

Board Meeting
Minutes
September 20, 2022

Present were:

Sarah Godlewski, Board Chair	State Treasurer
Doug LaFollette, Commissioner	Secretary of State
Josh Kaul, Commissioner	Attorney General
Tom German, Executive Secretary	Board of Commissioners of Public Lands
Richard Sneider, Chief Investment Officer	Board of Commissioners of Public Lands
Denise Nechvatal, Senior Accountant	Board of Commissioners of Public Lands
Mike Krueger, IT Manager	Board of Commissioners of Public Lands
Thuy Nguyen, Office Manager	Board of Commissioners of Public Lands
Emma Stutzman, Chief of Staff	State Treasurer

ITEM 1. CALL TO ORDER

Board Chair Godlewski called the meeting to order at 2:01 p.m.

ITEM 2. APPROVE MINUTES – September 13, 2022

MOTION: Board Chair Godlewski moved to approve the minutes; Commissioner Kaul seconded the motion.

DISCUSSION: None

VOTE: The motion passed 3-0.

ITEM 3. APPROVE LOANS

MOTION: Commissioner LaFollette moved to approve the loans; Commissioner Kaul seconded the motion.

DISCUSSION: Mr. Sneider commented that these are all typical loans. He pointed out that the loan to the City of Cedarburg for financing some business park infrastructure within their tax incremental district. BCPL has been receiving applications for some larger loans recently and those will be presented to the board over the next couple months.

VOTE: The motion passed 3-0

The Board of Commissioners of Public Lands (BCPL) unanimously approved **\$1,175,000.00** in State Trust Fund Loans to support **3** community projects in Wisconsin.

1. City of Amery / Polk County / Finance purchase of fire truck / \$320,000.00
2. City of Cedarburg / Ozaukee County / Finance purchase of DPW dump truck / \$240,000.00
3. City of Cedarburg / Ozaukee County / Finance TID Business Park Infrastructure / \$615,000.00

ITEM 4. OLD BUSINESS

None

NEW BUSINESS

ITEM 5. MINOCQUA, PIER LAKE, CEDAR-40, ONEIDA COUNTY – SALE

Executive Secretary German explained that this property is comprised of approximately 40 isolated acres which are completely surrounded by private land. There is no public access to the property and we do not anticipate being able to acquire public access in the foreseeable future. The property has some nice natural areas but staff has been unable to find any conservation party interested in acquiring the property for conservation efforts or a conservation easement. The best option is to put up the property up for sale as the owner of the surrounding property has indicated a willingness to submit a sealed bid to purchase the property.

Commissioner LaFollette inquired about logging on the land and the condition of the land.

Executive Secretary German commented that the land is mostly lowland and the timber on the property has relatively low value so it makes sense to sell the land.

ITEM 6. SUGAR CAMP, THUNDER LAKE ROAD-NORTH, ONEIDA COUNTY - SALE and

ITEM 7. SUGAR CAMP, THUNDER LAKE ROAD-SOUTH, ONEIDA COUNTY – SALE

Executive Secretary German described the Thunder Lake Road properties as bisected by Thunder Lake Road. Therefore, both properties have direct town road access and are suitable for residential development as other homes have been built in the area. While we do have other holdings in the general area, those other holdings are not contiguous and a considerable distance away. We are proposing to sell these properties separately because we're anticipating that will result in higher overall sales proceeds. The south property is on higher ground so it appraised higher than the other.

Commissioner LaFollette asked about potential buyers for the Thunder Lake Road properties and clarification on the motion to be made.

Executive Secretary German shared that there are several people interested in buying the properties so there will be competitive bidding. If the board approves the staff proposals, the properties listed as items five, six and seven will be sold via sealed bid auction. For item five, it's likely only the surrounding landowner will bid on it. For items six and seven, we anticipate several bids.

Executive Secretary German asked the board to authorize the sale resolution in the board packet for items five, six and seven to be offered for sale via sealed bid sale at minimum acceptable bid of the appraised value.

MOTION: Commissioner Kaul moved to approve the resolutions for the sale of items five, six and seven; Board Chair Godlewski seconded the motion.

VOTE: The motion passed 3-0

ITEM 8. LAC DU FLAMBEAU, VILAS AND IRON COUNTIES – SALE

The Lac du Flambeau Tribe has requested to purchase the school trust lands identified in items 8 and 9. The Tribe is using federal money for this transaction. The federal fiscal year ends on September 30th so, the tribe must enter into a binding agreement prior to that date in order to encumber the funds and prevent such funds from lapsing at the end of the fiscal year.

Executive Secretary German explained that he has split the Lac du Flambeau transaction into two different pieces. The first part of it is strictly a land sale and the second part is the settlement of conflicting claims to a particular parcel.

Because the settlement of claims will require the board to engage in discussion about legal claims, he has requested that discussion be held in closed session.

Executive Secretary German described the sale of land to the Lac du Flambeau tribe. BCPL and the tribe have had differences of opinion over the years in terms of who owns what in this area. Staff has worked with a local title company and the tribe to verify BCPL's ownership claims on the 886 acres and everyone has come to agreement on that. These properties are still within our consolidation zone and some of the parcels are productive timberland. However, the tribe believes that those parcels are required for tribal use, and BCPL staff agree that it makes sense to sell those parcels to the tribe. Please note that there are three separate appraisal certifications. This is because the appraiser felt that blocks of the parcels of land making up the 886 acres were distinct enough to warrant separate appraisal analyses. These lands are contiguous with lands the tribe currently owns and the parcel in the southwestern corner also abuts DNR land. Staff supports the sale of these lands to the tribe equal to the appraised value.

ITEM 9. LAC DU FLAMBEAU COMMISSIONER ORDER – CLOSED SESSION

CLOSED SESSION 2:24 pm to 2:48 pm

RECONVENE IN OPEN SESSION 2:49 pm

MOTION (Approve Item 8): Board Chair Godlewski moved to approve the land sale resolution in board item eight (first paragraph of proposed board resolution), Commissioner Kaul seconded the motion.

VOTE (Approve Item 8): Motion passed 3-0 (Clarification needed. Motion needs to be restated)

DISCUSSION: Discussion is had about the motion made and the resolution.

Board Chair Godlewski clarified that her motion was solely to approve the proposed land sale.

Commissioner Kaul explained that in order for the sale to be done we must release the claims pertaining to item nine. Items eight and nine go hand in hand.

Board Chair Godlewski explained that the transactions were described as two separate transactions but they are actually happening together and the resolution is written with two separate paragraphs representing each part of the transaction. Commissioner Kaul requested to amend the second resolution paragraph. Commissioner LaFollette asked for further clarification on the finality of the sale.

Executive Secretary German commented that the resolutions are a step in the process. Passing the resolution authorizes staff to move forward to set up the transaction. No land changes hands until the land patents are properly executed and money is received by BCPL.

Commissioner LaFollette shared his desire to follow through with the sale to ensure the tribe has ownership of those lands.

Commissioner Kaul commented that the sale is dependent on the release of claims.

Commissioner LaFollette shared his concerns about a potential delay in the transaction could have a negative impact on the tribe.

Board Chair Godlewski stated that the resolution set forth in the first paragraph of board item number eight has now been approved. She shared that the timeline the tribe has set is incredibly important. The tribe needs the transaction completed by the end of September. While the timeline is important, she wants to make sure we are upholding legal requirements, as Commissioner Kaul had brought up.

Executive Secretary German explained that his intention was to discuss items eight and nine separately but have one document that addressed both of them together. The resolution was drafted in an effort to provide a seamless narrative for the board to follow. Both pieces of the resolution could be approved together however, Commissioner Kaul asked that the second paragraph in the resolution be amended to direct the Executive Secretary to work with the Wisconsin Department of Justice to ensure legal compliance. So, in essence, it could all be approved together with that friendly amendment.

Commissioner Kaul suggested that since item eight had already been approved, the board could amend item 9 and approve the resolution set forth in the second paragraph as modified by his requested friendly amendment.

OFFICIAL VOTE (Approve Item 8): Motion passed 2-0 (Commissioner LaFollette abstained)

MOTION (Amend Item 9): Commissioner Kaul moved to amend agenda item nine (the resolution set forth in the second paragraph of board item 8) to indicate that the release of claims should be done by BCPL staff working in coordination with the Department of Justice staff to ensure legal compliance; Board Chair Godlewski seconded the motion.

MOTION (Approve Item 9): Board Chair Godlewski moved to approve the resolution to agenda item 9 as amended by Commissioner Kaul; Commissioner Kaul seconded the motion.

VOTE: Motion passed 2-0 (Commissioner LaFollette abstained)

ITEM 10. CHIEF INVESTMENT OFFICER'S REPORT

None

ITEM 11. EXECUTIVE SECRETARY'S REPORT

None

ITEM 12. BOARD CHAIR'S REPORT

None

ITEM 13. FUTURE AGENDA ITEMS

None

ITEM 14. ADJOURN

Board Chair Godlewski moved to adjourn the meeting; Commissioner LaFollette seconded the motion. The motion passed 3-0; the meeting adjourned at 3:03 p.m.



Thomas P. German, Executive Secretary

Link to audio recording:

<https://bcpl.wisconsin.gov/Shared Documents/Board Meeting Docs/2022/2022-09-20 BoardMtgRecording.mp3>