

Board Meeting Minutes
June 5, 2012

ITEM 1. CALL TO ORDER

Board Chair La Follette called the meeting of the Board of Commissioners of Public Lands to order at 2:00 p.m.

Present were:

Doug La Follette, Board Chair

Kurt Schuller, Commissioner

J.B. Van Hollen, Commissioner

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

ITEM 2. APPROVE MINUTES – MAY 15, 2012

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

ITEM 3. APPROVE LOANS

Deputy Secretary German said the loans had received legal review.

Municipality	Municipal Type	Loan Amount
1. Cadiz Green County Application #: 02012139 Purpose: Purchase tractor with loader	Town Rate: 2.75% Term: 3 years	\$75,000.00
2. Calumet Fond Du Lac County Application #: 02012122 Purpose: Finance road construction	Town Rate: 2.75% Term: 5 years	\$375,000.00
3. Calumet Fond Du Lac County Application #: 02012130 Purpose: Refinance BCPL Loan #2011149.01	Town Rate: 2.75% Term: 4 years	\$157,319.09
4. Calumet Fond Du Lac County Application #: 02012131 Purpose: Refinance BCPL Loan #02011149.02	Town Rate: 2.75% Term: 4 years	\$135,206.81
5. Calumet Fond Du Lac County Application #: 02012132 Purpose: Refinance BCPL Loan #2010197.01	Town Rate: 3.00% Term: 8 years	\$306,101.07
6. Coleman Marinette and Oconto Counties Application #: 02012134 Purpose: Finance school renovation projects	School Rate: 2.75% Term: 5 years	\$176,000.00

7.	Combined Locks Outagamie County Application #: 02012135 Purpose: Finance street construction	Village Rate: 2.75% Term: 5 years	\$1,026,056.00
8.	Elkhart Lake-Glenbeulah Sheboygan County Application #: 02012138 Purpose: Finance re-roofing of district buildings	School Rate: 2.75% Term: 5 years	\$675,000.00
9.	Lake Hallie Chippewa County Application #: 02012133 Purpose: Purchase defibrilators	Village Rate: 2.75% Term: 5 years	\$150,000.00
10.	Laona Forest County Application #: 02012128 Purpose: Refinance BCPL Loan #2009135.01	School Rate: 4.50% Term: 16 years	\$456,639.00
11.	Laona Forest County Application #: 02012129 Purpose: Refinance other outstanding debt	School Rate: 2.75% Term: 3 years	\$600,000.00
12.	Little Green Lake Protection & Rehabilitation District Green Lake County Application #: 02012125 Purpose: Finance sewer facilities operations and maintenance	Lake District Rate: 3.00% Term: 10 years	\$50,000.00
13.	Little Green Lake Protection & Rehabilitation District Green Lake County Application #: 02012126 Purpose: Purchase weed harvester	Lake District Rate: 3.00% Term: 10 years	\$179,394.00
14.	Little Green Lake Protection & Rehabilitation District Green Lake County Application #: 02012127 Purpose: Refinance BCPL Loan #02011158.01	Lake District Rate: 3.00% Term: 10 years	\$149,805.00
15.	Neenah Winnebago County Application #: 02012137 Purpose: Purchase fire truck	Town Rate: 3.00% Term: 10 years	\$260,000.00

16.	Superior Douglas County Application #: 02012136 Purpose: Purchase tractor/mower	Town Rate: 3.00% Term: 10 years	\$99,500.00
17.	Woodruff Oneida County Application #: 02012140 Purpose: Purchase fire truck	Town Rate: 3.00% Term: 10 years	\$176,202.00
18.	Woodruff Oneida County Application #: 02012141 Purpose: Refinance BCPL Loan #02010105.01	Town Rate: 3.00% Term: 7 years	\$174,684.26
TOTAL			\$5,221,907.23

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

ITEM 4. PROPOSED SUBMERGED LANDS LEASE – DAIRLAND POWER COOPERATIVE

MOTION: Commissioner Van Hollen moved to approve the submerged lands lease; Commissioner Schuller seconded the motion.

DISCUSSION: Board Chair La Follette asked how the lease rate was calculated. Deputy Secretary German said that Dairyland Power Cooperative’s purpose for the lease would be both private (i.e., a dock for their facility) and public (i.e., providing access to the Mississippi River open to the public). This made the lease unique so appraisers in the area were contacted to inquire about comparables. Since there were none, rent for the new lease has been calculated by taking the original rental rate for the 1962 lease and increasing it by the changes in the Consumer Price Index over that period of time.

VOTE: The motion passed 3-0.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands authorizes a new fifty-year Submerged Lands Lease with Dairyland Power Cooperative in accordance with Section 24.39 of the Wisconsin Statutes with a beginning rental rate of Two Thousand Three Hundred Dollars (\$2,300.00) per year with regular scheduled rent increases over the term of the Lease to a rate of \$5,423 per year and a requirement that Dairyland provide suitable public access facilities to the Mississippi River and 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.

ITEM 5. DEPUTY SECRETARY’S REPORT

Deputy Secretary German reported that municipalities and school districts are refinancing their State Trust Fund Loans with municipal bonds that have lower interest rates. Two years ago, BCPL’s outstanding loans totaled a little more than \$700 million; the total is currently near \$400 million. The Board’s portfolio includes \$217 million in state and municipal bonds, which makes the portfolio more balanced.

ITEM 6. ADJOURN

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



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.