

\$10 Million Work-Around to Public Opposition

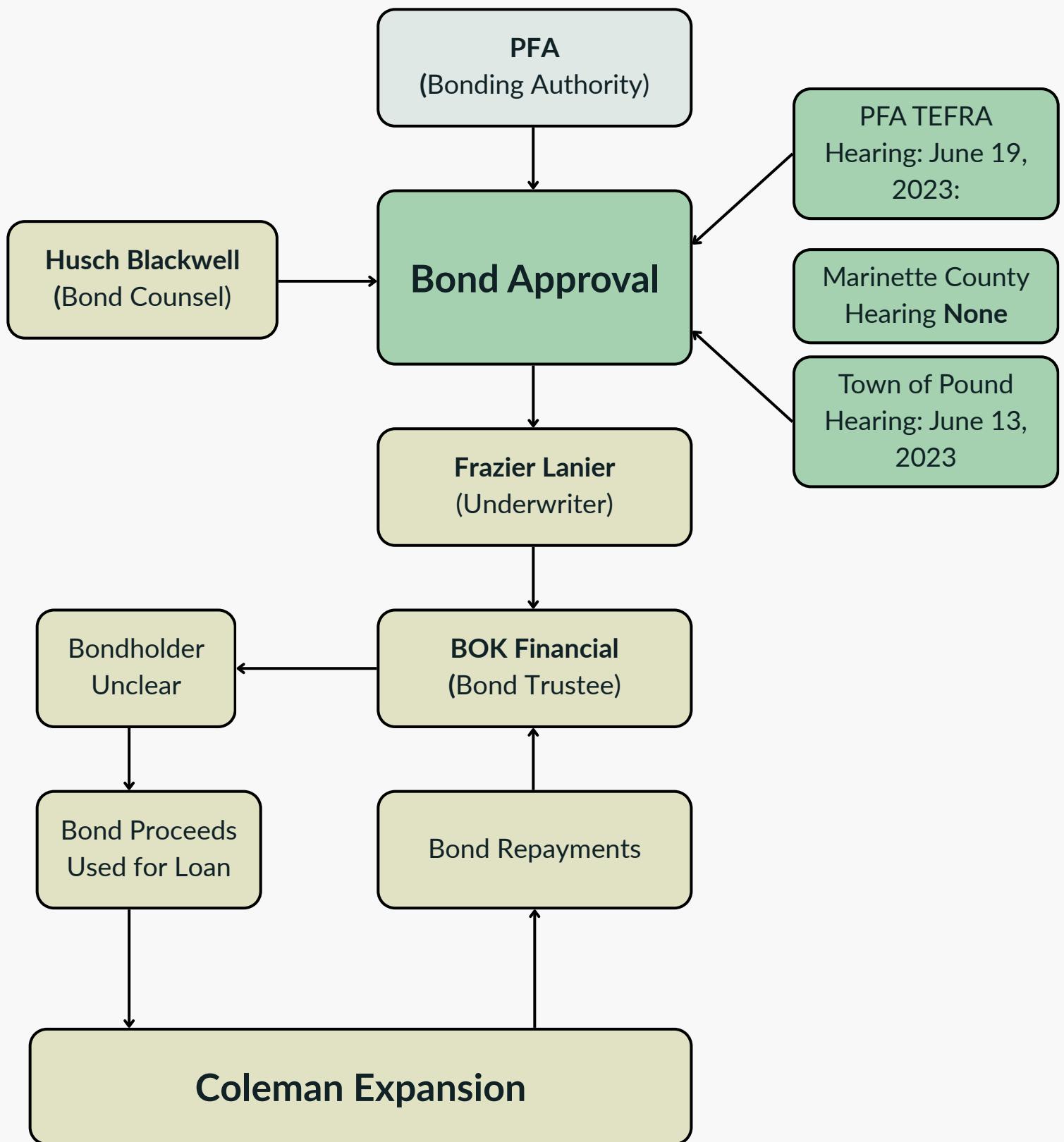
COUNTY CHAIR MAKES SURE IT CAN'T HAPPEN AGAIN

Far northeastern Wisconsin's Marinette County borders Michigan's Upper Peninsula and beautiful Lake Michigan. In 2023, Marinette's Town of Pound found itself at the center of a controversial proposal by Pagel Ponderosa — one of Wisconsin's most influential mega-dairy corporations with seven livestock operations and a cheese plant in several counties.



COLEMAN PONDEROSA CASE STUDY

Town of Pound
Marinette County
\$10 million for a \$23 million project
Public Finance Authority (PFA)
Status: Completed



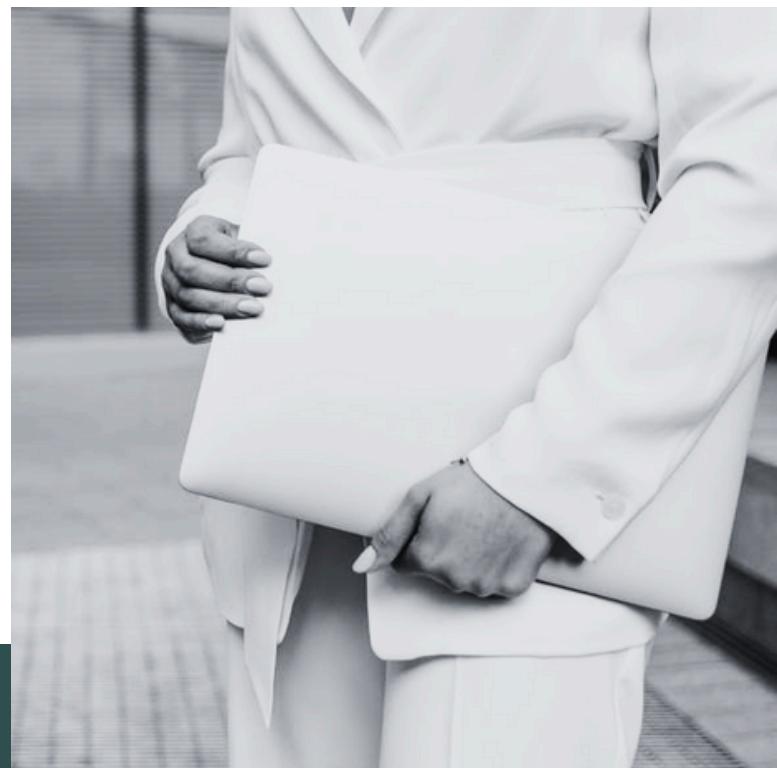
Lessons learned and action taken by the Marinette County Chair to make sure bond deals like this can't happen again provide an excellent example to Wisconsin communities facing similar scenarios.

Under Pagel's proposal, the Kewaunee County-based company would use the Town of Pound as a conduit for a \$14.5 million tax-free bond deal. Proceeds would be used to turn a former family-owned dairy with 684 cows into a 3,000-head mega-dairy with a methane biodigester. To top things off, Pagel would also use some of the money for their main operation, Dairy Dreams, some 70 miles away in Kewaunee County.

Pound residents sprang into action upon learning that their community was in the crosshairs of Pagel's expansion plans. Following the legal public process, they circulated a petition requesting a referendum vote be held. When the petition was submitted to the town board with the necessary number of signatures to trigger the referendum, Pagel moved to an alternative plan. In less than one month, they had a deal in the bag.

PAGEL PURPOSELY CIRCUMVENTED THE REFERENDUM PROCESS, AN IMPORTANT MECHANISM FOR PUBLIC INPUT.

Pagel pulled off the trick by purposely circumventing the referendum process, an important mechanism for public input outlined in Wisconsin Statute **66.0305(6)**. Instead of letting town residents vote for or against public financing, Pagel withdrew their application. Using an opaque workaround, they were able to use the **Public Finance Authority (PFA)**, instead of the Town of Pound, as the conduit issuer for what was now a \$10 million deal.



According to the [local newspaper](#), Pagel worked with three Marinette County officials — Chair John Guarisco, Administrator John LeFebvre, and Counsel Rebecca Lindner — to get county approval.

At the same time, Pagel worked with the supportive Town of Pound Board Chair Curt Tisler to set up a public hearing in the town. [During the hearing](#), Tisler and attorney [Lynda Templen](#) made it clear that no amount of public opposition could derail the deal. Just two people — County Chair Guarisco and Town of Pound Chair Tisler — got to decide.

Realizing how flawed the process was, Chair Guarisco went to work to change it. In just a few months, the [County Board unanimously voted](#) to require full board approval in the future for similar proposals.

The same players who pulled off Pagel's deal are using these same opaque tactics to further consolidate the industry. Wisconsin communities should follow Marinette County's lead and require a public process involving full board approval for future deals going through PFA.

Pound residents worked hard to navigate the process that Pagel purposely circumvented. Other communities can use some of those steps to get ahead of the process.

RESIDENTS USED SEVERAL OF THE STEPS YOU CAN TAKE, INCLUDING:

1

Attended town board meetings and tracked public notice of Pound's Initial Resolution Regarding Solid Waste Disposal Revenue Bond Financing.

2

Obtained signatures from 5% of the town's electors on a [petition](#) requesting a referendum. The petition was due within 30 days of Pound authorizing the bond deal in an [Initial Resolution](#).

3

Contacted state and national organizations with experience and expertise.

4

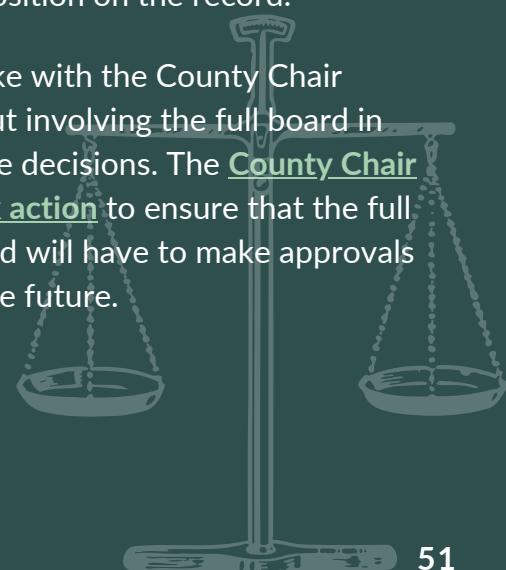
Alerted local media about public resistance.

5

Attended Town of Pound hearings to put public opposition on the record.

6

Spoke with the County Chair about involving the full board in these decisions. The [County Chair took action](#) to ensure that the full board will have to make approvals in the future.



Community Background

The Town of Pound is located some 40 miles north of Green Bay and has a population of about 1,400. Historically a family farming community, Pound also has several rivers and offers hunting and trout fishing.

When news got out that Pagel Ponderosa outbid locals at the Brye Farm auction in March 2022, the community took notice. Pagel is well-known in northeastern Wisconsin for both their mega-dairies, with nearly 13,000 cows, and their political influence. This would be their second operation in Pound as they already ran a 2,225-head heifer facility situated along the Peshtigo River.

[Pagel expanded their new acquisition to 3,000 cows](#) and expects to spread waste on 7,402 acres a year. They also have plans for further construction to produce and treat factory farm gas.

FOLLOW MARINETTE COUNTY'S LEAD

[In a Peshtigo Times](#) article about the June 13, 2025, Town of Pound public hearing where the board approved Pagel using PFA as a conduit, Marinette County Board Supervisor Glenn Broderick “asked if Marinette County also should have had a public hearing before Guarisco signed off and Templen said no, only the town was required to do that. He was concerned that Guarisco had signed without notifying him.”

No amount of public opposition could derail the deal because just two people – County Chair Guarisco and Pound Chair Tisler – had signed off.

However, [Chairman Guarisco made sure](#) that similar deals would have to get full county board approval in the future.

Your county can follow Marinette's lead.





Coleman Ponderosa Players

1

Lynda Templen
Bond and Underwriter Counsel, Husch Blackwell

2

Jason Grubbs
Underwriter, Frazer Lanier

3

Mike LaPierre
Public Finance Authority Manager, GPM Municipal Advisors

4

Michael Chandler
Vice President and Relationship Manager, BOK Financial

5

John Guarisco
Chair, Marinette County

6

Rebecca Lindner
County Corporation Counsel,
Marinette County

7

John LeFebvre
Administrator, Marinette
County

8

Curt Tisler
Chair, Town of Pound

9

John J. Pagel
President, Pagel Ponderosa



Timeline of Events

This timeline was developed using the following information:

- [Documents from PFA](#) related to Coleman Ponderosa's successful financing through PFA. [Here's a summary of the 719 pages of documents.](#)
- Local media coverage.



APRIL 11, 2023

Town of Pound Board unanimously passes [Resolution 2023-01](#) supporting \$14.5 million in solid waste disposal revenue bond financing for Coleman Ponderosa, in the Town of Pound and Dairy Dreams in the Town of Lincoln.

APRIL 19, 2023

Notice to Electors posted in Peshtigo Times by Jessica Olson, Town Clerk providing 30 days for the townspeople to petition for a referendum on the question of issuing the bonds.

MAY 9, 2023

Community resident attends the Town of Pound Board meeting and registers opposition to the bond financing resolution that was passed on April 11.

MAY 13–15, 2023

As allowed under Wisconsin law, the community circulates a petition calling for a referendum on whether the Town of Pound should act as the conduit for \$14.5 million in bonds.

MAY 17, 2023

Petition with 54 signatures filed with the town clerk calling for a referendum so people can vote on whether to have the town act as a conduit for a \$14.5 million bond for Coleman Ponderosa.

MAY 22-31, 2023

Coleman Ponderosa withdraws their request for the Town of Pound to do the bond deal. Templen announces in an email to the Town of Pound Chair Curt Tisler that PFA will serve as the conduit for Coleman Ponderosa's tax-exempt bonds. Peshtigo Times publishes Notice of Public Hearing in the Town of Pound for PFA to serve as conduit.

JUNE 12, 2023

Public notice filed in the Wisconsin Journal Sentinel for PFA to hold a hearing in Madison under the federal Tax Equity and Fiscal Responsibility Act (TEFRA). No public notice was provided in the Town of Pound or Marinette County.

JUNE 13, 2023

- Marinette County Board Chair John Guarisco signs Consent Approval for PFA financing.
- Pound holds a public hearing on the PFA financing attended by more than 60 people. Concerns focused on how an increase in herd size would affect property values and private wells.
- Templen, the Town Board, and representatives on behalf of Coleman Ponderosa answered questions.
- Town Chairman Curt Tisler signs two documents: Approval of Town Chairperson and Certificate of Town Chairperson.

JUNE 19, 2023

- PFA holds and certifies the federally required TEFRA hearing in Madison at 9:00 am. No public comments submitted or given
- Marathon County passes resolution to approve \$10 million bond.

JULY 10, 2023

Fitch rates \$10 million bonds as AA-/F1+, Rating Watch Negative (RWN). The RWN status indicates a circumstance that could cause a credit downgrade in the near future. The rating is based on an irrevocable letter of credit from Agri-Bank.

JULY 11, 2023

Husch Blackwell Paralegal Kate Albrecht sends letter to WI Department of Revenue Income, Sales, and Excise Tax Division, "Enclosed is the Report of Conduit Revenue Bonds Issued for the above-referenced bond issue which closed on July 11, 2023. Please date-stamp the extra copy of the form and return it to us in the enclosed envelope."

Ann Marie Austin, executive assistant to Wisconsin Counties Association (WCA) President and CEO Mark O'Connell, signs Report of Conduit Bonds Issued.

Bond Title: \$10,000,000 Public Finance Authority Variable Rate Demand Solid Waste Disposal Revenue Bonds, Series 2023 (Coleman Ponderosa LLC Project)

CUSIP: 74445M AH2

The bond interest is exempt from federal income tax income but not from Wisconsin income tax.

AUGUST 29, 2023

Executive Committee of Marinette County discusses who should have authority to sign off on documents. According to Peshtigo Times, LeFebvre says Lindner and he both regularly sign off on many documents. Guarisco says in the future he would "not take action without a decision from at least a committee."

OCTOBER 31, 2023

Marinette County Board revises their rules so that the County Chair "shall not sign any document as Chief Elected Officer without County Board approval."



Who Benefits?

Dealmakers' Delight	
<u>CLOSING STATEMENT - JULY 11, 2023</u>	
Bond	\$10,000,000
Frazier Lanier - Underwriter discount	\$65,000
Cost of Issuance Fees	
Husch Blackwell - Attorney	\$75,000
Amundsen Davis - Attorney	\$8,321
Public Finance Authority - Issuer	\$13,750
Attoles Law, s.c. - PFA as Issuer Attorney	\$7,500
Wisconsin Economic Development Corporation	\$10,000
BOKF, N.A. - Bond Trustee	\$4,000
Fitch Ratings - Rating Agency	\$10,293
Quarles - Special Issuers/Town of Pound Counsel	\$2,750
Frazer Lanier - DTC/CUSIP/Clearing	\$1,605
Frazer Lanier - Remarketing	\$1,781
Total Cost of Issuance	\$135,000