

Board Meeting Minutes
December 16, 2014

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:

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| Doug La Follette, Board Chair | Secretary of State |
| Kurt Schuller, Commissioner | State Treasurer |
| J.B. Van Hollen, Commissioner | Attorney General |
| Tia Nelson, Executive Secretary | Board of Commissioners of Public Lands |
| Tom German, Deputy Secretary | Board of Commissioners of Public Lands |
| Richard Sneider, Loan Analyst | Board of Commissioners of Public Lands |

ITEM 2. APPROVE MINUTES – DECEMBER 2, 2014

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

ITEM 3. APPROVE LOANS

Executive Secretary said that the loans had received legal review.

<u>Municipality</u>	<u>Municipal Type</u>	<u>Loan Amount</u>
1. Bloomfield Walworth County Application #: 02015068 Purpose: Finance budget shortfalls	Village Rate: 3.00% Term: 3 years	\$800,000.00
2. Caledonia Racine County Application #: 02015071 Purpose: Finance sanitary sewer costs	Village Rate: 3.50% Term: 10 years	\$150,000.00
3. Diamond Bluff Pierce County Application #: 02015070 Purpose: Finance road repairs	Town Rate: 3.50% Term: 10 years	\$100,000.00
4. Port Washington Ozaukee County Application #: 02015069 Purpose: Finance TID #2 development	City Rate: 4.25% Term: 20 years	\$250,000.00
5. River Falls Pierce and St Croix Counties Application #: 02015072 Purpose: Finance land purchase reimbursement	City Rate: 3.50% Term: 10 years	\$1,600,000.00

6.	Rock Falls Lincoln County Application #: 02015067 Purpose: Purchase grader and tires	Town Rate: 3.50% Term: 10 years	\$50,000.00
7.	Springwater Waushara County Application #: 02015066 Purpose: Purchase tractor/loader	Town Rate: 3.00% Term: 5 years	\$58,000.00
TOTAL			\$3,008,000.00

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

ITEM 4. REQUEST TO RATIFY ADJUSTMENTS TO LOAN PROGRAM INTEREST RATES

Board Chair La Follette explained that he authorized loan interest rate adjustments between board meetings based on a discussion with Executive Secretary Nelson and staff recommendation.

MOTION: Commissioner Van Hollen moved to ratify the interest rate adjustments; Commissioner Schuller seconded the motion. The motion passed 3-0.

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 2.50% for 1-2 year loans, 3.00% for 3-5 year loans, 3.25% for 6-10 year loans, and 3.75% for 11-20 year loans.

ITEM 5. PROPOSED LAND EXCHANGE – USDA FOREST SERVICE (E1502)

Board Chair La Follette said this exchange would consolidate blocks of land for both agencies, which would help with management efficiencies.

MOTION: Commissioner Van Hollen moved to approve staff to proceed with this potential exchange; Commissioner Schuller seconded the motion.

DISCUSSION: Executive Secretary Nelson explained that the current Board had in the past approved a substantially smaller trade with the US Forest Service. This exchange seeks to accomplish the same goals (i.e. consolidation of lands, improved timber production and timber management) but on a larger scale, thereby achieving greater transactional efficiency.

VOTE: The motion passed 3-0.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the proposed land exchange between the BCPL and USFS 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 obtain independent appraisals on the properties and adjust or substitute acreage parcels in the transaction in order to comply with Wis. Stats. Section 24.09 that requires the exchanged parcels have approximately equal value. The Executive Secretary is further authorized and directed to execute any documents reasonably necessary to complete the transaction.

ITEM 6. PROPOSED ACCEPTANCE OF FOREST STEWARDSHIP COUNCIL CERTIFICATION

Board Chair La Follette explained that the Forest Stewardship Council (FSC) has confirmed that BCPL's forest management practices meet the requirements for FSC certification.

MOTION: Commissioner Van Hollen moved to approve the acceptance of FSC certification, Commissioner Schuller seconded the motion. The motion passed 3-0.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands approves the acceptance of FSC certification. The Executive Secretary is authorized and directed to execute any documents reasonably necessary to complete such transaction.

NEW BUSINESS:

Board Chair La Follette noted that this board meeting would be the last for Commissioners Van Hollen and Schuller, having served on the Board for eight and four years, respectively. He thanked them for their efforts, service and cooperation on the Board. The Board had many positive outcomes and he wanted to thank them personally.

Commissioner Schuller thanked his fellow commissioners, also.

MOTION: Commissioner Van Hollen moved that the Board recognize the incredible efficiency and integrity of the staff. Their work is vital to our ability to serve as Commissioners, to serve the Common School Fund and to serve the people of the State of Wisconsin; Commissioner Schuller seconded the motion.

DISCUSSION: Board Chair La Follette said that the Board's staff had done a good job helping the Board achieve the goals established in the Land Bank program. They have also worked well with the forestry community in northern Wisconsin. He commended Executive Secretary Nelson for her diligent pursuit of those efforts.

VOTE: The motion passed 3-0.

NOW, THEREFORE BE IT RESOLVED, that the Board of Commissioners of Public Lands recognizes the incredible efficiency and integrity of the staff. Further, the Board recognizes that their work is vital to the Board's ability to serve as Commissioners, to serve the Common School Fund and to serve the people of the State of Wisconsin.

ITEM 7. EXECUTIVE SECRETARY’S REPORT

Executive Secretary Nelson expressed gratitude to the Board on her behalf, as well as staff’s. She said it has been an enormous pleasure to serve the Board and was grateful for their kind words.

ITEM 8. ADJOURN

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

Tia Nelson, Executive 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 recording may do so at the Board of Commissioners of Public Lands, 101 E. Wilson Street, 2nd Floor, Madison, Wisconsin.