



Douglas La Follette, *Secretary of State*
Kurt Schuller, *State Treasurer*
J.B. Van Hollen, *Attorney General*
Tia Nelson, *Executive Secretary*

101 E. Wilson Street
2nd Floor
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

November 20, 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 – November 6, 2012
3. Approve Loans
4. Request to Increase Bond Purchase Authority
5. Proposed Land Bank Purchase – Peroutka Forty (P1301)
6. Proposed Land Exchange – Camp Bird / Marinette County (E1301)
7. Executive Secretary's Report
8. Adjourn

**BOARD MEETING
NOVEMBER 20, 2012**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the November 6, 2012, board meeting.

Board Meeting Minutes
November 6, 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 – OCTOBER 16, 2012

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

ITEM 3. APPROVE LOANS

Executive Secretary Nelson said the loans had received legal review.

Municipality	Municipal Type	Loan Amount
1. Clyman Dodge County Application #: 02013069 Purpose: Finance road expenses and purchase bulk salt	Town Rate: 2.50% Term: 5 years	\$25,000.00
2. Draper Sawyer County Application #: 02013068 Purpose: Purchase truck	Town Rate: 2.50% Term: 5 years	\$39,024.24
3. Eagle Waukesha County Application #: 02013063 Purpose: Purchase highway truck/snowplow	Town Rate: 2.50% Term: 5 years	\$150,000.00
4. Gillett Oconto County Application #: 02013067 Purpose: Refinance bank debt	City Rate: 2.75% Term: 10 years	\$71,560.56
5. Milford Jefferson County Application #: 02013065 Purpose: Finance road repairs	Town Rate: 2.50% Term: 5 years	\$150,000.00

6.	New Richmond St Croix County Application #: 02013073 Purpose: Refinance bank debt	City Rate: 2.75% Term: 10 years	\$404,000.00
7.	New Richmond St Croix County Application #: 02013074 Purpose: Remodel fire hall	City Rate: 2.75% Term: 10 years	\$272,000.00
8.	New Richmond St Croix County Application #: 02013075 Purpose: Remodel fire hall	City Rate: 2.75% Term: 10 years	\$262,000.00
9.	New Richmond St Croix County Application #: 02013076 Purpose: Refinance BCPL Loans 02006109.01 .02	City Rate: 2.75% Term: 10 years	\$288,000.00
10.	Oshkosh Winnebago County Application #: 02013066 Purpose: Finance TIF 25 district project	City Rate: 2.75% Term: 10 years	\$2,000,000.00
11.	Ripon Fond Du Lac County Application #: 02013064 Purpose: Finance Ransom Street rebuild and TID projects	City Rate: 3.75% Term: 20 years	\$1,183,000.00
12.	Scott Brown County Application #: 02013070 Purpose: Refinance bank debt	Town Rate: 2.50% Term: 3 years	\$166,600.00
13.	Scott Brown County Application #: 02013071 Purpose: Refinance bank debt	Town Rate: 2.75% Term: 10 years	\$103,400.00
14.	Stiles Oconto County Application #: 02013062 Purpose: Finance road improvements	Town Rate: 2.50% Term: 4 years	\$100,000.00
15.	Warrens Monroe County Application #: 02013072 Purpose: Finance operations	Village Rate: 2.75% Term: 10 years	\$175,000.00
		TOTAL	\$5,389,584.80

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

ITEM 4. EXECUTIVE SECRETARY'S REPORT

Executive Secretary Nelson reported that timber sale revenue for the 2013 timber sale contracts is down slightly due to a reduction in pulpwood market prices.

She reported that she made a presentation at the Oneida County Unit meeting and then stopped at the Lakeland Times to brief the paper on recent BCPL activities in the readership area, including recent timber sales and economic development loans. She expressed concern to the paper about their coverage of a BPCL land transaction and asked that the paper contact the agency directly for specific information on future transactions.

She also reported that the agency has financed several large and innovative economic development projects in the Rhinelander area in the recent past. These projects are helping to create private sector jobs. A media event is tentatively scheduled for December 18 in the Rhinelander area and the Commissioners would have an opportunity to make a check presentation for a new loan that expands one of those projects.

ITEM 5. 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
NOVEMBER 20, 2011**

**AGENDA ITEM 3
APPROVE LOANS**

Municipality	Municipal Type	Loan Amount
1. Fox Point Milwaukee County Application #: 02013081 Purpose: Refinance prior service pension liability	Village Rate: 3.75% Term: 20 years	\$2,306,383.00
2. Milton Rock County Application #: 02013079 Purpose: Finance building renovations	City Rate: 2.00% Term: 2 years	\$500,000.00
3. Oneida Oneida County Application #: 02013082 Purpose: Finance ABX expansion	County Rate: 3.75% Term: 20 years	\$950,000.00
4. Turtle Lake Barron and Polk Counties Application #: 02013077 Purpose: Finance TID 3 economic development projects	Village Rate: 3.75% Term: 17 years	\$555,000.00
5. Turtle Lake Barron and Polk Counties Application #: 02013078 Purpose: Refinance BCPL Loan #2009106.01	Village Rate: 3.75% Term: 16 years	\$290,000.00
6. Twin Lakes Kenosha County Application #: 02013080 Purpose: Finance emergency construction projects	Village Rate: 2.75% Term: 10 years	\$125,000.00
TOTAL		\$4,726,383.00

**BOARD MEETING
NOVEMBER 20, 2012**

**AGENDA ITEM 4
REQUEST TO INCREASE BOND PURCHASE AUTHORITY**

Summary

The BCPL staff is requesting that the Board increase staff investment authority in Revenue Obligation Bonds issued by the State of Wisconsin and Wisconsin municipalities, and municipal utilities from the current authorization level of \$100 million up to \$200 million. The other current staff investment authorization levels of \$250 million in State of Wisconsin General Obligation Bonds and \$150 million in Municipal and School District General Obligation bonds appear sufficient at the present time to take advantage of expected opportunities in these security types over the medium term.

BCPL staff is also requesting Board authority to invest up to \$5 million in federally insured Bank Certificates of Deposit.

Background

The BCPL currently manages approximately \$905 million in trust fund assets, of which approximately \$388 million is invested in BCPL State Trust Fund Loans to municipalities and school districts, \$341 million in State and Municipal Bonds, and \$176 million in the State Investment Fund (SIF). Of the amount currently held in SIF, commitments to fund new loans currently total \$45 million and commitments to purchase bonds total \$41 million, with approximately \$90 million in unencumbered funds available for investment. Staff anticipates that an additional \$70 to \$80 million will be available for investment by the end of the first quarter of 2013 from annual loan payments, loan prepayments, and maturing bonds.

Most of our recent, attractive investment opportunities have been in bonds classified as Revenue Bonds. Many of these are taxable bonds and, as such, carry a higher yield than tax exempt bonds, especially on the bonds with longer maturities. In addition, we have also recently purchased more short-term revenue notes and bonds that mature in the next 12 to 18 months. These short term investments were made with the strategy of replacing SIF investments earning 0.19% with a short term notes or bonds earning 0.60%. Although these investments do not have a huge impact on overall portfolio earning performance, they do offer a considerable improvement on SIF earnings and maintain the liquidity necessary to invest in longer term bonds or trust fund loans as these opportunities arise.

Other recent revenue bond opportunities have included the purchase of bonds issued to refinance State of Wisconsin pension bonds. These bonds are classified as Revenue Bonds as they require the annual appropriation of funds to pay principal and interest when due. These recent commitments by the BCPL have fully utilized the current investment authority in Revenue Bonds.

In addition to the short-term revenue notes, other alternatives to investments in SIF include Certificates of Deposit (or other financial institution accounts). While each of these CDs or accounts must be limited to less than \$250,000 to maintain federal insurance on the full principal and earned interest (as required by statute), the addition of some CDs will improve BCPL earnings potential while providing some additional investment flexibility to the BCPL portfolio.

Recommendations

The Board previously provided BCPL staff with authority to invest up to \$100 million in Revenue Bonds issued by the State of Wisconsin or Wisconsin municipalities with a Moody's rating (or equivalent) of 'A' or higher. To facilitate additional purchases of Revenue Bonds, staff is requesting that this authority be increased to a total of \$200 million. Expanding staff authority for revenue bond investments will provide BCPL with the ability to take advantage of additional opportunities to reduce cash holdings and improve portfolio returns within risk parameters approved by the Board.

Providing staff with the authority to invest up to \$5 million in federally insured Certificates of Deposit will provide staff with additional flexibility to improve short-term investment returns.

Proposed Resolution

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands expands the prior staff authority to invest in Revenue Obligation Bonds to Two Hundred Million Dollars (\$200,000,000).

FURTHER RESOLVED, that the Board of Commissioners of Public Lands provides the staff with the authority to invest up to Five Million Dollars (\$5,000,000) in Certificates of Deposit or other financial institution accounts that are supported by the full faith and credit of the U.S. Government.

FURTHER RESOLVED, that these investments shall be made in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. This authority shall also include the authority to sell these bonds prior to maturity. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transactions.

**BOARD MEETING
NOVEMBER 20, 2012**

**AGENDA ITEM 5
PROPOSED LAND BANK PURCHASE – PEROUTKA FORTY (P1301)**

George Peroutka is offering to sell 40 acres of land in Price County and facilitate the exchange of access agreements between BCPL and Ramona L. Du Monte Honeyager and Ross Du Monte.

BCPL staff recommends the transactions for the following reasons:

- Completion of the transactions would improve public access to a sizable block of existing BCPL forestland thereby increasing the value of such land;
- 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 increase the percentage of upland on BCPL property;
- Purchase of the Property would increase the number of acres and size of tracts where BCPL has summer logging opportunities;
- Purchase of the Property would result in improved management efficiencies as the size of BCPL's block of land would increase and the boundary line work associated with that block would decrease; and
- Purchase of the Property would reduce the threat of forest fragmentation.

Attachments:

Resolution w/Exhibits

Exhibit A - BCPL Purchase Criteria

Exhibit B – Appraisal Certification

Exhibit C – Appraisal Opinion on Increase in Value of Existing Lands

BCPL Project Map

**BOARD MEETING
NOVEMBER 20, 2012**

**AGENDA ITEM 5
PROPOSED LAND BANK PURCHASE – PEROUTKA FORTY (P1301)**

RECITALS

- A. BCPL staff is requesting authority to purchase Forty (40) acres of land from George Peroutka (“Mr. Peroutka”) more particularly described as the Southwest Quarter of the Southwest Quarter (SWSW) of Section Two (2), Township Thirty-six (36) North, Range One (1) East, Town of Worcester, Price County, Wisconsin (the “Peroutka Property”) and to exchange access easements with Ramona L. Du Monte Honeyager and Ross Du Monte (collectively, “Du Monte”) who own the Southeast Quarter of the Southeast Quarter of Section Three (3), Township Thirty-six North (36), Range One East (1) (the “Du Monte Property”).
- B. The Peroutka Property is strategically located on a private road that connects two separate parcels of existing BCPL lands.
- C. The Peroutka Property is contiguous to a Two Hundred (200) acre landlocked parcel of existing BCPL land (the “Landlocked Parcel”).
- D. To access the Landlocked Parcel from the nearest town road, one must pass through existing BCPL Property, then through the Du Monte Property, and finally through the Peroutka Property.
- E. Without legal access, the value of BCPL’s Landlocked Parcel is significantly impaired.
- F. The Du Monte Property does not have legal access either. The Du Monte Property needs an easement across existing BCPL land on the private road. BCPL’s Landlocked Parcel needs an easement across The Du Monte Property on the same private road.
- G. The Du Montes are relatives of Mr. Peroutka. Mr. Peroutka has offered to help negotiate and facilitate an exchange of easements between BCPL and Du Monte over the private road thus providing legal access to BCPL’s Landlocked Parcel and the Du Monte Property.
- H. The Peroutka Property has been evaluated by BCPL staff against purchase criteria previously adopted by the Board. The Peroutka Property has been determined by BCPL staff to be appropriate for purchase according to such criteria. A copy of the purchase analysis is attached to this resolution as Exhibit A.
- I. The Peroutka Property was independently appraised by Compass Land Consultants, Inc. in October 2012 at a value of One Thousand Dollars (\$1,000) per acre for a total

of Forty Thousand Dollars (\$40,000). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.

- J. The Peroutka Property is worth more to BCPL than just the appraised value of the 40 acres because of the potential increase in value of BCPL's existing lands from legal access across the Peroutka Property. As part of its appraisal, Compass Land Consultants, Inc. provided an opinion of value stating that BCPL's Landlocked Parcel would be worth approximately Three Hundred Dollars (\$300) more per acre if that parcel had legal access. Since the Landlocked parcel has 200 acres, the total increase in value of BCPL's Landlocked Parcel would be Sixty Thousand Dollars (\$60,000) [\$300 per acre x 200 acres]. A copy of the appraisal of the increase in value to adjoining land is attached to this resolution as Exhibit C.
- K. According to the appraisal, the total value of the Peroutka Property to BCPL is One Hundred Thousand Dollars (\$100,000) - \$40,000 from the value of the 40 acres and \$60,000 from the increase in value of BCPL's existing Landlocked Parcel
- L. Peroutka is asking Fifteen Hundred Dollars (\$1,500) per acre for the Peroutka Property for a total of Sixty Thousand Dollars (\$60,000).
- M. The asking price is less than the combination of the appraised value and the potential benefit from adding access to the Landlocked Parcel.
- N. BCPL staff recommends that the Board authorize the purchase of the Peroutka Property because purchase of the Property would:
 - a. Improve public access to a sizable block of existing BCPL forest land thereby increasing the value of such existing parcel;
 - b. add 40 acres of productive, upland timber that can be expected to produce revenue for the Trust Funds through future timber harvests;
 - c. provide summer logging opportunities;
 - d. improve management efficiencies by increasing the tract size of an existing Trust Land parcel and reduce boundary line work associated with the tract; and
 - e. reduce the threat of forest fragmentation.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the exchange of access easements with Du Monte and the purchase of the Peroutka Property from Peroutka at the price of Sixty Thousand Dollars (\$60,000) contingent upon the successful exchange of access easement with Du Monte, all 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 transactions.

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Purchase
Transaction ID#: P1301

Common Name: Peroutka Forty

County: Price Township: Worcester

Legal Description: The Southwest 1/4 of the Southwest 1/4 (SWSW) of Section Two (2)
Township Thirty-six (36) North, Range One (1) East, Town of Worcester,
Price County, Wisconsin

Acres: 40

Parcel ID Number: 50-034-4-36-01-02-3 03-000-100

Previous Year Tax Levy: \$333.60

Name(s) of Seller(s): George L. Peroutka

Address of Seller(s): W7419 W Evans Bay Rd.
Phillips, WI 54555

Seller Phone #: (715) 339-2310

Seller's Attorney or Agent: _____

Contact Information: _____

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

Asking Price: \$60,000

REC'D AUG 13 2012

Summary Analysis of Potential Property Purchase
Transaction ID#: P 1301

Acres of productive forest land in parcel(s): 40 acres

Acres of non productive land in parcel(s): 0 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): 200 acres

Acres of our current BCPL land that will become accessible for timber management purposes through parcel(s): 160 acres

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

The Peroutka parcel blocks well with an existing 440 acre BCPL property that is adjacent. The purchase of this parcel will provide public and management access to 200 acres of the existing BCPL property that is currently landlocked.

Summary Analysis of Potential Property Purchase
Transaction ID#: P 1301

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

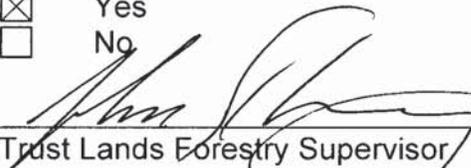
- The percentage of upland on BCPL properties increases
- The amount of line work per acre decreases
- The average distance from the tracts to the BCPL field office decreases

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

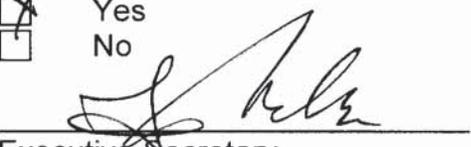
I recommend that BCPL purchase the above property on terms and conditions acceptable to BCPL:

- Yes
- No


Trust Lands Forestry Supervisor 7/10/12
Date

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

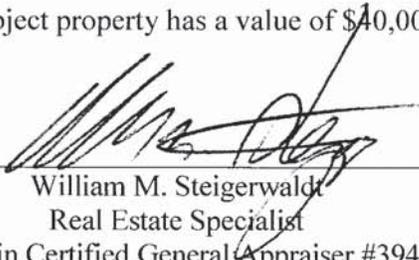
- Yes
- No


Executive Secretary 8/14, 2012
Date

CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 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.
- I have had no previous appraisal experience on the subject property within three years of the effective date of value.
- My engagement in this assignment is not contingent upon developing or reporting predetermined results.
- 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.
- My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the "Uniform Standards of Professional Appraisal Practice."
- I personally inspected the subject property on October 3, 2012, and I also inspected Sale #1 in 2011. Due to an injury, Daniel T. Schummer, an Appraisal Assistant with Compass Land Consultants, Inc., inspected Sales #2, #3, and #4, and other landlocked sales.
- It is my opinion that the subject property has a value of \$40,000 as of October 3, 2012.



William M. Steigerwald
Real Estate Specialist
Wisconsin Certified General Appraiser #394-10

REAL ESTATE APPRAISAL – RESTRICTED USE REPORT

Value to Adjoining Land: The BCPL owns 200 acres northeast of the subject 40 that is landlocked. If the subject property is acquired and an exchange of easements is completed with the owner of the SE1/4 of the SE1/4 of Section 3, the 200 acres is afforded economic benefit and added value. The existing roadway will provide direct and legal access for 200 acres without complication. The difference in land value between landlocked properties and properties with legal access is in the range of 25 to 35 percent. The following recreational sales in Price County are provided as examples:

Sale	Year	Section-Town-Range	Acres	Price/Acre	Access
A	2011	17-34N-1E	40	\$723	Landlocked
B	2012	29-34N-2E	40	\$650	Landlocked
C	2012	23-35N-1E	40	\$675	Landlocked

These three landlocked sales average about \$683 per acre or 32 percent less than the value of the other sales with legal access used in the appraisal report.

The benefit to the 200 acres of BCPL is estimated by the following analysis:

Value of 200 Acres as Timber/Recreational Property with Easement or Legal Road Access:	\$1,000/Acre
Value of 200 Acres as Landlocked:	<u>\$700/Acre</u>
Difference:	\$300/Acre
Difference Over 200 Acres (\$300 x 200 Acres):	\$60,000

The potential benefit to the BCPL by purchasing the 40-acre subject property is an added value of \$60,000 to their adjoining land.

Summary: It is the appraiser's opinion that the subject property has a value of \$40,000 as of October 3, 2012. It is the appraiser's opinion that this purchase and an exchange of road easements that provide legal access will benefit their adjoining land to the northeast by approximately \$60,000.

Peroutka Forty Purchase



BCPL Project #: P1301
County: Price
Town: Worcester
Common Name: Peroutka Forty
Acres - 40.00
Fund 745



-  Non BCPL Land
-  Incoming
-  Other BCPL Land
-  County Forest



**BOARD MEETING
NOVEMBER 20, 2012**

**AGENDA ITEM 6
PROPOSED LAND EXCHANGE – CAMP BIRD / MARINETTE COUNTY (E1301)**

Marinette County has determined that 40 acres of BCPL land in Marinette County is required for county use and has offered to exchange existing county property for the BCPL property.

BCPL staff recommends the exchange with Marinette County for the following reasons:

- The outgoing property is an isolated parcel adjacent to existing Marinette County forest lands;
- The incoming property is a productive parcel that will contribute to the consolidation of an existing 3,300 acre block of BCPL property;
- The incoming property would add value to and blocks well with the BCPL property;
- The outgoing property does not provide access to other BCPL lands;
- The properties to be exchanged have been appraised at approximately equal values; and
- The exchange would allow Marinette County to relocate an ATV route off of a town road and onto a woods road that runs through the outgoing parcel thereby reducing safety concerns in that area.

Attachments:

Resolution w/Exhibits

Exhibit A – Outgoing Property Summary Analysis

Exhibit B – Appraisal Certification – Outgoing Property

Exhibit C – Appraisal Update – Outgoing Property

Exhibit D – Incoming Property Summary Analysis

Exhibit E – Appraisal Certification – Incoming Property

Exhibit F - Appraisal Update – Incoming Property

BCPL Project Map

**BOARD MEETING
NOVEMBER 20, 2012**

**AGENDA ITEM 6
PROPOSED LAND EXCHANGE – CAMP BIRD / MARINETTE COUNTY (E1301)**

RECITALS

- A. Marinette County has determined that certain property currently owned by the Board of Commissioners of Public Lands (“BCPL”) more particularly described as the SWSE of Section Four (4), Township Thirty-two (32) North, Range Eighteen (18) East, Town of Stephenson, Marinette County, Wisconsin totaling 40 acres in size (the “Camp Bird Property”) is required for county use.
- B. Marinette County currently owns and has offered to exchange the NENE of Section Thirty-five (35), Township Thirty-four (34) North, Range Eighteen (18) East, Town of Silver Cliff, Marinette County, Wisconsin totaling 40 acres in size (the “Exchange Property”) for the Camp Bird Property.
- C. The Camp Bird Property has been evaluated by BCPL staff against sales criteria previously adopted by the Board and has been determined by BCPL staff to be appropriate for sale or exchange according to such criteria. A copy of the summary analysis for the outgoing Camp Bird Property is attached to this resolution as Exhibit A.
- D. The Camp Bird Property was independently appraised by Compass Land Consulting, LLC, in April of 2010 as part of an Eighty (80) acre parcel. The entire 80 acres were appraised at a value of Two Thousand Dollars (\$2,000) per acre for a total of \$160,000. Compass Land Consultants, Inc. has recently updated its appraisal stating that the “value of the subject property remains unchanged,” Copies of the Certification of the Appraisal and Appraisal Update have been attached to this resolution as Exhibit B and Exhibit C, respectively.
- E. The Exchange Property has been evaluated by BCPL staff against acquisition criteria previously adopted by the Board and has been determined by BCPL staff to be appropriate for acquisition according to such criteria. A copy of the summary analysis for the incoming Exchange Property is attached to this resolution as Exhibit D.
- F. The Exchange Property was independently appraised by Compass Land Consulting, LLC, in April of 2010 as part of a larger, One Hundred and Sixty (160) acre parcel. The entire 160 acres were appraised at a value of Two Thousand Dollars (\$2,000) per acre for a total of \$320,000. Compass Land Consultants, Inc. has recently updated its appraisal stating that the “value of the subject property remains unchanged.”

Copies of the Certification of the Appraisal and Appraisal Update have been attached to this resolution as Exhibit E and Exhibit F, respectively.

- G. BCPL staff recommends that the Board authorize the exchange of the Camp Bird Property for the Exchange Property for the following reasons:
- a. The outgoing Camp Bird Property is an isolated parcel required by another unit of government.
 - b. The incoming Exchange Property is a productive parcel that will contribute to the consolidation of BCPL's existing Marinette County block of over 3,300 acres.
 - c. The properties in the proposed exchange were each appraised at a value of \$2,000 per acre and are deemed "approximately equal" as that term is defined in Wis. Stat. Section 24.09.
 - d. The exchange would allow Marinette County to relocate an existing ATV route off of Caldron Falls Road and on to a woods road which runs through the Camp Bird Property, thereby reducing safety concerns.
 - e.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the exchange of the Camp Bird Property with Marinette County in return for the Exchange Property 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 Exchange
Transaction ID#: E 1301

Common Name for Land Parcel Camp Bird

County Marinette Township Stephenson

Legal Description The Southwest 1/4 of the Southeast 1/4 of Section 4, Township 32N,
Range 18 E, Town of Stephenson, Marinette 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

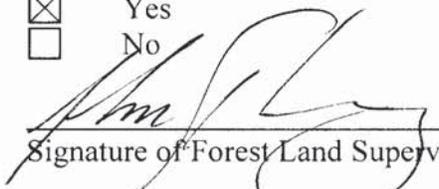
- Parcel does not provide the only reasonable access to other BCPL parcels that will be retained.
- If parcel does provide the only reasonable access to other BCPL parcels to be retained, a public access easement across the parcel has been reserved.
- Parcel has no current access

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

9/24/12
Date

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

- Yes
- No



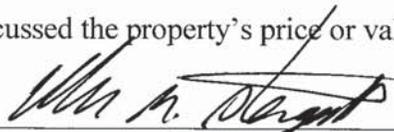
Executive Secretary

9/28/12
Date

Certification

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 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.
- I have had no prior engagements involving inspections or appraisals of the subject property.
- I have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- My engagement in this assignment is not contingent upon developing or reporting predetermined results.
- 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.
- My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the "Uniform Standards of Professional Appraisal Practice."
- I personally inspected the subject property and the market sales used in this appraisal. The agent for the landowner, Terry Hess, joined me in the inspection of the subject property on April 28, 2010.
- Based upon the information contained in this report, and upon my general experience as an appraiser, it is my opinion that the market value of the subject property, fee title and unencumbered, is \$160,000 as of April 28, 2010.
- Sandra Steigerwaldt and Renee Duda provided significant assistance to the appraiser in sales research, sales confirmation, and preparation and editing of the appraisal report and exhibits.
- I have not discussed the property's price or value with the landowner.



William M. Steigerwaldt
Real Estate Specialist

Wisconsin Certified General Appraiser #394-10

**Appraisal Update - 80 Acres of BCPL Land
Located in the Town of Stephenson, Marinette County, Wisconsin**

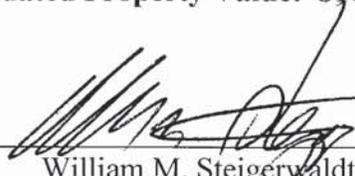
Market Conditions

My previous appraisal dated May 24, 2010, indicated a value of the subject property at \$160,000. The land value was estimated at \$2,000 per acre. The appraiser researched the regional market in order to verify any changes in market conditions since the original date of value. Timber markets in northeast Wisconsin appear stable with no significant changes in the last few years. The aspen timber on the subject would remain attractive and marketable. There have been some well-stocked timberland sales in northern Wisconsin and Upper Michigan, and those sales have been between \$1,500 and \$2,500 per acre. The appraiser also investigated vacant recreational land sales in Marinette County, and the average price appears stable and consistent since 2009. The sales are highlighted as follows:

Year	Number of Sales	Average Price/Acre
2009	28	\$1,766
2010	41	\$1,798
2011	37	\$1,784
2012	38	\$1,757

Based on the land sales cited, it is my opinion that there has been no significant change in the real estate market since 2010, and the value of the subject property is unchanged.

Updated Property Value: \$160,000



William M. Steigewaldt
Real Estate Specialist
Wisconsin Certified General Appraiser #394-10
October 11, 2012

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Exchange
Transaction ID#: E 1301

Item 6
Exhibit D
Page 1

Incoming Property

Common Name for Land Parcel: **Hazel Forty**

County: Marinette Township: Silver Cliff

Legal Description: NE 1/4 of the NE 1/4, Section 35, T34N, R18E, Town of Silver Cliff

Acres: 40

Parcel ID Number: 030-01893.000

Previous Year Tax Levy: \$0

Name(s) of Seller(s): Marinette County

Address of Seller(s): 1926 Hall Ave
Marinette, Wisconsin 54143-1717

Seller Phone #: ()

Seller's Attorney or Agent: John Scott

Contact Information: Forest Administrator
1926 Hall Ave, Room C318
Marinette, WI 54143-1717

Seller's Attorney or Agent Phone Number(s): (715) 732-7527

Asking Price: \$80,000

Summary Analysis of Potential Property Exchange
Transaction ID#: E 1301

Incoming Property

Acres of productive forest land in parcel(s): 40 acres

Acres of non productive land in parcel(s): 0 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): 0 acres

Acres of our current BCPL land that will become accessible for timber management purposes through parcel(s): 0 acres

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

This exchange would eliminate an isolated forty acre parcel and add a forty acre parcel that is adjacent to BCPL's existing 3500 acre Marinette County block, reducing the threat of fragmentation and reducing line work. This exchange continues an ongoing agreement between BCPL and Marinette County whereby BCPL has been acquiring a block of County land consisting of 10 fortys that are adjacent to the BCPL block, after this exchange there will be four forty acre parcels left to acquire. The County desires the BCPL property because they wish to relocate an existing ATV trail from a black top road in an effort to enhance safety.

Summary Analysis of Potential Property Exchange
Transaction ID#: E1301
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:

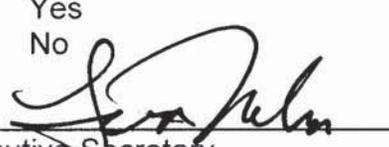
- Yes
- No


Trust Lands Forestry Supervisor

9/24/12
Date

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

- Yes
- No

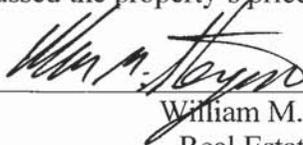

Executive Secretary

9-28/2012
Date

Certification

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- 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.
- I have had no prior engagements involving inspections or appraisals of the subject property.
- I have no bias with respect to the property that is the subject of this report, or to the parties involved with this assignment.
- My engagement in this assignment is not contingent upon developing or reporting predetermined results.
- 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.
- My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the "Uniform Standards of Professional Appraisal Practice."
- I personally inspected the subject property and the market sales used in this appraisal. The agent for the landowner, Terry Hess, joined me in the inspection of the subject property on April 28, 2010.
- Based upon the information contained in this report, and upon my general experience as an appraiser, it is my opinion that the market value of the subject property, fee title and unencumbered, is \$320,000 as of April 28, 2010.
- Sandra Steigerwaldt and Renee Duda provided significant assistance to the appraiser in sales research, sales confirmation, and preparation and editing of the appraisal report and exhibits.
- I have not discussed the property's price or value with the landowner.



William M. Steigerwaldt
Real Estate Specialist

Wisconsin Certified General Appraiser #394-10

**Appraisal Update – 160 Acres of Marinette County Property
Located in the Town of Silver Cliff, Marinette County, Wisconsin**

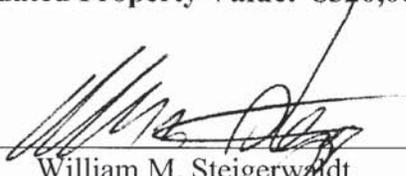
Market Conditions

My previous appraisal dated May 24, 2010, indicated a value of the subject property at \$320,000. The land value was estimated at \$2,000 per acre. The appraiser researched the regional market in order to verify any changes in market conditions since the original date of value. Timber markets in northeast Wisconsin appear stable with no significant changes in the last few years. The pine timber on the subject would remain attractive and marketable. There have been some well-stocked timberland sales in northern Wisconsin and Upper Michigan, and those sales have been between \$1,500 and \$2,500 per acre. The appraiser also investigated vacant recreational land sales in Marinette County, and the average price appears stable and consistent since 2009. The sales are highlighted as follows:

Year	Number of Sales	Average Price/Acre
2009	28	\$1,766
2010	41	\$1,798
2011	37	\$1,784
2012	38	\$1,757

Based on the land sales cited, it is my opinion that there has been no significant change in the real estate market since 2010, and the value of the subject property is unchanged.

Updated Property Value: \$320,000



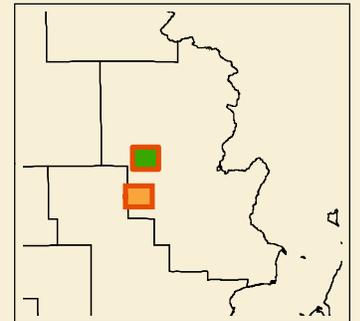
William M. Steigerwaldt
Real Estate Specialist
Wisconsin Certified General Appraiser #394-10
October 11, 2012

Camp Bird Exchange with Marinette County

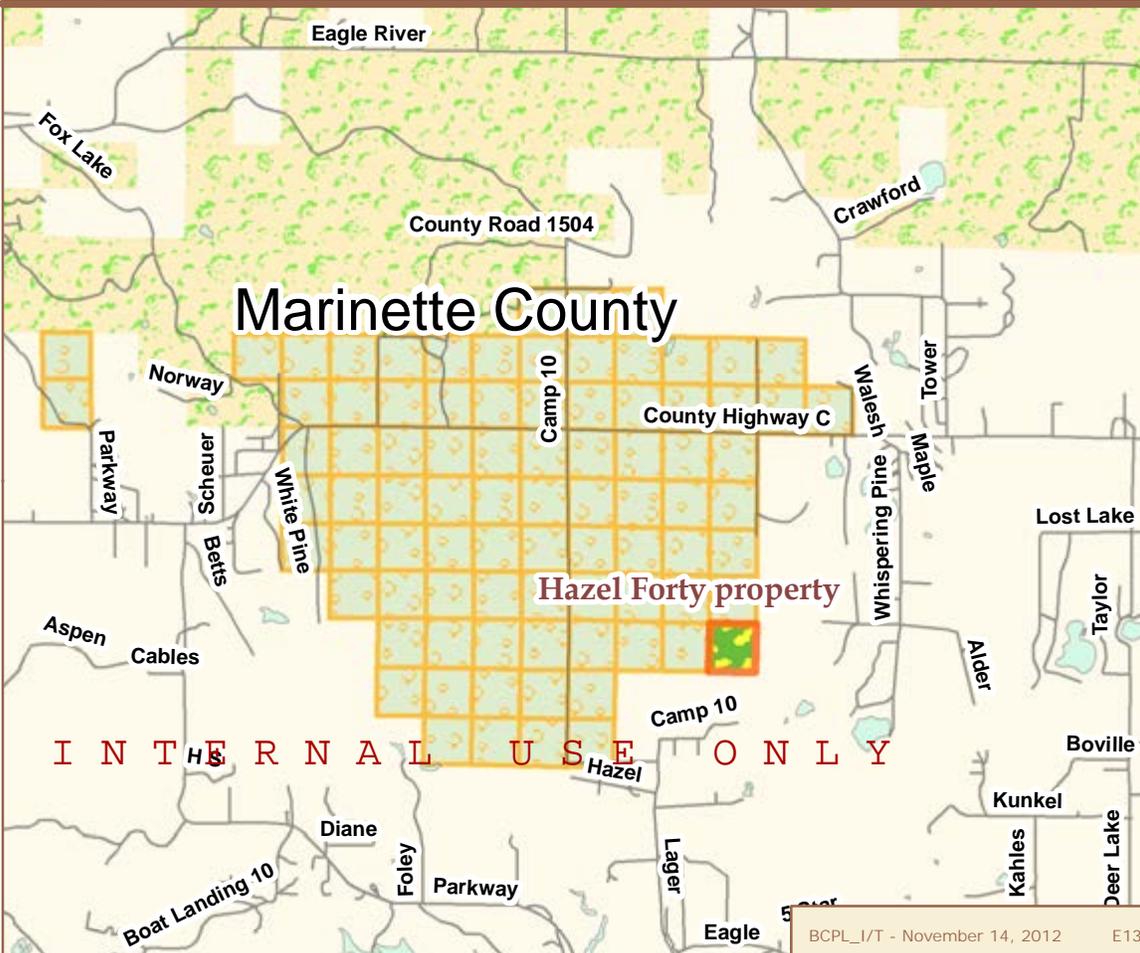


Outgoing Lands:

County: Marinette
Town: Stephenson
Common Name: Camp Bird
Acres - 40.00
Fund 745



-  Outgoing Property
-  Incoming Property
-  Other BCPL Land
-  County Forest
-  Nicolet NF



Incoming Lands:

County: Marinette
Town: Silver Cliff
Common Name: Hazel Forty
Acres - 40.00
Fund 745