

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

Jonathan Barry, *Executive Secretary*

AGENDA

June 4, 2019

2:00 P.M.

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

Routine Business:

- 1) Call to Order
- 2) Approve Minutes - May 20, 2019 (Attachment)

Old Business:

- 3) Update on Unclaimed Property Program Review

New Business:

- 4) Ratify Adjustments to Loan Program Interest Rates (Attachment)
- 5) Discuss and Vote on Staff Attendance at Western States Land Commissioners Association 2019 Summer Conference in Whitefish, Montana, July 28 - August 1 (Attachment)
- 6) Proposed Land Bank Purchase - Connor/WTA Property, Forest County (P1902 – Newald) (Attachments)
- 7) Proposed Land Bank Sale - WI Department of Transportation, Oconto County (S1901 - Oconto River) (Attachments)
- 8) Report and Discussion of Deer Predation on School Trust Lands and Impact on Timber Revenue (John Schwarzmann, BCPL Forestry Supervisor)

Routine Business:

- 9) Chief Investment Officer's Report (Attachment)
- 10) Executive Secretary's Report
- 11) Board Chair's Report
- 12) Future Agenda Items
- 13) Adjourn

AUDIO ACCESS INFORMATION

Toll Free Number: **(888) 291-0079**
Passcode: **6363690#**

**BOARD MEETING
JUNE 4, 2019**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the May 20, 2019, board meeting.

Board Meeting Minutes
May 20, 2019

Present in person were:

Sarah Godlewski, Board Chair	State Treasurer
Jonathan Barry, Executive Secretary	Board of Commissioners of Public Lands
Tom German, Deputy Secretary	Board of Commissioners of Public Lands
Vicki Halverson, Office Manager	Board of Commissioners of Public Lands
Richard Sneider, Chief Investment Officer	Board of Commissioners of Public Lands

Present via teleconference were:

Josh Kaul, Commissioner	Attorney General
-------------------------	------------------

ITEM 1. CALL TO ORDER

Board Chair Godlewski called the meeting to order at 3:01 p.m. Commissioner La Follette was not present.

ITEM 2. APPROVE MINUTES - MAY 7, 2019

MOTION: Board Chair Godlewski moved to approve the minutes; Commissioner Kaul seconded the motion.

DISCUSSION: Commissioner Kaul noted that the attorney referred to in item four of the minutes is an Assistant Attorney General, not an Assistant District Attorney.

VOTE: The motion passed 2-0.

ITEM 3. APPROVE LOANS

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Type</u>	<u>Loan Amount</u>
1. Freedom Outagamie County Application #: 02019132 Purpose: Finance town complex planning and design	Town Rate: 4.00% Term: 3 years	General Obligation	\$400,000.00
2. Greenville Outagamie County Application #: 02019133 Purpose: Construct public safety building	Town Rate: 4.00% Term: 2 years	General Obligation	\$6,750,000.00
3. Merrimac Sauk County Application #: 02019130 Purpose: Refinance tractor lease	Village Rate: 4.25% Term: 7 years	General Obligation	\$35,175.84
4. Northfield Jackson County Application #: 02019135 Purpose: Finance roadwork	Town Rate: 4.00% Term: 2 years	General Obligation	\$50,000.00

5.	Pleasant Springs Dane County Application #: 02019126 Purpose: Finance roadwork	Town Rate: 4.00% Term: 2 years	General Obligation	\$300,000.00
6.	Rice Lake Barron County Application #: 02019134 Purpose: Finance building acquisition and ancillary costs	City Rate: 4.25% Term: 10 years	General Obligation	\$200,000.00
7.	River Ridge Grant County Application #: 02019131 Purpose: Finance site improvements	School Rate: 4.25% Term: 10 years	General Obligation	\$1,000,000.00
TOTAL				\$8,735,175.84

Mr. Sneider reported that the loans were typical in nature. The town of Greenville may prepay the construction loan if they are able to secure financing in the bond market; the River Ridge School District loan is the second and final phase of a construction project.

MOTION: Board Chair Godlewski moved to approve the loans; Commissioner Kaul seconded the motion.

DISCUSSION: None.

VOTE: The motion passed 2-0.

ITEM 4. DISCUSS AND VOTE ON BOARD’S ENDORSEMENT OF GOVERNOR’S BIENNIAL BUDGET FOR BCPL WITH REQUEST FOR CONSIDERATION OF THE ADDITION OF A GIFTS AND GRANTS APPROPRIATION LINE IN THAT BUDGET

Executive Secretary Barry and Board Chair Godlewski reported that they each had met separately with executive staff in the Office of the Secretary in the Department of Administration to discuss the request.

MOTION: Board Chair Godlewski moved to approve the endorsement of the Governor’s Biennial Budget for BCPL and request the consideration of a gifts and grants appropriation line; Commissioner Kaul seconded the motion.

DISCUSSION: The Board discussed the timing of the motion in relation to the budget process and decided that moving forward now would be best. Executive Secretary Barry explained that the request for a gifts and grants line was necessary in order for the agency to accept future gifts or grants and spend them appropriately without impacting other program revenue or agency appropriations.

VOTE: The motion passed 2-0.

Other Related Discussions:

Unclaimed Property Program

Board Chair Godlewski sought legal clarity from attorneys at the Department of Justice regarding the Board’s role as a fiduciary to the Common School Fund and, also clarity on legislation that was passed during the “lame duck session” to ensure that forfeiture money is deposited into the Common School Fund and not the General Fund. Commissioner Kaul’s view was that the extraordinary session legislation does not alter where those funds are

deposited. He would like an Assistant Attorney General to discuss the question of the Board's fiduciary responsibility at a future board meeting. He then asked how legal advice from DOJ was presented to the board in the past. Deputy Secretary German replied that the legislative process had moved quickly and oftentimes staff were only able to provide fiscal notes in response to proposed legislation. Staff would then inform the Board at their next meeting of any legislative activity impacting the agency or its programs. He could not cite an instance in the recent past where DOJ had been consulted.

The Board and staff discussed whether BCPL or the Department of Revenue could request an audit of the Unclaimed Property Program by the Legislative Audit Bureau (LAB). Although the Board can request an LAB audit, the LAB acts at the direction of the legislature, so the decision to conduct an audit would need to come from the Joint Legislative Audit Committee. In 2008, the Legislative Audit Bureau reviewed the State Treasurer's administration of unclaimed property and published a Letter Report detailing their findings. Deputy Secretary German said the report was not an audit but a narrative. He offered to provide a copy of the report to the Commissioners if they were interested.

Board Chair Godlewski would like an audit of the Program and a third-party audit to locate unclaimed property that has not been reunited with its rightful owner. Since third-party audits have not been conducted, there is no enforcement mechanism to ensure businesses transfer unclaimed property to the DOR and, thus, comply with law. Because the State Treasurer's Office has no funding or authority to conduct third-party audits, the Board could request that DOR provide a report detailing the number of unclaimed property reports that have been filed by businesses over a designated period of time and the amount of money associated with those reports. The report would reveal how many reports were filed, how much money came in, and trend lines. Because an audit of the Program has not been conducted in over ten years, requesting an audit by the DOR and/or the Legislative Audit Committee seemed in order.

A meeting with Secretary Barca at DOR was scheduled that week and staff said they would ask the following questions and report back to the board at the next meeting:

- How DOR is ensuring businesses are complying with the unclaimed property statutes, and
- Would DOR be willing to be included in a joint letter to the Legislative Audit Committee requesting that the LAB conduct an audit of the Program.

Staff will also meet with an Assistant Attorney General to discuss the legal matters relating to the Board's fiduciary responsibilities.

ITEM 5. CHIEF INVESTMENT OFFICER'S REPORT

Mr. Sneider reported stocks were purchased in response to a dip in the stock market. Public equities now represent 5.1% of the Board's investment portfolio.

Board Chair Godlewski noted that the end of the fiscal year was approaching and requested that Mr. Sneider provide the Board with a year-end overview of the portfolio including State Trust Fund Loans and any milestones.

ITEM 6. EXECUTIVE SECRETARY'S REPORT

Nothing to report.

ITEM 7. BOARD CHAIR'S REPORT

Last week, Board Chair Godlewski met with municipal officials in northwestern Wisconsin to highlight BCPL investments in Burnett County. The town of Wood River received a State Trust Fund Loan to replace a town hall that was built in 1916. She also presented a \$25,000 ceremonial check to officials at the Webster School District, which represented the school district's portion of Common School Fund library aid. The funds are the school district's sole source of money for library books and materials.

The BCPL Investment Committee continues to research due diligence processes for investments.

ITEM 8. FUTURE AGENDA ITEMS

- Staff attendance at Western States Land Commissioners Association conference
- Year-end investment report
- Potential real estate transactions

ITEM 9. ADJOURN

Board Chair Godlewski moved to adjourn the meeting; Commissioner Kaul seconded the motion. The motion passed 2-0; the meeting adjourned at 3:37 p.m.



Jonathan B. Barry, Executive Secretary

These minutes have been prepared from a recording of the meeting. The summaries have not been transcribed verbatim. Link to audio recording: https://bcpl.wisconsin.gov/Shared%20Documents/Board%20Meeting%20Docs/2019/2019-05-20_BoardMtgRecording.mp3

**BOARD MEETING
JUNE 4, 2019**

**AGENDA ITEM 4
RATIFY ADJUSTMENTS TO STATE TRUST FUND LOAN PROGRAM INTEREST RATES**

Background

Market interest rates dropped significantly in the last two weeks, extending a slide that began about six months ago.

Staff Recommendations

BCPL loan rates should reflect current market conditions. BCPL staff is recommending that we lower our rates by 0.25% for shorter term loans and 0.50% for longer term loans:

Loan Term	Prior Rate	New Rate	Change
2 Years	4.00%	3.75%	-0.25%
3-5 Years	4.00%	3.75%	-0.25%
6-10 Years	4.25%	3.75%	-0.50%
11-20 Years	4.50%	4.00%	-0.50%

Authorization for Interest Rate Adjustment

The Board had previously authorized the Executive Secretary in consultation with the Board Chair to adjust loan interest rates up to 1% in between board meetings. In accordance with that authority, the Executive Secretary and Board Chair approved these changes effective May 29, 2019.

Proposed Resolution

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands ratifies the changes in BCPL State Trust Fund Loan Program, with annual interest rates to be set at 3.75% for 2-year loans; 3.75% for 3-5 year loans; 3.75% % for 6-10 year loans; and 4.00% for 11-20 year loans.

**BOARD MEETING
JUNE 4, 2019**

**AGENDA ITEM 5
DISCUSS AND VOTE ON STAFF ATTENDANCE AT WESTERN STATES LAND
COMMISSIONERS ASSOCIATION 2019 SUMMER CONFERENCE**

WSLCA 2019 Summer Conference July 28 - August 1, 2019 Whitefish, Montana Cost estimates for three staff	
	Staff
Transportation	
* Airfare - Madison to Kalispell, MT	\$1,800.00
* Taxis / shuttles to/from airport	\$200.00
Registration (\$450 each)	\$1,350.00
Lodging (3 bedroom condo rental ~\$195/night/person)	\$3,000.00
* Arrive Saturday, July 27	
* Depart Thursday, August 1	
Meals	
* Saturday, July 27 (B, L & D)	\$100.00
* Sunday, July 28 (L & D)	\$100.00
* Monday, July 29 (D)	\$75.00
* Tuesday, July 30 (D)	\$75.00
* Wednesday, July 31 - All meals included	\$0.00
* Thursday, August 1 (B & L)	\$75.00
TOTAL ESTIMATED COSTS	\$6,775.00

BOARD MEETING

JUNE 4, 2019

AGENDA ITEM 6

PROPOSED LAND BANK PURCHASE – CONNOR/WTA PROPERTY (P1902)

Gordon Connor/Wisconsin Timber Associates is offering to sell 80 acres of land in Forest County (the “Conner/WTA Property”), which is contiguous to existing BCPL Trust Land holdings.

BCPL staff recommends the purchase of the Connor/WTA Property for the following reasons:

- The Connor/WTA Property would provide legal access to 80 acres of current BCPL School Trust Land holdings, which have no permanent, legal access at the present time. This would immediately increase the value of those existing land holdings. Thirty-three acres of those currently landlocked 80 acres are productive uplands containing standing timber. The Connor/WTA Property contains a good existing road network that opens up additional logging opportunities on those 33 acres of existing productive trust timberlands. Past appraisals on landlocked parcels indicate an approximate increase of 30% in land value once legal access is attained.
- The Connor/WTA Property contains an excellent inventory of standing timber that should provide a good revenue stream for the School Trust Funds. The Property is more than 94% productive upland hardwood forest (75 acres out of 80 total acreage) with well-stocked, high-quality sawlog-sized sugar maple and yellow birch timber. BCPL staff estimate that the Property will be due for timber harvest somewhere between 2020 and 2022. The estimated net present value of the timber over the next 10-year harvest period is \$77,280.
- The Connor/WTA Property blocks well with BCPL’s existing School Trust Lands in the area and would result in improved management efficiencies as the size of BCPL’s block of land increases but the per acre boundary line work associated with the block decreases. In addition, it is expected that BCPL could offer larger timber sales in the future combining sales on the Connor/WTA Property with sales on existing School Trust Lands (including the 33 acres of “opened” timber described above). These larger timber sales are expected to bring higher prices as the loggers’ fixed costs on larger sales do not increase proportionately. Therefore, it is expected that the purchase of the Connor/WTA Property would improve management efficiencies both from a cost/expense standpoint and a revenue generation standpoint due to enhanced economies of scale.
- The USFS owns an 80-acre parcel of land contiguous to the western boundary of the Conner/WTA Property. The USFS is proposing to exchange their 80-acre parcel for other scattered BCPL parcels as part of a larger land exchange. Acquiring the Conner/WTA

Property at this time makes the proposed land exchange with the USFS a more coordinated transaction that would eliminate inholdings and improve access.

Attachments:

Resolution w/Exhibits

Exhibit A – BCPL Purchase Criteria

Exhibit B – Appraisal Certification

Timber Harvest Analysis

BCPL Project Map

BOARD MEETING

JUNE 4, 2019

AGENDA ITEM 6

PROPOSED LAND BANK PURCHASE – CONNOR/WTA PROPERTY (P1902)

RECITALS

- A. BCPL staff is requesting authority to purchase eighty (80) acres of land from Gordon Connor/Wisconsin Timber Associates (“Connor/WTA”) more particularly described as all that part of the Northwest Quarter of the Northeast Quarter (NWNE) and the Southwest Quarter of the Northeast Quarter (SWNE) of Section Twenty (20), Township Thirty-eight (38) North, Range Fourteen (14) East, Town of Ross, Forest County, Wisconsin (the “Property”).
- B. The Property is contiguous to a large block of land currently owned by the Board of Commissioners of Public Lands.
- C. 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 purchase analysis is attached to this resolution as Exhibit A.
- D. The Property was independently appraised by Compass Land Consultants, Inc. at a value of Two Thousand One Hundred Dollars (\$2,100) per acre for a total of One Hundred Sixty-Eight Thousand Dollars (\$168,000). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. Connor/WTA is offering to sell the Property for the appraised value.
- F. BCPL staff recommends the purchase of the Property because:
 - 1. It would provide legal access to 80 acres of current BCPL Trust Land holdings that have no permanent legal access at the present time and also improve access to an existing sizeable block of BCPL forestland;
 - 2. It would add 75 acres of productive, upland timber that can be expected to produce revenue for the School Trust Funds through future timber harvests; and
 - 3. It would improve management efficiencies from both a cost/expense standpoint and a revenue generation standpoint due to enhanced economies of scale.
- G. BCPL staff recommends that the Board authorize the purchase of the Property at the asking price of \$168,000.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the purchase of the Property at the price of One Hundred Sixty-Eight Thousand Dollars (\$168,000) in accordance with Chapter 24 of the Wisconsin Statutes on such other 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.

Summary Analysis of Potential Property Purchase
Transaction ID#: P 1902

Item 6
Exhibit A

Common Name: Newald

County: Forest Township: Ross

Legal Description: NWNE, SWNE, SWNW, & NWSW of Section 20, T38N, R14E

Acres: ~~160~~ **80**

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:

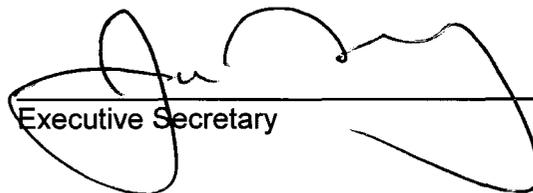
- Yes
- No


Trust Lands Forestry Supervisor

3/4/19
Date

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

- Yes
- No


Executive Secretary

3/12/19
Date

Board of Commissioners of Public Lands
Summary Analysis of Potential Property Purchase
Transaction ID#: P 1902

Common Name: Newald

County: Forest Township: Ross

Legal Description: NWNE, SWNE, SWNW, & NWSW of Section 20, T38N, R14E

Acres: ~~160~~ 80

Parcel ID Number: 026-00423-0000, 026-00424-0000, 026-00427-0000, 026-00429-0000

Previous Year Tax Levy: \$ 118.40

Name(s) of Seller(s): Wisconsin Timber Associates LP

Address of Seller(s): P.O. Box 13
Laona, WI 54541

Seller Phone #: 715-674-2069

Seller's Attorney or Agent: Gordon Connor

Contact Information: P.O. Box 13
Laona, WI 54541

Seller's Attorney or Agent Phone Number(s): 715-674-2069

Asking Price: \$ Appraised Value

Summary Analysis of Potential Property Purchase

Transaction ID#: P 1902

Common Name: Newald

County: Forest Township: Ross

Legal Description: NWNE, SWNE, SWNW, & NWSW of Section 20, T38N, R14E

Acres: ~~160~~ **80**

Acres of productive forest land in parcel(s): ~~160 acres~~ **80**

Acres of timber base in parcel(s): ~~135 acres~~ **75**

Acres of non-productive land in parcel(s): ~~10 acres~~ **0**

Acres of land with public access in parcel(s): ~~160 acres~~ **80**

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): 33 acres

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

This 160 acres blocks well with existing BCPL lands and helps to eliminate an inholding in an otherwise well blocked parcel. The land itself is well timbered with high quality medium size sawlog timber and should produce revenue for BCPL in the short term. 80 acres of existing BCPL lands that currently have a timber sale in progress are accessed via roads across these lands.

REAL ESTATE APPRAISAL – RESTRICTED REPORT

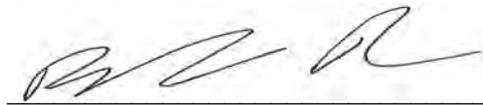
CERTIFICATION

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."
- Douglas L. Johnson and Daniel T. Schummer personally inspected the subject property on March 8, 2019. The comparable sales were inspected on various dates in 2016 through 2019.
- It is my opinion that Tract 1 has a value of \$120,000, and Tract 2 has a value of \$168,000 as of March 8, 2019.



Daniel T. Schummer
Real Estate Specialist/Appraiser
WI CGA #2145-10
(Expires 12/14/2019)



Douglas L. Johnson
Appraisal Assistant

Tract 2

The 80-acre Tract 2 is estimated to have 1,522 cords and 289,320 board feet. The current timber value is estimated at \$153,213. The volume estimates are derived from cruise data provided to the appraisers by the BCPL. The property has 70 acres of mixed northern hardwood and hemlock, as well as 10 acres of swamp conifer. Based on the appraisers' inspections and analyses, a conservative management scenario will be used to harvest 70 acres on Tract 2 with the following schedule over the next ten years:

Tract 2 Harvest Management Scenario

Year	Forest Type	Acres Harvested	Volume Harvested	Stumpage Value	Total Income
1	Northern Hardwood	70	444 Cords and 84.40 MBF	\$30/Cord and \$300/MBF	\$38,640
10	Northern Hardwood	70	444 cords and 84.40 MBF	\$30/Cord and \$300/MBF	\$38,640
Total in 10 Years:		140 Acres			\$77,280

This analysis indicates that 70 acres of the tract would be logged in year 1, and 70 acres would be logged in year 10. The total income received is forecasted to be \$77,280, or an average of \$552 per acre in the harvested areas. The net present value of the cash flows is based on a discount rate of 3.5 percent. The harvest income is \$38,640 in Year One, and \$38,640 is the harvest income in Year 10. The net present value of the cash flow is \$64,726.

Summary

In summary, Tract 1 provided an indicated net present value of the timber income of \$37,516, and Tract 2 provided an indicated net present value of the timber income of \$64,726 over ten years. In my opinion, this strategy would provide good stewardship, as well as returns on investment.

I appreciate the opportunity to provide you with this analysis. Please call me if you have any questions.

Sincerely,



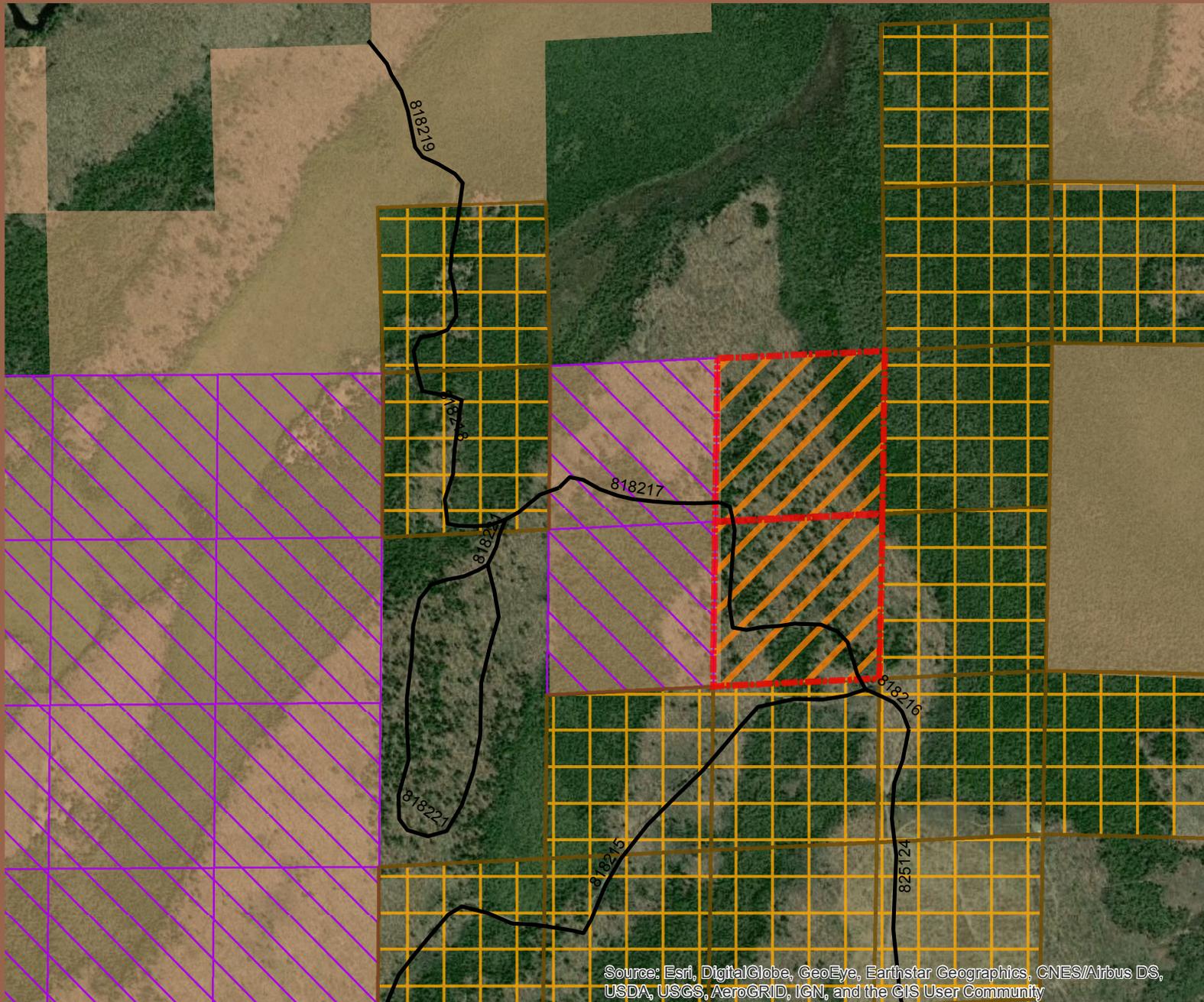
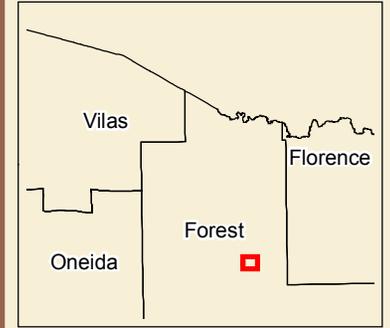
William Steigerwaldt
Real Estate Specialist

WMS/jr

With no appreciation in land value	
IRR =	4.65%
6/1/2019	\$ (168,000.00)
6/1/2020	\$ 38,640.00
6/1/2029	\$ 38,640.00
6/1/2029	\$ 168,000.00

Annual appreciation in land value = 2%	
IRR =	6.33%
6/1/2019	\$ (168,000.00)
6/1/2020	\$ 38,640.00
6/1/2029	\$ 38,640.00
6/1/2029	\$ 204,791.06

WISCONSIN TIMBER NEWALD PURCHASE



P1902

County: Forest

Town: Ross

**Common Name:
Newald**

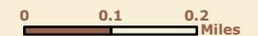
Acres - 80

Fund 745



-  Current BCPL Land
-  Incoming Land
-  Proposed USFS Exch
-  USFS Roads

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



INTERNAL USE ONLY

BOARD MEETING

JUNE 4, 2019

**AGENDA ITEM 7
PROPOSED LAND BANK SALE TO
WISCONSIN DEPARTMENT OF TRANSPORTATION
OCONTO RIVER (S1901)**

The Wisconsin Department of Transportation (“DOT”) has determined that 0.268 acres of BCPL land in Oconto County is required for state use.

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

- The property is an isolated, unproductive parcel outside the Consolidated Zone.
- 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.
- Sale of the property to the DOT would allow the DOT to operate and maintain State Highway 32.

Attachments:

Resolution w/Exhibits

Exhibit A - BCPL Sale Criteria

Exhibit B - Appraisal Certification

BCPL Project Map

BOARD MEETING

JUNE 4, 2019

AGENDA ITEM 7

**PROPOSED LAND BANK SALE TO
WISCONSIN DEPARTMENT OF TRANSPORTATION
OCONTO RIVER – S1901**

RECITALS

- A. The Wisconsin Department of Transportation (“DOT”) has determined that certain property more particularly described as Government Lot 1, Section 24, Township 28 North (28), Range 18 East (18), Town of Gillett, Oconto, Wisconsin, (the “Property”) totaling 0.268 acres is required for state use.
- B. The Property is currently owned by the Board of Commissioners of Public Lands.
- C. 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.
- D. The Property has been appraised by a DOT Certified General Appraiser at a value of Four Thousand Two Hundred Dollars (\$4,200). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B.
- E. The DOT has offered to pay the sum of Four Thousand Two Hundred Dollars (\$4,200) to acquire the parcel.
- F. The offered price is equal to the appraised value.
- G. BCPL staff recommends that the Board authorize the sale of the Property to DOT at the appraised value of \$4,200.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the sale of the Oconto River parcel to the Wisconsin Department of Transportation at the price of Four Thousand Two Hundred Dollars (\$4,200) 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 1901

Item 7
Exhibit A

Common Name for Land Parcel: Oconto River

County: Oconto Township: Gillett

Legal Description: Government Lot 1, Section 24, Township 28 North, Range 18 East

GLO Acres: 0.37

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.

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: WisDOT

- 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.

5. Recommend Selling via Public Auction or Sealed Bid

- Parcel is not otherwise required by another unit of government and will be sold via public auction or sealed bid.

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

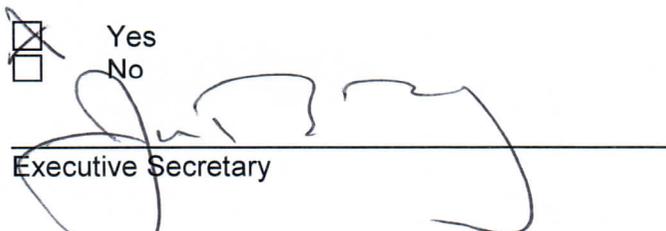
- Yes
- No


Trust Lands Forestry Supervisor

12-18-18
Date

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

- Yes
- No


Executive Secretary

1-2-19
Date

RECEIVED DEC 26 2018

CERTIFICATE OF APPRAISER

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

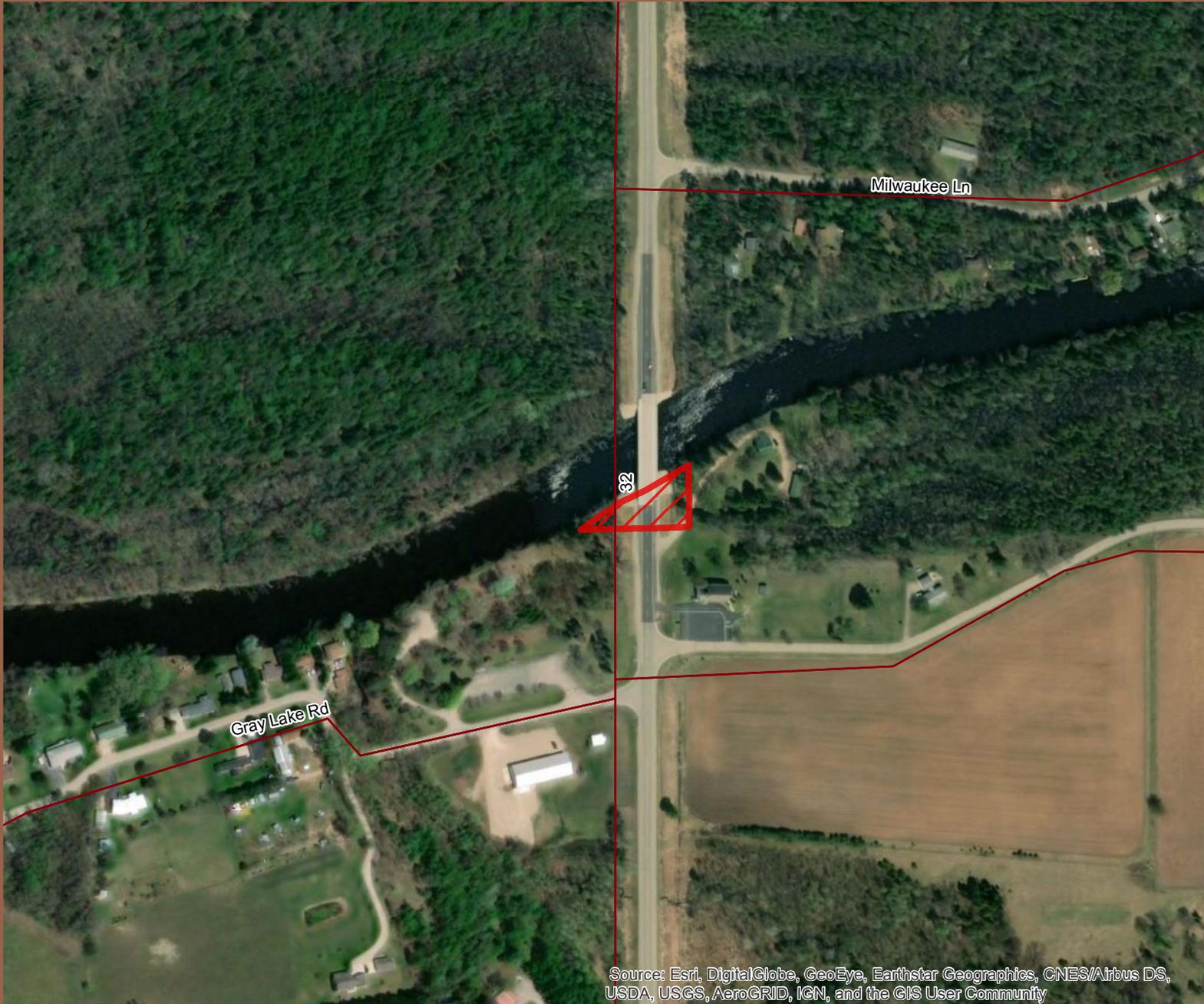
- This appraisal has been made in conformity with appropriate Wisconsin Statutes, regulations, policies and procedures applicable to the appraisal of right of way. To the best of my knowledge, no portion of the value assigned to this property consists of items that are non-compensable under Wisconsin laws.
- The statements contained in this report are true and correct. The reported analysis, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, unbiased professional analyses, opinion and conclusions.
- I have no present or prospective interest in the property that is the subject of this report, and have no personal interest or bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Neither my compensation nor my employment is contingent upon the 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 the appraisal.
- Any decrease or increase in the market value of the real property prior to the date of valuation caused by the public improvement for which this property is to be acquired, or by the likelihood that this property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the owner, was disregarded in determining compensation for this property.
- My analyses, opinions and conclusions were developed, and this report has been prepared in compliance with the Relocation Assistance and Real Property Acquisition Policy Act of 1970 (URA) as amended, and is consistent with Uniform Standards of Professional Appraisal Practice (USPAP).
- No one else provided significant real property appraisal assistance in making this report.
- The appraiser has the professional qualifications and competency necessary, from property type and geographic area standpoints, to complete this appraisal assignment in an appropriate manner.
- I have not revealed the findings and results of this appraisal to anyone other than the proper officials of the acquiring agency or the Federal Highway Administration and will not do so until authorized by said officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.
- I have not considered, nor included in this appraisal any relocation assistance benefits. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

SUBJECT PROPERTY INSPECTION

Jeanne Kawleski conducted an inspection of the subject property on February 20, 2019. On March 12, 2019 Jeanne invited Micah Zeitler (BCPL representative) to an appraisal inspection and he accepted. On March 22, 2019 Jeanne and Micah completed the field inspection which included viewing the staking that had been completed. The subject and sales relied upon in producing this appraisal are as represented. It is my opinion that as of March 22, 2019 the damages herein described total: **\$4,200.**

Appraiser:  Jeanne Kawleski	Date: 04/15/2019	Senior Real Estate Specialist Licensed Appraiser #112-10 Expired: 12/14/2019
--	-----------------------------------	---

OCONTO RIVER SALE



S1901

County: Oconto

Town: Gillette

**Common Name:
 Oconto River**

Acres - .37

Fund 745



Parcels being Sold

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community



INTERNAL USE ONLY

**BOARD MEETING
JUNE 4, 2019**

**AGENDA ITEM 9
CHIEF INVESTMENT OFFICER'S REPORT**

**Investment Transaction Report
As of May 31, 2019**

Transactions since the most recent report dated May 17, 2019 include:

Bond Purchases None

Bond Sales None

Public Equity Purchases Staff purchased \$4 million in public equity ETFs, which now total approximately \$60 million or 5.4% of the Common School Fund (CSF).