

Board Meeting Minutes
October 1, 2024

Present were:

Sarah Godlewski, Board Chair	Secretary of State
John Leiber, Commissioner	State Treasurer
Josh Kaul, Commissioner	Attorney General
Tom German, Executive Secretary	Board of Commissioners of Public Lands
Denise Nechvatal, Controller	Board of Commissioners of Public Lands
Micah Zeitler, Real Estate Specialist	Board of Commissioners of Public Lands
Thuy Nguyen, Office Manager	Board of Commissioners of Public Lands
Chuck Failing, IT Manager	Board of Commissioners of Public Lands

ITEM 1. CALL TO ORDER

Board Chair Godlewski called the meeting to order at 2:02 p.m.

ITEM 2. APPROVE MINUTES

MOTION: Commissioner Kaul moved to approve the minutes; Commissioner Leiber seconded the motion.

DISCUSSION: None

VOTE: The motion passed 3-0.

ITEM 3. APPROVE LOANS

MOTION #1: Board Chair Godlewski moved to amend the loan approval motion to include only Barron County and the Town of Norrie; Commissioner Kaul seconded the motion.

MOTION #2: Commissioner Kaul moved to approve the list of loans as amended; Commissioner Leiber seconded the motion.

DISCUSSION: Executive Secretary German shared that there are three loans on the agenda for board consideration, but staff are now only asking the board to approve the 1st and 3rd loans. Since the board packet was sent out, the Village of Dresser cancelled their application and will be submitting a new application at the new lower interest rate. Staff respectfully requests that the board amend their loan approval motion to approve the remaining two loans.

Loan interest rates were at six 6% across the board for loan terms of 2 to 20 years. The Federal Reserve recently lowered short term interest rates, so BCPL adjusted our rates to reflect the changes in the marketplace. Many borrowers are now cancelling their loan applications and starting over at the new lower rates that went into effect September 25.

Barron County is borrowing to finance a new material handler and shredder for the county's Waste to Energy plant. The county borrowed \$4 million last year for the plant and it's exciting to see that they're doing some additional work there. The Town of Norrie loan application is for financing roadwork.

Commissioner Leiber asked if the board will see a lot of loans next month or are borrowers waiting to see what happens the rest of this year.

Executive Secretary German replied that many borrowers have already requested new loan applications. About 30 applications have been cancelled and new applications sent out. The number of loans presented to the board will depend on how quickly applications are returned to us. Some are going to hit the next meeting, but more of them will hit the meeting after that. There may be some communities that sit and wait a little bit longer and there may be some communities will submit their applications. If interest rates go down again, some communities may start their respective loan application process over again.

VOTE #1: The motion to amend the original loan approval motion to include only Barron County and the Town of Norrie passed 3-0.

VOTE #2: The motion to approve the loans passed 3-0.

The Board of Commissioners of Public Lands (BCPL) unanimously approved **\$1,545,000.00** in State Trust Fund Loans to support **2** community projects in Wisconsin.

1. Barron County / Barron County / Finance purchase of shredder and material handler / \$1,500,000.00
2. Town of Norrie / Marathon County / Finance roadwork / \$45,000.00

ITEM 4. OLD BUSINESS

None

ITEM 5. NEW BUSINESS – Proposed Easements – Boyer-Lassig Road, Oneida County

Meeting rules are suspended so a description of the easements can be provided before a motion is made.

DISCUSSION: Executive Secretary German explained that this proposed easement is relatively short and provides a shorter access route than the town road that had previously crossed the BCPL property. We are looking to provide an easement so this specific landowner can legally have access to his land and a utility lines to his property across the easement area. Because the distance is relatively short, the modest sum of \$500 was deemed full and fair consideration by BCPL staff.

Commissioner Kaul asked about how the price/value is decided.

Executive Secretary German replied that it is a judgement call, but staff are taking into account the size of the easement area, the value of property in that particular area and the impact of the easement on BCPL's use of the property. In this case, the entire easement area is much less than 1 acre. Property values in the area are relatively modest. Finally, because it's a nonexclusive easement, it's not, full fee title being granted by BCPL, the sum of \$500 was deemed full and fair consideration by BCPL staff. But the short answer to your question is yes, it's a judgment call, but it's a judgment call utilizing the data that we have available to determine the value.

MOTION: Commissioner Leiber moved to approve agenda item #5 the proposed easement in Oneida County; Board Chair Godlewski seconded the motion.

VOTE: The motion passed 3-0.

ITEM 6. NEW BUSINESS – Proposed Easement – Rainbo Lodge, Vilas County

Meeting rules are suspended so a description of the easement can be provided before a motion is made.

DISCUSSION: Executive Secretary German commented that this proposed easement is a slightly different situation. It's a longer easement area but it is within an easement area that is already in place that we had previously granted for access. An easement is a nonpossessory right to use someone else's property. In 2003 BCPL granted an access easement to cross approximately 610 feet of BCPL property. The previous easement provided the right to go across BCPL property, but there was no grant of a utility easement. The people whose property is benefitted by that access easement would now like a utility easement to benefit their property. Even though this is a longer easement area than the previous proposal considered by the board today, this proposed easement does not create as much of an additional encumbrance on the BCPL property as the board item #5 because this proposed easement is only for utilities, as access for ingress and egress had already been granted. And again, staff deemed that \$500 is reasonable as full and fair consideration for the grant of such easement.

Commissioner Leiber asked if there is any interest by this neighbor to purchase the adjacent BCPL property. It looks like it's out of the range of where the rest of the BCPL land is.

Executive Secretary German said there may be some interest. The map that we're seeing here is narrowly focused on just the closely surrounding landowners. If we scaled back up to the 20,000-foot level, you'd see that BCPL has more land in the area as does Rainbo Lodge. There have been discussions over the years of doing a larger land exchange where BCPL would convey our lands that are in-holdings in the Rainbo Lodge block, and in exchange, they would grant title to lands that are in-holdings in our block. BCPL's total ownership in that area is significant, but so is Rainbo Lodge's. Some of those blocks of land were pieced together many years ago when there wasn't as much attention paid to making sure that all of the access arrangements and easements were worked out. The short answer is there's been some interest, but not serious enough to motivate a transaction.

MOTION: Commissioner Kaul moved to approve item #6 the proposed easement in Vilas County; Board Chair Godlewski seconded the motion.

VOTE: The motion passed 3-0.

ITEM 6. CHIEF INVESTMENT OFFICER'S REPORT

None

ITEM 7. EXECUTIVE SECRETARY'S REPORT

Executive Secretary German reported on his recent travels. He attended the Wisconsin Counties

Association's annual convention La Crosse. He spoke with a number of people from the counties about our loan program, but it reinforced how many county officials also serve as municipal officials and as school officials. There were quite a few people that were at the convention that came up and said their town used the loan program and it was great, or our village used the loan program and it was great, or our school was really thankful for the amount of money that we got for library aid this year. Those conversations outnumbered the conversations with county officials about the loan program. It was a good reminder how interconnected the relationships are.

The latter part of the week he was in Milwaukee. One of the venture capital funds that BCPL invests in, Nothing Ventured, Nothing Gained (NVNG) was hosting a conference in the Milwaukee area. It was interesting to meet people who run venture capital funds in Wisconsin that he was unaware of. The ecosystem for those investments and start-up companies is larger and more vibrant than he realized. He talked to a lot of the folks that are starting businesses and providing jobs and growing businesses. It's great to realize that BCPL is not just investing in a way that benefits our beneficiaries, but we're also investing in a way that is helping to grow the economy of Wisconsin.

ITEM 8. BOARD CHAIR'S REPORT

Board Chair Godlewski reported that she was in Rhinelander recently talking to the County Forests Association. They're the largest public landowners in Wisconsin and actually the largest public landowners in the country when it comes to counties besides Minnesota. The discussion comprised of thinking of ways to continue to raise revenue as we all know paper mills have shut down and that has impacted not just their economies, but the health of the forests. There might be some exciting opportunities to continue to work together. It was a positive meeting and got to talk to a few of the BCPL team in Rhinelander and hear more about the good work that the BCPL group is doing there.

Commissioner Leiber requested that the first meeting in November be rescheduled because it is election day, and he has signed up to be a poll worker all day. He suggested that in the future we don't have meetings on election days.

Board Chair Godlewski and Commissioner Kaul agreed.

Board Chair Godlewski commented that she would leave it up to the discretion of Executive Secretary German. If there is a need for a meeting because of the inflow of loans that need to be approved, otherwise if there aren't any significant loans that are urgent, we might be able to even just cancel that meeting.

Commissioner Kaul added that he's fine either way.

Executive Secretary thanked Commissioner Leiber for bringing that to the board's attention and agreed that meetings should not be held on election day as well. However, he believes we will probably need to have a meeting that week because of the way the dates fall it will be three weeks in between our second meeting October 15th the first November meeting. As we discussed at the beginning of this meeting, we have a lot of borrowers that restarted the loan application process. He anticipates that we will have quite a few loans that will be queuing up for that meeting at the beginning of November. It would be great if it would be possible to move it to Wednesday the 6th or so.

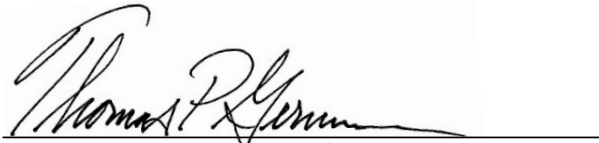
Board Chair Godlewski agreed. The board will work with Thuy to reschedule the meeting.

ITEM 9. FUTURE AGENDA ITEMS

None

ITEM 10. ADJOURN

Commissioner Kaul moved to adjourn the meeting; Commissioner Leiber seconded the motion. The motion passed 3-0; the meeting adjourned at 2:28 p.m.

A handwritten signature in black ink, appearing to read "Thomas P. German", is written over a horizontal line.

Thomas P. German, Executive Secretary

Link to audio recording:

<https://bcpl.wisconsin.gov/bcpl.wisconsin.gov/Shared Documents/Board Meeting Docs/2024/2024-10-01/BoardMtgRecording.mp3>