



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

August 21, 2012

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 – August 7, 2012
3. Approve Loans
4. Proposed Land Bank Sale – Whiting Creek (S1001)
5. Executive Secretary's Report
6. Adjourn

**BOARD MEETING
AUGUST 21, 2012**

**AGENDA ITEM 2
APPROVE MINUTES**

Attached for approval are the minutes from the August 7, 2012, board meeting.

Board Meeting Minutes
August 7, 2012

ITEM 1. CALL TO ORDER

Commissioner Van Hollen called the meeting of the Board of Commissioners of Public Lands to order at 2:11 p.m. Board Chair La Follette was not available for the meeting.

Present were:

Kurt Schuller, Commissioner
J.B. Van Hollen, Commissioner
Tom German, Deputy Secretary
Richard Sneider, Loan Analyst

State Treasurer
Attorney General
Board of Commissioners of Public Lands
Board of Commissioners of Public Lands

ITEM 2. APPROVE MINUTES – JULY 17, 2012

MOTION: Commissioner Schuller moved to approve the minutes; Commissioner Van Hollen seconded the motion. The motion passed 2-0.

ITEM 3. APPROVE LOANS

Deputy Secretary German said the loans had received legal review.

Municipality	Municipal Type	Loan Amount
1. Beloit Rock County Application #: 02013020 Purpose: Finance 2012 capital budget projects	City Rate: 2.50% Term: 5 years	\$377,000.00
2. Coon Valley Vernon County Application #: 02013016 Purpose: Finance street and utility construction	Village Rate: 4.00% Term: 20 years	\$30,000.00
3. Elmwood Pierce County Application #: 02013019 Purpose: Finance street paving and reroofing projects	Village Rate: 2.50% Term: 5 years	\$45,000.00
4. Exeter Green County Application #: 02013025 Purpose: Finance purchase of snowplow trucks	Town Rate: 3.00% Term: 7 years	\$225,000.00
5. Juda Green County Application #: 02013023 Purpose: Finance school vehicles and building renovations	School Rate: 2.50% Term: 5 years	\$125,000.00
6. Langlade Langlade County Application #: 02013021 Purpose: Finance building improvements	County Rate: 3.00% Term: 6 years	\$300,000.00

7.	Langlade Langlade County Application #: 02013022 Purpose: Refinance BCPL Loan #02009069.01	County Rate: 3.00% Term: 6 years	\$1,199,301.69
8.	Merton Waukesha County Application #: 02013015 Purpose: Finance road reconstruction	Town Rate: 2.50% Term: 5 years	\$525,000.00
9.	Northfield Jackson County Application #: 02013017 Purpose: Finance road project	Town Rate: 3.00% Term: 6 years	\$60,000.00
10.	Spider Lake Sawyer County Application #: 02013027 Purpose: Finance the purchase of road equipment	Town Rate: 2.50% Term: 5 years	\$82,000.00
11.	Summit Waukesha County Application #: 02013024 Purpose: Finance 2012 capital improvement budget	Village Rate: 2.75% Term: 5 years	\$194,138.00
12.	Texas Marathon County Application #: 02013029 Purpose: Finance the purchase of truck	Town Rate: 2.50% Term: 5 years	\$60,000.00
13.	Tomorrow River Portage County Application #: 02013028 Purpose: Finance building repairs	School Rate: 3.00% Term: 10 years	\$350,000.00
14.	Turtle Rock County Application #: 02013018 Purpose: Finance the purchase of fire truck	Town Rate: 3.00% Term: 10 years	\$358,071.00
15.	Wisconsin Rapids Wood County Application #: 02013026 Purpose: Finance street and storm sewer construction	City Rate: 3.00% Term: 10 years	\$500,000.00
TOTAL			\$4,430,510.69

MOTION: Commissioner Schuller moved to approve the loans; Commissioner Van Hollen seconded the motion. The motion passed 2-0.

ITEM 4. EXECUTIVE SECRETARY'S REPORT

Deputy Secretary Tom German reported that the prepayment notice window for State Trust Fund Loans ended July 31 but municipalities/school districts could make prepayments beginning January 2 with a 30-day written notice. He also reported that staff continues to purchase state and municipal bonds, which currently totals close to \$300 million.

ITEM 5. ADJOURN

MOTION: Commissioner Van Hollen moved to adjourn the meeting; Commissioner Schuller seconded the motion. The motion passed 2-0.



Thomas P. German, Deputy 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
AUGUST 21, 2012**

**AGENDA ITEM 3
APPROVE LOANS**

Municipality	Municipal Type	Loan Amount
1. Christmas Mountain Sanitary Dist Sauk County Application #: 02013035 Purpose: Finance facilities upgrade	Sanitary District Rate: 3.75% Term: 20 years	\$500,000.00
2. Cumberland Barron County Application #: 02013036 Purpose: Replace sewer and purchase sewer truck	City Rate: 2.50% Term: 5 years	\$193,463.00
3. Geneva J4 Walworth County Application #: 02013031 Purpose: Refinance prior service pension liability	School Rate: 2.75% Term: 10 years	\$163,000.00
4. Merton Waukesha County Application #: 02013032 Purpose: Refinance BCPL Loans	Town Rate: 2.50% Term: 5 years	\$687,528.12
5. Merton Waukesha County Application #: 02013033 Purpose: Refinance bank debt	Town Rate: 2.50% Term: 5 years	\$829,681.03
6. Mondovi Buffalo County Application #: 02013030 Purpose: Purchase fire truck	City Rate: 2.75% Term: 10 years	\$323,000.00
7. Rochester Racine County Application #: 02013034 Purpose: Finance village hall construction	Village Rate: 3.75% Term: 20 years	\$650,000.00
TOTAL		\$3,346,672.15

**BOARD MEETING
AUGUST 21, 2012**

**AGENDA ITEM 4
PROPOSED LAND BANK SALE – WHITING CREEK (S1001)**

The United States Forest Service (“Forest Service”) has determined that 115 acres of BCPL Trust Lands in Forest County are required for Forest Service use.

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

- The Property is comprised of an isolated, landlocked, and deferred natural area located within a Forest Service project boundary. The Property is surrounded on all sides by the Chequamegon-Nicolet National Forest;
- The Property does not provide access to other BCPL lands;
- Sale of the Property would provide BCPL with funds to purchase forest lands that will increase timber productivity and provide better access to existing BCPL lands; and
- Sale of the Property to the Forest Service will improve management efficiencies for both agencies by eliminating an isolated inholding and reducing costs associated with establishing and relocating boundary lines.

Attachments:

Resolution w/Exhibits

Exhibit A - BCPL Sale Criteria

Exhibit B - Appraisal Certification

BCPL Project Map

**BOARD MEETING
AUGUST 21, 2012**

**AGENDA ITEM 4
PROPOSED LAND BANK SALE – WHITING CREEK (\$1001)**

RECITALS

- A. The United States Forest Service (“Forest Service”) has determined that certain property currently owned by the Board of Commissioners of Public Lands, more particularly described as the Southeast ¼ of the Northeast ¼ (SENE) the Northeast ¼ of the Southeast ¼ (NESE) and the Southeast ¼ of the Southeast ¼ (SESE) of Section Four (4) of Township Thirty-six (36) North, Range Fifteen (15) East, Laona Township, Forest County, Wisconsin totaling approximately 115 acres in size (the “Whiting Creek Property”) is required for federal use as National Forest.
- B. The Whiting Creek Property has been evaluated by BCPL staff against sale criteria previously adopted by the Board. The Whiting Creek 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.
- C. The Whiting Creek Property has been independently appraised by Compass Land Consultants, Inc. at a value of Twenty-one Hundred Dollars (\$2,100) per acre for a total of Two Hundred Forty Two Thousand Dollars (\$242,000). A copy of the Certification of the Appraisal has been attached to this resolution as Exhibit B. (The Whiting Creek Property was appraised along with another BCPL parcel in one appraisal report. The valuation of Whiting Creek is listed as “Alternative B” on the Certification).
- D. The Forest Service has offered to pay the sum of Two Hundred Forty Two Thousand Dollars (\$242,000) to acquire the Whiting Creek Property. The offered price is equal to the appraised value.
- E. BCPL staff recommends that the Board authorize the sale of the Whiting Creek Property to the U.S. Forest Service at the appraised value of \$242,000.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the sale of the Whiting Creek Property to the U.S. Forest Service at the price of Two Hundred Forty Two Thousand Dollars (\$242,000) 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#: S100

Common Name for Land Parcel Whiting Creek

County Forest Township Laona

Legal Description The SENE, NESE, and SESE of Section 4, T36N, R15E

GLO Acres 120

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:

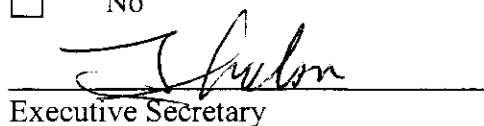
- Yes
- No


Signature of Forest Land Supervisor

8/6/09
Date

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

- Yes
- No


Executive Secretary

8/27/09
Date

Part I – Introduction

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 legal instructions, 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 one prior engagement involving the inspection and valuation of the property in this appraisal. The appraiser performed the service in 2010 for the same parties involved in the current proposed transaction. Nate Nelson, certified general appraiser with Compass Land Consultants, Inc., had no involvement with this prior engagement.
- 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 Appraisal Standards for Federal Land Acquisitions.”
- The appraisal was made and the appraisal report prepared in conformity with the Appraisal Foundation’s Uniform Standards for Professional Appraisal Practice, except to the extent that the Uniform Appraisal Standards for Federal Land Acquisitions required invocation of USPAP’s Jurisdictional Exception Rule, as described in Section D-1 of the Uniform Appraisal Standards for Federal Land Acquisitions.
- I personally inspected the subject property, which is the subject of this report, and all comparable sales used in developing the estimate of value. The date of inspection for the subject property was June 24, 2012. The dates of inspection for the comparable sales were over the course of several appraisal assignments in 2009, 2010, 2011, and 2012. Nate Nelson also inspected the subject property, which is the subject of this report, on June 12, 2012. The method of inspection for the subject property and the sales was on the ground physical observation.
- Nate Nelson provided significant assistance in this appraisal assignment. Mr. Nelson’s contributions included statistical analysis, assisting with report preparation, and comparable sales research.

- The landowner's representatives were invited to accompany me on the inspection of the subject properties, but they declined the invitation.
- Based upon the information contained in this report, and based upon the extraordinary assumption identified, it is my opinion that the market value of the subject property, as of June 24, 2012, is:

Alternative A: \$305,000

Alternative B: \$242,000

Alternative C: \$544,000



William M. Steigerwaldt
Real Estate Specialist
Wisconsin Certified General Real Estate Appraiser #394-10
(Expires 12/14/2013)



Nate Nelson
Real Estate Specialist
Wisconsin Certified General Real Estate Appraiser #1850-10
(Expires 12/14/2013)

Summary of Salient Facts and Conclusions

Project: BCPL
Case Number N-298
Case File Tracking Number FS12-0913-0115

Location: Florence and Forest counties, Wisconsin.

Owner Identification: State of Wisconsin
Board of Commissioners of Public Lands
7271 Main Street
P.O. Box 277
Lake Tomahawk, Wisconsin 54539-0277

Dates of Property Inspection: June 12 and 24, 2012

Effective Date of Value: June 24, 2012

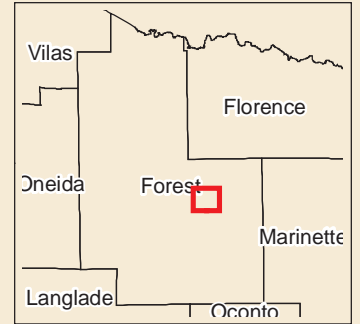
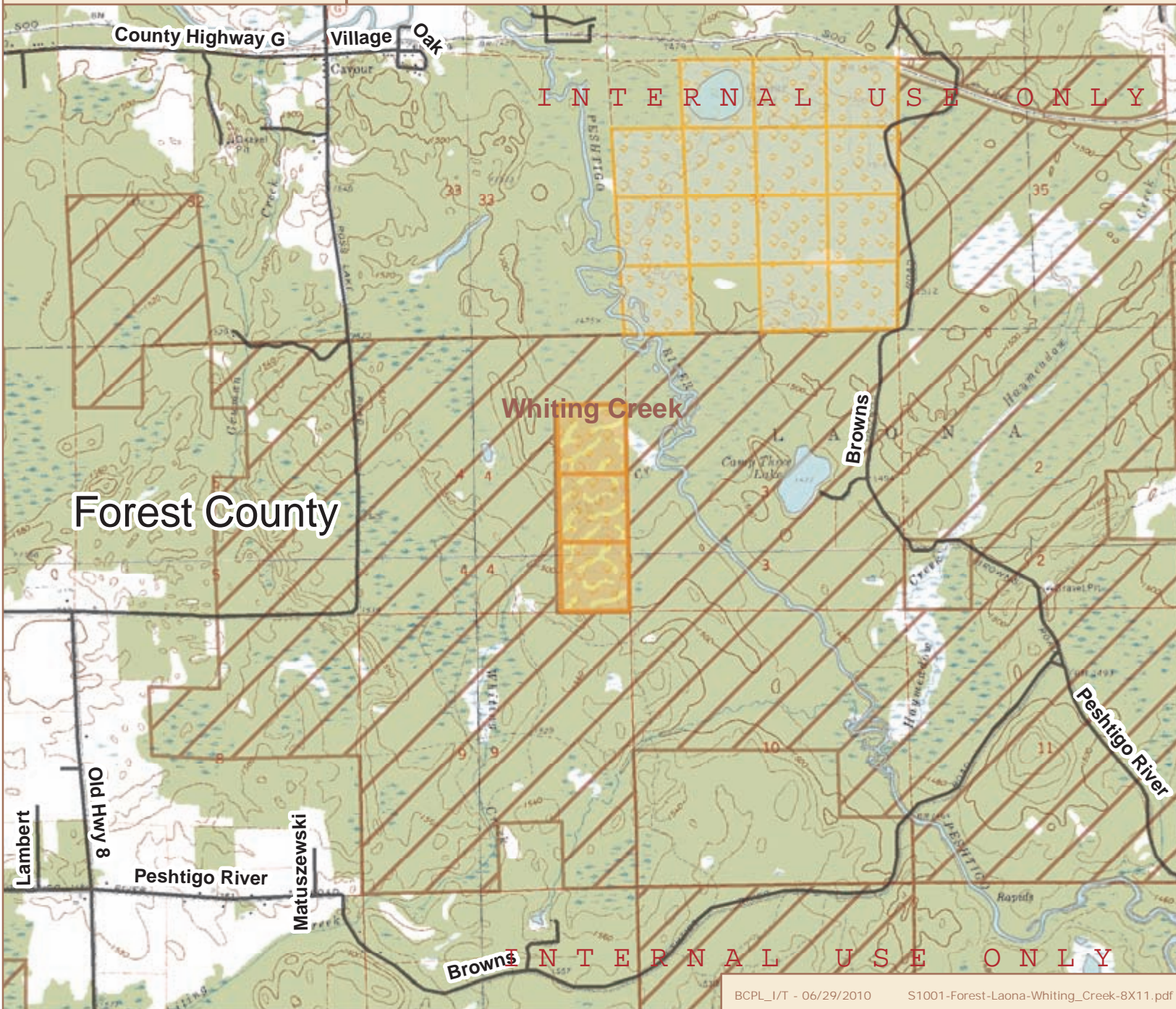
Property Highlights: The subject property is to be valued in three separate alternative land packages as follows:

Alternative A – Grub Hoe Lake Property: 253.88 acres of timberland with frontage on Grub Hoe Lake, situated in one contiguous parcel in Florence County Wisconsin.

Alternative B – Whiting Creek Property: 115.10 acres of timberland with frontage on Whiting Creek, situated in one contiguous parcel in Forest County, Wisconsin.

Alternative C – Grub Hoe Lake and Whiting Creek Property: 368.98 acres of timberland with frontage on Grub Hoe Lake and Whiting Creek, situated in two separate parcels in Florence and Forest counties, Wisconsin.

WHITING CREEK



BCPL Project #:
S1001

County: Forest

Town: Laona





Common Name

Whiting Creek

Acres - 120.00

Fund 745



-  **Outgoing**
-  **Other BCPL Land**
-  **DNR PROJECT LANDS**
-  **COUNTY FOREST**

