement in place in the after valuation

Effective Date of Appraisal: June 26, 2009

Date This Report Signed: July 1, 2009

Appraised By: Stephen G. Hannot
Wisconsin Certified General Appraiser #177-010
Michigan Certified General Appraiser #1201002304
General Associate - Appraisal Institute #69175

Appraiser's Assistant: Gerald S. Hannot

Mailing Address: Hannot Appraisal Services LLC
416 Jones Avenue
Oconto, WI 54153

Phone: 920.834.3031

BRAZEAU 80 SALE

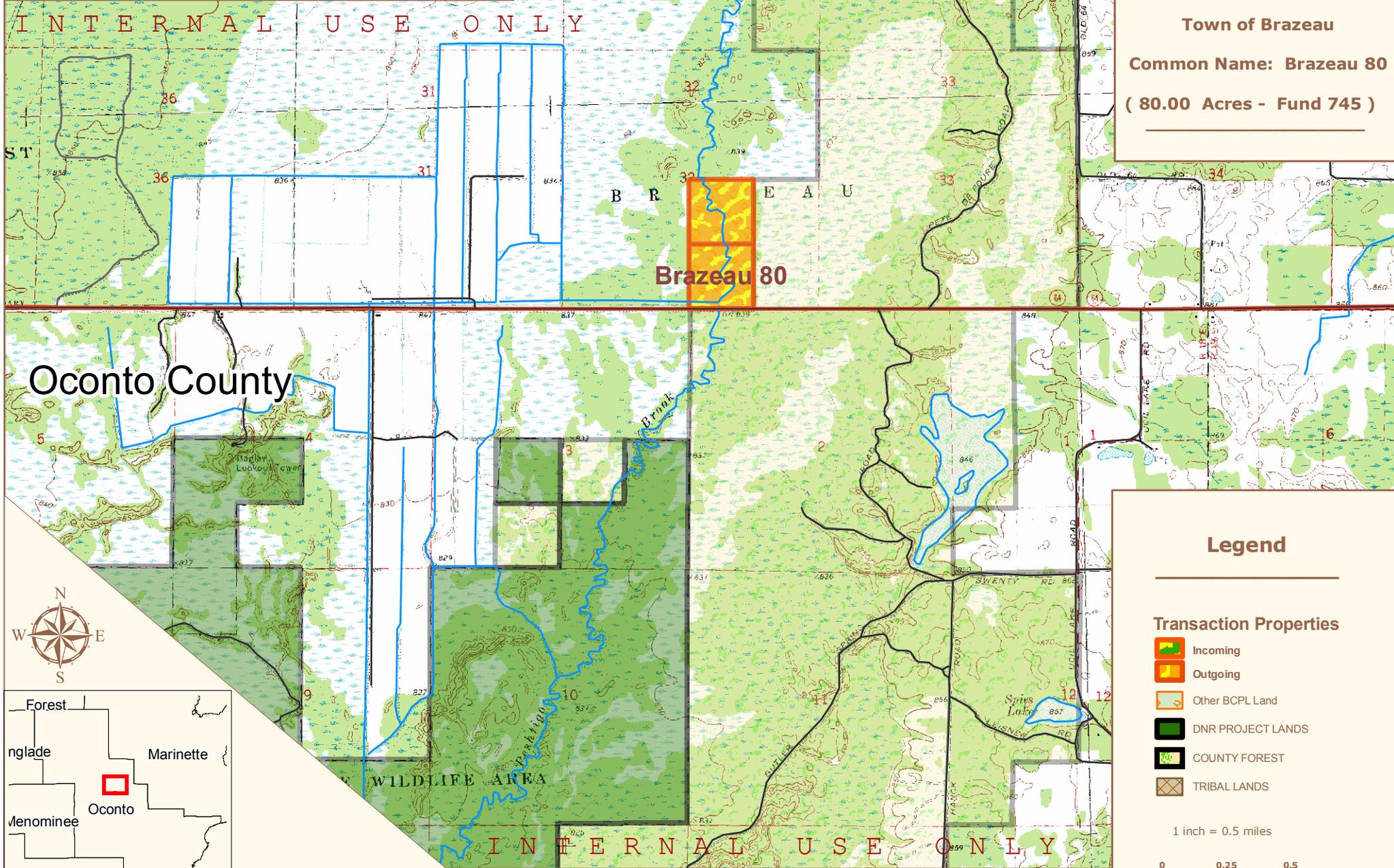
BCPL Project #: S0918

Oconto County

Town of Brazeau

Common Name: Brazeau 80

(80.00 Acres - Fund 745)



Oconto County

Brazeau 80

Legend

Transaction Properties

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

1 inch = 0.5 miles

