



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

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Managing Wisconsin's trust assets for public education

AGENDA

May 21, 2013

3:00 P.M.

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

- 1) Call to Order
- 2) Approve Minutes – May 7, 2013
- 3) Approve Loans
- 4) Proposed Land Bank Sales
 - A. Lehto Bog 2 (S1303)
 - B. Brule River State Forest (S1304)
- 5) Executive Secretary's Report
- 6) Adjourn

**BOARD MEETING
MAY 21, 2013**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the May 7, 2013, board meeting.

Board Meeting Minutes
May 7, 2013

ITEM 1. CALL TO ORDER

Board Chair La Follette called the meeting of the Board of Commissioners of Public Lands to order at 2:15 p.m.

Present were:

Doug La Follette, Board Chair

Kurt Schuller, Commissioner

J.B. Van Hollen, Commissioner

Tia Nelson, Executive Secretary

Tom German, Deputy Secretary

Richard Sneider, Loan Analyst

Secretary of State

State Treasurer

Attorney General

Board of Commissioners of Public Lands

Board of Commissioners of Public Lands

Board of Commissioners of Public Lands

ITEM 2. APPROVE MINUTES – APRIL 18, 2013

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. Bangor La Crosse and Monroe Counties Application #: 02013172 Purpose: Refinance bond debt	School Rate: 2.50% Term: 3 years	\$800,000.00
2. Eagle River Vilas County Application #: 02013177 Purpose: Refinance storm sewer utility debt	City Rate: 2.75% Term: 10 years	\$100,000.00
3. Fulton Rock County Application #: 02013173 Purpose: Finance road repairs	Town Rate: 2.50% Term: 5 years	\$200,000.00
4. Marshall Dane County Application #: 02013178 Purpose: Finance park improvements and ancillary costs	Village Rate: 3.75% Term: 20 years	\$600,000.00

5.	Marshall Dane County Application #: 02013179 Purpose: Purchase ambulance and fire department equipment	Village Rate: 2.50% Term: 5 years	\$102,739.00
6.	Mellen Ashland County Application #: 02013176 Purpose: Finance technology infrastructure	School Rate: 2.75% Term: 10 years	\$250,000.00
7.	Merrillan Jackson County Application #: 02013182 Purpose: Refund 2012 Note Anticipation Note	Village Rate: 5.00% Term: 20 years	\$436,500.00
8.	New Holstein Calumet County Application #: 02013181 Purpose: Finance fire department training tower	City Rate: 2.75% Term: 10 years	\$100,000.00
9.	Northern Ozaukee Ozaukee County Application #: 02013174 Purpose: Refinance BCPL loan #02013085	School Rate: 3.75% Term: 17 years	\$1,133,752.61
10.	Owen Clark County Application #: 02013180 Purpose: Refinance BCPL loan #2010110	City Rate: 2.75% Term: 10 years	\$192,830.27
11.	Owen Clark County Application #: 02013183 Purpose: Refinance outstanding debt obligations	City Rate: 5.75% Term: 25 years	\$1,160,000.00
12.	Waterloo Jefferson County Application #: 02013170 Purpose: Finance redevelopment site demolition	City Rate: 2.75% Term: 10 years	\$1,000,000.00
13.	Weston Richland and Sauk Counties Application #: 02013175 Purpose: Refinance WRS pension liability	School Rate: 3.75% Term: 20 years	\$350,000.00
		TOTAL	\$6,425,821.88

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

ITEM 4. PROPOSED LAND EXCHANGE – ONE HORSE RANCH (E1302)

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

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the exchange of the Northern Argonne Parcel for the Pelican Parcel with Barry Mihalko 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.

ITEM 5. EXECUTIVE SECRETARY’S REPORT

Executive Secretary Nelson reported that the agency’s budget was approved by the Joint Committee on Finance on Thursday, May 2.

ITEM 6. ADJOURN

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



Tia Nelson, Executive Secretary

These minutes have been prepared from a tape recording of the meeting. The summaries have not been transcribed verbatim. Anyone wishing to listen to the tape may do so at the Board of Commissioners of Public Lands, 101 E. Wilson Street, 2nd Floor, Madison, Wisconsin.

**BOARD MEETING
MAY 21, 2013**

**AGENDA ITEM 3
APPROVE LOANS**

Municipality	Municipal Type	Loan Amount
1. Calumet Fond Du Lac County Application #: 02013185 Purpose: Finance road construction	Town Rate: 2.50% Term: 5 years	\$300,000.00
2. Enterprise Oneida County Application #: 02013189 Purpose: Construct fire department building	Town Rate: 2.75% Term: 10 years	\$351,830.00
3. Jackson Washington County Application #: 02013187 Purpose: Finance road projects	Town Rate: 2.50% Term: 5 years	\$300,000.00
4. Lac La Belle Waukesha County Application #: 02013190 Purpose: Refinance plow truck loan	Village Rate: 2.75% Term: 10 years	\$55,000.00
5. Milltown Polk County Application #: 02013186 Purpose: Finance TID development incentives	Village Rate: 2.75% Term: 10 years	\$99,000.00
6. Platteville Grant County Application #: 02013184 Purpose: Finance TID #6 projects	City Rate: 4.50% Term: 15 years	\$2,000,000.00
7. Superior Douglas County Application #: 02013188 Purpose: Finance TID #8 projects	City Rate: 2.75% Term: 8 years	\$805,000.00
TOTAL		\$3,910,830.00

**BOARD MEETING
MAY 21, 2013**

**AGENDA ITEM 4A
PROPOSED LAND BANK SALE TO DNR – LEHTO BOG 2 (S1303)**

The Wisconsin Department of Natural Resources (“DNR”) has determined that 652.18 acres of BCPL land in Iron County is required for state use.

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

- The property is an isolated area inside the Consolidation Zone adjacent to an existing State Natural Area;
- More than 85% of the property is lowland and wetlands and is not a significant source of timber revenue;
- The property does not provide access to other BCPL lands;
- Sale of the property would provide BCPL with funds to purchase other lands that would provide better access to its existing lands, produce timber revenue, improve management efficiency, reduce forest fragmentation, or all of the above; and
- Sale of the property to the DNR would allow the DNR to protect a diverse natural area containing a variety of rare species and improve management efficiency of their adjacent property.

Attachments:

Resolution w/Exhibits

Exhibit A - BCPL Sales Criteria

Exhibit B - Appraisal Certification

BCPL Project Map

**BOARD MEETING
MAY 21, 2013**

**AGENDA ITEM 4A
PROPOSED LAND BANK SALE TO DNR – LEHTO BOG 2 (S1303)**

RECITALS

- A. The Wisconsin Department of Natural Resources (“DNR”) has determined that certain property more particularly described as the NE ¼ of the SE ¼ (NESE), the SE ¼ of the SE ¼ (SESE) of Section Twelve (12), the NE ¼ of the SW ¼ (NESW), the SW ¼ of the SW ¼ (SWSW), the SE ¼ of the SW ¼ (SESW), the SE ¼ (NESE, NWSE, SWSE, SESE) of Section Thirteen (13) in Township Forty-one (41) North, Range Three (3) East, the SE ¼ of the SW ¼ (SESW) of Section Seven (7), the NW ¼ of the NE ¼ (NWNE), the NE ¼ of the NW ¼ (NENW), the NW ¼ of the NW ¼ (NWNW), the SW ¼ of the NW ¼ (SWNW), the NW ¼ of the SW ¼ (NWSW), the SW ¼ of the SW ¼ (SWSW) of Section Eighteen (18), Township Forty-one (41) North, Range Four (4) East, all located in the Town of Sherman, Iron County, Wisconsin totaling 652.18 acres in size (the “Lehto Bog Property”) is required for state use. (The Lehto Bog Property is listed as having 656.38 acres on the historic land records of the BCPL because the original survey conducted in 1865 did not show the 4.2 acre Leach Lake. 656.38 acres – 4.2 acres = 652.18 acres.)
- B. The Lehto Bog Property is currently owned by the Board of Commissioners of Public Lands.
- C. The Lehto Bog Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Lehto Bog Property has been determined by BCPL staff to be appropriate for sale according to such criteria. A copy of the sale analysis is attached to this resolution as Exhibit A.
- D. The Lehto Bog Property has been independently appraised by Steigerwaldt Land Services, Inc. at a value of Four Hundred Ten Dollars (\$410) per acre for a total of Two Hundred Sixty-seven Thousand Four Hundred Dollars (\$267,400). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. At the request of the DNR, the Lehto Bog Property was also appraised by Michael Augustyn. Mr. Augustyn appraised the Lehto Bog Property at a value of \$450 per acre for a total value of Two Hundred Ninety-Five Thousand Dollars (\$295,000).
- F. The DNR has offered to pay the sum of Two Hundred Eighty-One Thousand Dollars (\$281,000) to acquire the Lehto Bog Property.
- G. BCPL staff recommends that the Board authorize the sale of the Lehto Bog Property to the DNR for the sum of \$281,000.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the sale of the Lehto Bog Property to the Wisconsin Department of Natural Resources at the price of Two Hundred Eighty-One Thousand Dollars (\$281,000) in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Sale
Transaction ID#: S/303

Common Name for Land Parcel Lehto Bog II

County Iron Township Sherman

Legal Description NESE, SESE of Section 12, NESW, SWSW, SESW, & SE ¼ of Section 13, T41N, R3E, SESW of Section 7, NWNE, NENW, NWNW, SWNW, NWSW, & SWSW of Section 18, T41N, R4E

GLO Acres 655.79

Sale Criteria

1. Title

- Ownership verified with Register of Deeds
- Title appears merchantable

2. Timber Management

- Parcel is located outside of Consolidation Zone
- Parcel is an isolated or unproductive parcel within the Consolidation Zone
- Parcel is a deferred natural area

3. Access

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

4. Parcel Required By Other Government Entity

- The parcel is located within a project boundary of another government agency or adjacent to a parcel of land owned by another unit of government.
- Parcel is otherwise required by another unit of government.

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

- Yes
- No


Signature of Forest Land Supervisor

4/10/13
Date

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

- Yes
- No


Executive Secretary

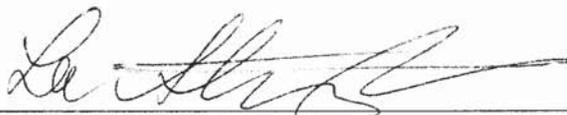
4/18/2013
Date

REC'D APR 12 2013

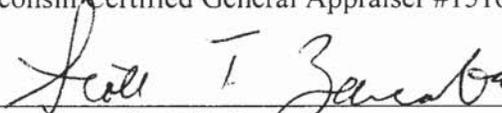
CERTIFICATION

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

- a. The statements of fact contained in this report are true and correct and no important facts have been withheld.
- b. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, 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 I have no personal interest or bias with respect to the parties involved.
- d. My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
- e. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the "Uniform Standards of Professional Appraisal Practice."
- f. Scott T. Zaremba conducted a personal inspection of the appraised property on April 17, 2013. Terry Hess met with the appraiser on the inspection date and participated in the field inspection. Lee A. Steigerwaldt did not personally inspect the subject property. All of the comparable sales were inspected within the last four years by the appraiser or other qualified staff of Steigerwaldt Land Services, Inc.
- g. Lee A. Steigerwaldt and Scott T. Zaremba prepared this report. No one provided significant professional assistance to the appraiser signing this certification.
- h. The appraiser did not discuss the subject property's value with the owners or the owners' representatives. The property owner is currently in negotiations with the State of Wisconsin for the purchase of the property.
- i. Within the prior three years, the appraiser has not performed any other services with regard to the subject property, and no services except this appraisal assignment are currently in progress.
- j. It is my opinion that the market value of the subject property is \$267,400.00, as of April 17, 2013.



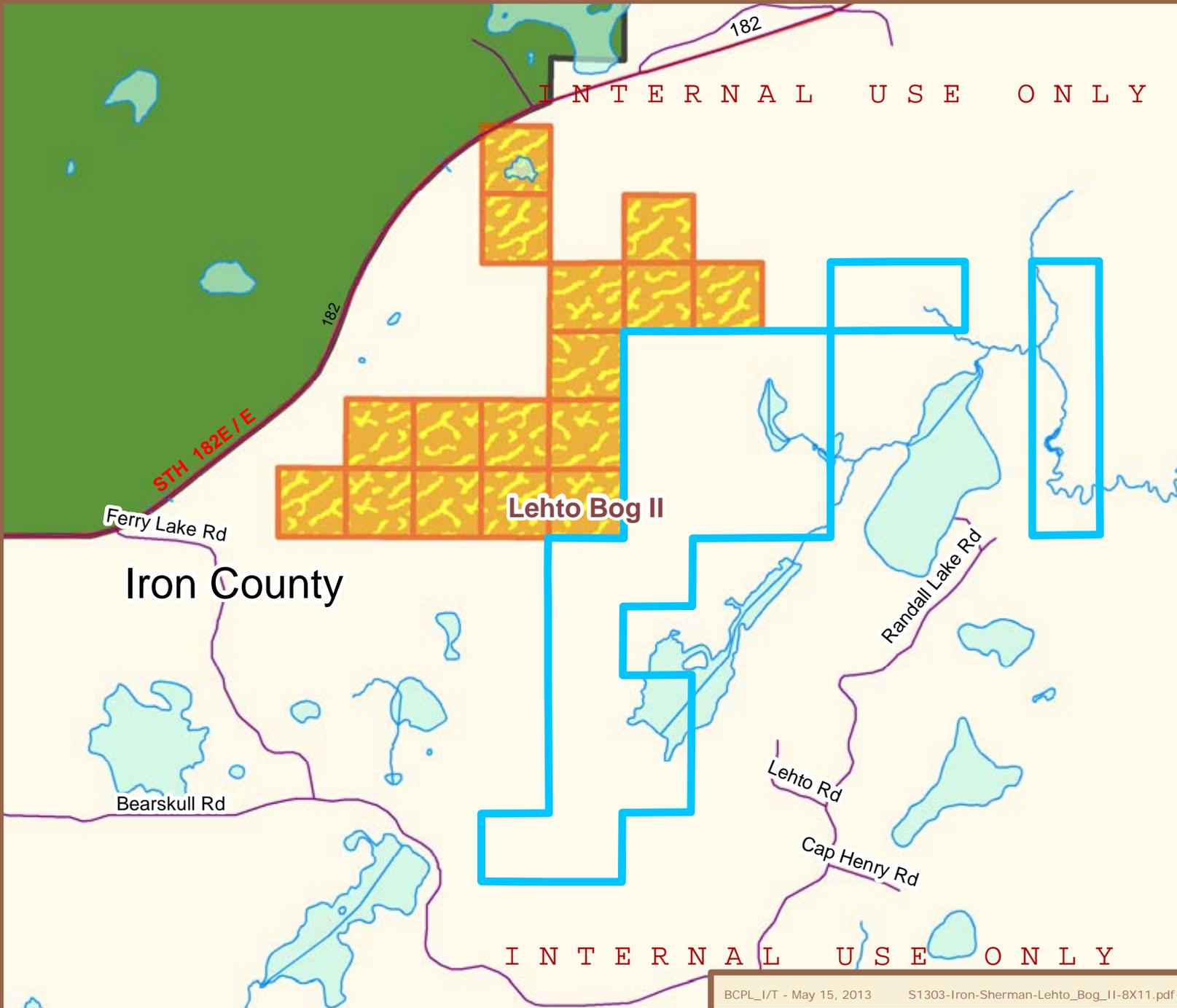
Lee A. Steigerwaldt, ACF
Wisconsin Certified General Appraiser #1516



Scott T. Zaremba
Appraisal Assistant

STEIGERWALDT LAND SERVICES, INC.

LEHTO BOG II - SALE TO DNR



BCPL Project #:
S1303

County: Iron

Town: Sherman

Common Name

Lehto Bog II

Acres - 652.18

Fund 745



-  Outgoing
-  DNR Project Lands
-  State Natural Area



**BOARD MEETING
MAY 21, 2013**

**AGENDA ITEM 4B
PROPOSED LAND BANK SALE TO DNR – BRULE RIVER STATE FOREST (S1304)**

The Wisconsin Department of Natural Resources (“DNR”) has determined that 80 acres of BCPL land in Douglas County is required for state use.

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

- The property is an isolated parcel outside the Consolidation Zone and is adjacent to the Brule River State Forest;
- The property underwent a timber harvest in 2009 providing approximately \$50,000 in revenue for the Trust Fund and will not generate any significant timber revenue in the near future;
- The property does not provide access to other BCPL lands;
- Sale of the property would provide BCPL with funds to purchase other lands that would provide better access to its existing lands, produce timber revenue, improve management efficiency, reduce forest fragmentation, or all of the above; and
- Sale of the property to the DNR would allow the DNR to provide additional opportunities for public recreation and improve management efficiency of their adjacent property.

Attachments:

Resolution w/Exhibits

Exhibit A - BCPL Sale Criteria

Exhibit B - Appraisal Certification

BCPL Project Map

BOARD MEETING

MAY 21, 2013

AGENDA ITEM 4B

PROPOSED LAND BANK SALE TO DNR – BRULE RIVER STATE FOREST (S1304)

RECITALS

- A. The Wisconsin Department of Natural Resources (“DNR”) has determined that certain property more particularly described as the NENE and the NWNE of Section Thirteen (13), all in Township Forty-six (46) North, Range Ten (10) West, Town of Highland, Douglas County, Wisconsin totaling 80 acres in size (the “Brule River State Forest Property”) is required for state use.
- B. The Brule River State Forest Property is currently owned by the Board of Commissioners of Public Lands.
- C. The Brule River State Forest Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Brule River State Forest Property has been determined by BCPL staff to be appropriate for sale according to such criteria. A copy of the sale analysis is attached to this resolution as Exhibit A.
- D. The Brule River State Forest Property has been independently appraised by Steigerwaldt Land Services, Inc. at a value of Eleven Hundred Seventy-Five Dollars (\$1,175) per acre for a total of Ninety-Four Thousand Dollars (\$94,000). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. The DNR has offered to pay the sum of Ninety-Four Thousand Dollars (\$94,000) to acquire the Brule River State Forest Property.
- F. The offered price is equal to the appraised value.
- G. BCPL staff recommends that the Board authorize the sale of the Brule River State Forest Property to the DNR at the appraised value of \$94,000.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the sale of the Brule River State Forest Property to the Wisconsin Department of Natural Resources at the price of Ninety-Four Thousand Dollars (\$94,000) in accordance with Chapter 24 of the Wisconsin Statutes on such terms and conditions as the Executive Secretary determines to be reasonable and necessary. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Sale
Transaction ID#: S1304

Common Name for Land Parcel Brule River State Forest

County Douglas Township Highland

Legal Description The NE 1/4 of the NE 1/4 and the NW 1/4 of the NE 1/4 of Section 13,
Township 46 North, Range 10 West

GLO Acres 80

Sale Criteria

1. Title

- Ownership verified with Register of Deeds
- Title appears merchantable

2. Timber Management

- Parcel is located outside of Consolidation Zone
- Parcel is an isolated or unproductive parcel within the Consolidation Zone
- Parcel is a deferred natural area

3. Access

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

4. Parcel Required By Other Government Entity

- The parcel is located within a project boundary of another government agency or adjacent to a parcel of land owned by another unit of government.
- Parcel is otherwise required by another unit of government.

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

- Yes
- No


 Signature of Forest Land Supervisor 4/12/13
 Date

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

- Yes
- No

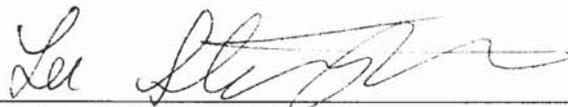

 Executive Secretary April 18, 2013
 Date

REC'D APR 12 2013

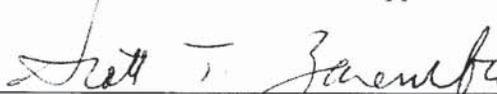
CERTIFICATION

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

- a. The statements of fact contained in this report are true and correct and no important facts have been withheld.
- b. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, 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 I have no personal interest or bias with respect to the parties involved.
- d. My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
- e. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the "Uniform Standards of Professional Appraisal Practice."
- f. Lee A. Steigerwaldt conducted a personal inspection of the appraised property on April 24, 2013. Scott T. Zaremba did not personally inspect the subject property. All of the comparable sales were inspected within the last three years by the appraiser or other qualified staff of Steigerwaldt Land Services, Inc.
- g. Lee A. Steigerwaldt and Scott T. Zaremba prepared this report. No one provided significant professional assistance to the appraiser signing this certification.
- h. The appraiser did not discuss the subject property's value with the owners or the owners' representatives.
- i. Within the prior three years, the appraiser has not performed any other services with regard to the subject property, and no services except this appraisal assignment are currently in progress.
- j. It is my opinion that the market value of the subject property is \$94,000.00, as of April 24, 2013.

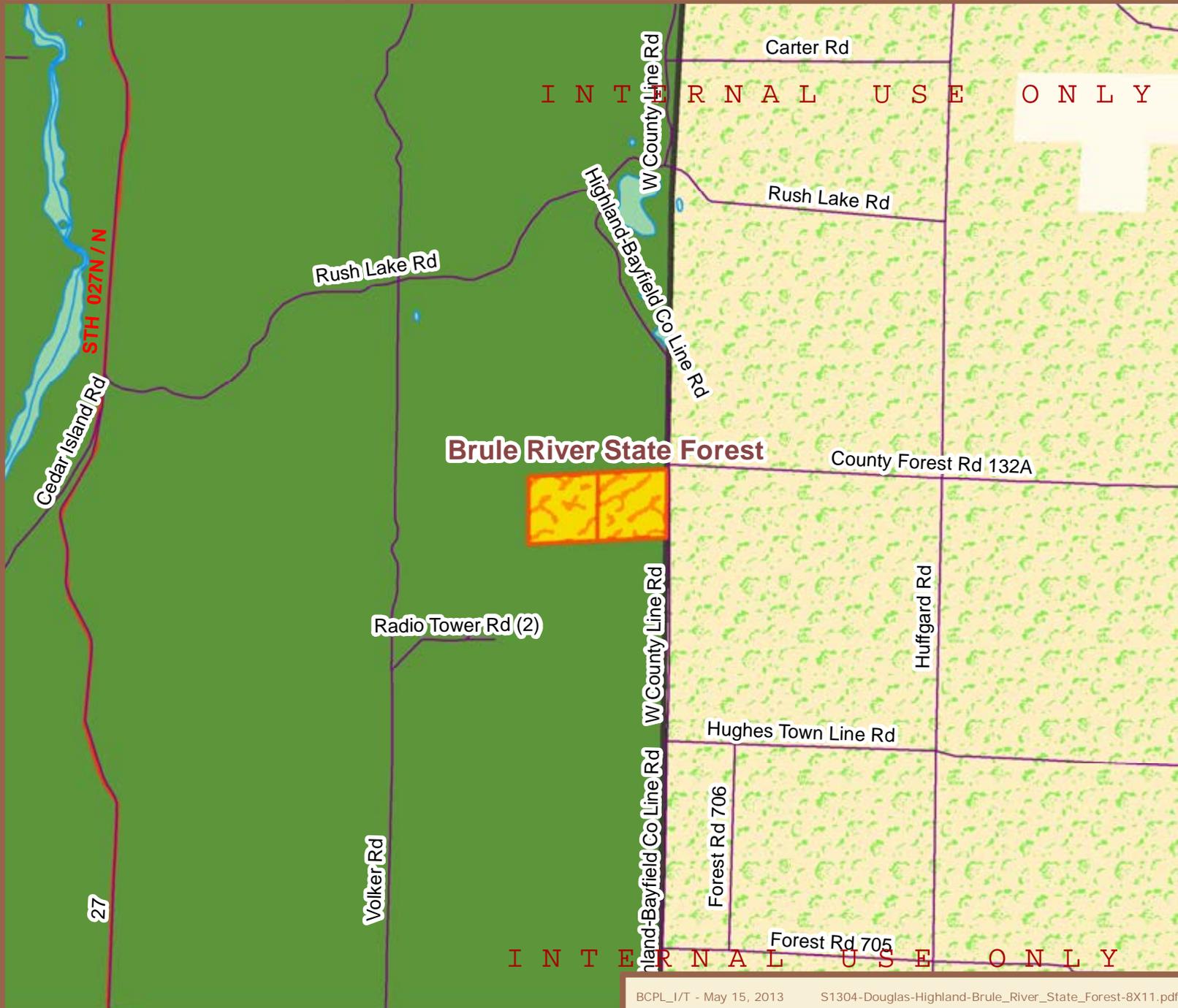


Lee A. Steigerwaldt, ACF
Wisconsin Certified General Appraiser #1516



Scott T. Zaremba
Appraisal Assistant
STEIGERWALDT LAND SERVICES, INC.

BRULE RIVER STATE FOREST - SALE TO DNR



BCPL Project #:
S1304

County: Douglas

Town: Highland

Common Name

Brule River State Forest

Acres - 80.00

Fund 745



-  Outgoing
-  DNR Project Lands
-  County Forest

0 0.15 0.3 Miles