

TOWN OF ST. GERMAIN

OFFICE OF THE CLERK
P.O. BOX 7

ST. GERMAIN, WISCONSIN 54558

www.townofstgermain.org

MINUTES SPECIAL QUESTION/ANSWER SESSION INTEGRYS LAND PURCHASE

Call To Order: Chairman, Walt Camp, called the question/answer session to order at 7:00 P.M. Mr. Camp noted that this was a duly called meeting in accordance with the Wisconsin Open Meeting Laws.

Roll Call: Walt Camp, John Vojta, Tom Christensen, Alan Albee, Marion Janssen, Town Treasurer, Tom Martens, Town Clerk, Lindsey Erickson, attorney. There were also 41 other people in attendance.

Mr. Camp noted that about a year and a half ago, he had been contacted by Integrys Energy Group, Inc. The president of the corporation wanted the Town of St. Germain take over the nature trail that is currently on the corporation's land. Mr. Camp stated that the DNR had been contacted concerning a Stewardship Grant. The Conservation Fund had also been contacted. Bethany Holmes from the Conservation Fund was present tonight.

Ms. Holmes polled the people present to see how many had used the hiking trail. Most of the people raised their hands. Ms. Holmes also asked what would it mean to the population of St. Germain if the hiking trail and the snowmobile trail were no longer there. Ms. Holmes explained that approximately 224 acres would be purchased through the Conservation Fund with the Stewardship Grant. The Stewardship Grant comes with some restrictions. There is a management plan, it is open to the public, the current hiking trail and snowmobile trail are grandfathered in, there is a provision to move part of the snowmobile trail if Lot #2 is sold, and the town can't sell the land. The approximately 5.9 acre strip is being purchased directly from Integrys and would have no restrictions placed upon it.

Patty Van Den Elzen from Integrys noted that two appraisals had been done. One had been done by Integrys and the other by the Town of St. Germain. The appraisals established the price. Ms. Van Den Elzen explained that Integrys does not give permanent easements over its property, or does Integrys donate property. The reason being that Integrys wants to be equitable with all communities.

Lorin Anderson stated that the snowmobile trail on Lot #1 is very important to the town. If someone should purchase Lot #1 and close the snowmobile trail, it would shut down the access to the western portion of the town. Mr. Anderson said that he thought that the town board should be very careful to try to protect that trail. Mr. Anderson also noted that the elementary school could never expand. One of the conditions of the Stewardship Fund is that the town can't sell the land. Mr. Anderson added that the town is already paying for the golf course. However, the golf course is generating income. In this case the town would be paying for land people can only walk through. The town would also be losing some of its tax base.

Bethany Holmes added that if there is any income generated from the property, it had to be reinvested into the property.

John Vojta said that he was very concerned about someone hunting on the land since it is so near to the elementary school. Mr. Vojta had also questioned a local realtor concerning the asking and sale prices for large parcels of land. The average over the past five years is about \$1,173/acre which is much less than what Integrys is charging the town.

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David Mollen asked if Integrys would give Lot #1 to the town. He also stated that if he had the money, he would purchase the property in order to preserve it. Mr. Mollen also asked if a group of local people could get together to purchase Lot #1. Ms. Van Den Elzen said that they could through the auction. Mr. Mollen also asked what each of the town board member's opinion was on the land purchase.

Walt Camp informed the people in attendance that there would be a special elector meeting on Wednesday, September 3, 2014 at 7:00 P.M. At that time, there will be a vote to decide whether or not the town board should borrow the money necessary for the purchase of the land. At that meeting, the electors could instruct the town board to bid on the land. Then there would not be any restrictions.

Jim Penkalski asked how it would work if we only purchased half of the land. We are already paying for half it. Ms. Van Den Elzen said that the contracts and auction have all been set. The town could not only purchase one-half of the property.

Mr. Christensen asked who determines when timber needs to be harvested, since there is a land management plan. Ms. Holmes said that other than regular maintenance of the trails, there is no requirement for any harvesting of the trees.

Ted Gregg asked if there was a reserve for the auction. Ms. Van Den Elzen said that there was.

Ms. Holmes stated that the management plan is a requirement for getting the grant money from the State. There is no maintenance fee. She also said that the land could be sold, but that the town would have to pay back all of the money that it had received from the grant plus any interest that may be charged.

A lady who lives in the area said that the lake parcels have very steep hills. She didn't see how there could be 23 lots on the property.

Bill Bates noted that if the town doesn't purchase the land, there would be a possibility that the north-south snowmobile trail could also be closed. He asked if it was worth it. Mr. Christensen stated that the snowmobile club had considered closing the trail. There are other north-south routes. The club decided not to close the trail because it was such a pretty ride. Mr. Christensen also noted that the Bo-Boen Snowmobile Club doesn't have the money to bid on any of the land. Mr. Bates also added that since as of right now, there is no license with Integrys for the snowmobile trail, Integrys could close the trail through Lot #1.

Karen Anderson asked if any money earned from the land could go into a scholarship or to the school. Ms. Holmes again stated that it would have to go back into the land.

Lorin Anderson asked what the purchase would cost the taxpayers. Marion Janssen stated that the town would have to borrow up to \$500,000. Some of the money could come from the Room Tax money that the town receives. The loan could be paid back on a 10-year or a 15-year term. The cost should be somewhere between \$6.00 and \$9.00 per \$100,000 of assessed valuation.

Ms. Holmes said that the town could just purchase the land outright. The total cost would be \$859,290 plus costs. Lorin Anderson said that things are being done backwards. The auction should be held first. Mr. Anderson also noted that Vilas County has not finalized the plat. What if the sale doesn't go through?

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Jim Penkalski asked if there are any other grants available to help pay the balance of the costs. Ms. Holmes said that she had checked and was not able to find any. Ms. Van Den Elzen stated that if the town doesn't purchase the land, it will go up for auction with the lake parcels.

Don Baumann stated that he worked with a group that monitors loons in the area. There are loon nests on Lot #1 & Lot #2. Mr. Baumann stated that there isn't much sense in selling those two lots as lake lots. It would take the world's longest pier to get to the lake. Ms. Van Den Elzen stated that the appraisal showed that those two lots were buildable.

Mr. Camp stated that the town had first looked at purchasing all of the property, including the lake parcels. The appraisals made the cost prohibitive. Ms. Janssen said that the town board had agreed upon the per acre price in closed session. Ms. Holmes had applied for the Stewardship Grant. Mr. Albee stated that the town board might have come up with a per acre price, but none of the town board members have stated whether or not they are in favor of the purchase.

Jim Swenson asked what the town would be losing in taxes. Ms. Janssen said that the total tax bill for the property last year was about \$8,800.

There were no other questions or comments from the floor. Mr. Camp adjourned the question/answer session at 8:35 P.M.

Town Clerk

Chairman

Supervisor

Supervisor

Supervisor

Supervisor