

THE STATE OF WISCONSIN

DF 11

SENATE CHAIR
BRIAN BURKE

317-E Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-8535



ASSEMBLY CHAIR
JOHN GARD

308-E Capitol
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Madison, WI 53708-8952
Phone: (608) 266-2343

JOINT COMMITTEE ON FINANCE

June 12, 2001

Secretary George Lightbourn
Department of Administration
101 East Wilson Street, 10th Floor
Madison, Wisconsin 53703

Dear Secretary Lightbourn:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your request, received May 22, 2001, pursuant to s. 16.515/16.505, Stats., pertaining to requests from the Department of Workforce Development and the Department of Administration.

No objections have been raised concerning this request. Therefore, the request is approved.

Sincerely,

Handwritten signature of Brian Burke in cursive.

BRIAN BURKE
Senate Chair

Handwritten signature of John G. Gard in cursive.

JOHN G. GARD
Assembly Chair

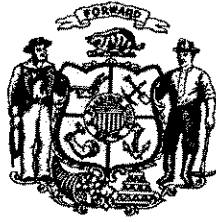
BB:JG:dh

- cc. Members, Joint Committee on Finance
Secretary Jennifer Reinert, Department of Workforce Development
Robert Lang, Legislative Fiscal Bureau
Vicky La Belle, Department of Administration

THE STATE OF WISCONSIN

SENATE CHAIR
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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Brian Burke
Representative John Gard
Co-Chairs, Joint Committee on Finance

Date: May 23, 2001

Re: s. 16.515/16.505(2), Stats. Request

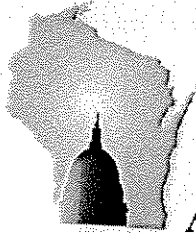
Attached is a copy of a request from the Department of Administration, received on May 22, 2001, pursuant to s. 16.515/16.505(2), Stats., pertaining to a request from the Department of Workforce Development and the Department of Administration.

Please review the material and notify **Senator Burke** or **Representative Gard**, no later than **Friday, June 8, 2001**, if you have any concerns about the request or if you would like to meet formally to consider it.

Also, please contact us if you need further information.

Attachment

BB/JG/js



WISCONSIN DEPARTMENT OF
ADMINISTRATION

SCOTT McCALLUM
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

Date: May 22, 2001
To: The Honorable Brian Burke, Co-Chair
Joint Committee on Finance
The Honorable John Gard, Co-Chair
Joint Committee on Finance
From: George Lightbourn, Secretary
Department of Administration
Subject: S. 16.515/16.505(2) Request(s)

Enclosed are request(s) that have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

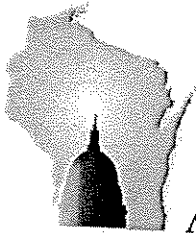
AGENCY	DESCRIPTION	1999-2000		2000-01	
		AMOUNT	FTE	AMOUNT	FTE
DOA 20.505(1)(kb)	Transportation services			\$ 637,700 *	
DWD 20.445(1)(ha)	Worker's compensation operations			205,400	2.00

* One-time expenditure authority.

As provided in s. 16.515, the request(s) will be approved on June 13, 2001, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about any of the requests.

Please contact Vicky LaBelle at 266-1072, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments



WISCONSIN DEPARTMENT OF
ADMINISTRATION

SCOTT McCALLUM
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
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Date: May 16, 2001

To: George Lightbourn, Secretary
Department of Administration

From: Cynthia Dombrowski *CD*,
State Budget Office

Subject: Request Under s. 16.515 from the Department of Administration for
Funding Due to Increased Motor Fuel Costs

REQUEST:

The Department of Administration (DOA) requests one-time supplemental expenditure authority increase of \$637,700 PRS in Fiscal Year 2000-01 to the appropriation under s. 20.505(1)(kb), transportation services for unanticipated motor fuel price increases.

REVENUE SOURCES FOR APPROPRIATION(S):

The sources of revenue in the appropriation under s. 20.505(1)(kb), Transportation services, are obtained from fees charged to state agencies for the lease or rental of a motor pool vehicle from the state's fleet.

BACKGROUND:

DOA, under s. 16.04, Wis. Stats., must manage both the state's vehicle and aircraft fleets. This Central Fleet is responsible for managing 2,370 vehicles, 2,100 of which are leased to state agencies. The remaining 270 vehicles are assigned to a motor pool for daily rentals. All costs associated with this fleet are recovered through lease, rental and per-mile fees assessed to the user agency. Lease rates vary between \$142 and \$211 per month. Daily rentals vary from \$20 to \$31 per day, depending upon the size of the vehicle. A variable charge based upon mileage is also assessed to agencies at a rate of \$0.110 to \$0.380 per mile.

The State Budget office in its biennial budget instructions provides information for budgeting certain inflation costs, including fuel. The 1999-01 Budget Instruction Manual (Appendix E), using scalars provided by the Data Research Institute (DRI) indicated that fuel prices were expected to remain relatively stable throughout the 1999-01 biennium, projecting just a 2.4 to 2.7 percent rise annually. As a result of

this projection, DOA did not request a fuel adjustment in its 1999-01 biennial budget request.

In Fiscal Year 1999-2000 DOA received \$327,000 in one-time expenditure authority for fuel and was directed to return to the Joint Committee on Finance in 2000-01 with actual fuel prices and an analysis of need.

ANALYSIS:

According to the Wisconsin Chapter of the American Automotive Association (WI-AAA), the average gasoline price in Wisconsin for Fiscal Year 1998 was \$1.18 per gallon. The State Budget Office and DRI inflation projections for gasoline for the 1999-2001 biennium did not anticipate any significant deviation from that price. The WI-AAA reported that the actual price for gasoline fluctuated dramatically from that estimate, with a high of \$1.670 per gallon being reported in April 2001.

The department's Division of State Energy estimates that fuel prices will rise to \$1.750 for the remainder of the fiscal year. DOA's Fleet Manager has estimated that approximately 1,572,000 gallons of gasoline will be purchased in Fiscal Year 2001 (approximately 131,000 gallons monthly). Table 1 indicates that a \$637,700 shortfall will be experienced in Fiscal Year 2001 due to higher than expected fuel prices.

Table 1: Comparison of Fiscal Year 1998 Fuel Prices and Actual Fiscal Year 2001 Fuel Prices and the Resulting Difference.

Month	FY98 Avg. Price	FY01 Actual Price	Avg. Gasoline Usage (in gallons)	Increase
July (00)	\$1.18	\$1.532	131,000	\$46,112
Aug	\$1.18	\$1.474	131,000	\$38,514
Sept	\$1.18	\$1.630	131,000	\$58,950
Oct	\$1.18	\$1.594	131,000	\$54,234
Nov	\$1.18	\$1.593	131,000	\$54,103
Dec	\$1.18	\$1.449	131,000	\$35,239
Jan(01)	\$1.18	\$1.582	131,000	\$52,662
Feb	\$1.18	\$1.558	131,000	\$49,518
Mar	\$1.18	\$1.446	131,000	\$34,846
April	\$1.18	\$1.670	131,000	\$64,190
May	\$1.18	\$1.750	131,000	\$74,670
June	\$1.18	\$1.750	131,000	\$74,670
Total Increase Needed:				\$637,700

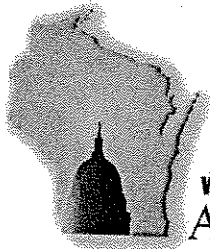
The department has estimated that there will be no rate increase as a result of this increase but continued high fuel costs may require an increase in the future to recover

Page 3
May 17, 2001

operating costs. All program revenue rates are routinely reviewed and any potential rate change would be effective July 1, 2001.

RECOMMENDATION:

Approve the request.



WISCONSIN DEPARTMENT OF
ADMINISTRATION

SCOTT McCALLUM
GOVERNOR
GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
Post Office Box 7864
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Date: May 10, 2001

To: David P. Schmiedicke, Director
State Budget Office
Department of Administration

From: George Lightbourn, Secretary
Department of Administration

Subject: Request for Increased Appropriation Authority Under s.16.515

CC DC
CD

REQUEST

Under the provisions of s.16.515 Wis. Stats, the Department requests \$637,700 in one-time authority in FY01 to cover unanticipated motor fuel price increases. This request will increase authority in the PRS appropriation under s.20.505(1)(kb), *Transportation Services*.

BACKGROUND

Section 16.04 Wis. Stats. assigns DOA significant responsibility for managing and coordinating the state's vehicle and aircraft fleets. Under this authority, DOA's Central Fleet operates a 2,370 vehicle fleet, of which 2,100 are leased to state agencies and 270 assigned to a motor pool for daily rentals. All costs associated with acquiring and maintaining these vehicles, including fuel, are charged to the annual PRS appropriation under s.20.505(1)(kb). Costs are fully recovered through user fees.

In preparing its biennial budget request for 1999-2001, the department used fuel price escalators published by the State Budget Office, which were in turn based on Data Research Institute (DRI) projections¹. These figures suggested that vehicle fuel prices would remain stable over the biennium. Consequently, the department did not request any fuel inflation adjustments for the 1999-2001 biennium. Due largely to reduced production quotas by OPEC, pump prices have increased from a low of \$.982 per gallon in December, 1998 to a high of \$1.982 in June, 2000² representing a 102% increase. Future fuel pricing is uncertain due to low stocks, higher consumption and lower refinery

¹ FY99: -5.1%, FY00: 2.4%, FY01: 2.7%

² *Monthly Survey of Gasoline Prices in Wisconsin*, American Automotive Association (AAA)

capacity. At this time the Wisconsin Division of State Energy is forecasting summer prices between \$1.60 and \$1.75 per gallon.

In 1999-00, the Department received \$327,000 in one-time authority to cover fuel increases and was directed by the Committee to return in 2000-01 with updated information on actual fuel prices for that year. DOA has also requested a base increase in the 2001-2003 biennium to cover increased operating costs including fuel.

ANALYSIS

The requested fuel price adjustment of \$637,700 is based on the following information:

- ◆ \$1.18 per gallon average Wisconsin gasoline price in FY98 (Wisconsin AAA).
- ◆ Fuel price escalators based on DRI projections (State Budget Office)
- ◆ Estimated 1,572,000 gallons of motor fuel purchased in FY01 (DOA Central Fleet)
- ◆ Fuel price of \$1.75 for the remainder of the fiscal year (Division of State Energy)

Comparing actual FY01 fuel prices to the base FY98 year yields the following \$637,700 funding shortfall:

Month	FY01 Actual	FY98 Average	Average Gallons	Increase Cost
Jul-00	\$ 1.532	\$ 1.18	131,000	\$ 46,110
Aug-00	\$ 1.474	\$ 1.18	131,000	\$ 38,510
Sep-00	\$ 1.630	\$ 1.18	131,000	\$ 58,950
Oct-00	\$ 1.594	\$ 1.18	131,000	\$ 54,230
Nov-00	\$ 1.593	\$ 1.18	131,000	\$ 54,100
Dec-00	\$ 1.449	\$ 1.18	131,000	\$ 35,240
Jan-01	\$ 1.582	\$ 1.18	131,000	\$ 52,660
Feb-01	\$ 1.558	\$ 1.18	131,000	\$ 49,520
Mar-01	\$ 1.446	\$ 1.18	131,000	\$ 34,850
Apr-01	\$ 1.670	\$ 1.18	131,000	\$ 64,190
May-01	\$ 1.750	\$ 1.18	131,000	\$ 74,670
Jun-01	\$ 1.750	\$ 1.18	131,000	\$ 74,670
Projected Appropriation Shortfall			1,572,000	\$ 637,700

FINANCIAL CONSIDERATIONS

Appropriation. Based on Chapter 20, this request increases the FY01 expenditure authority under s.20.505(1)(kb), *Transportation Services*, by \$637,700 from \$16,062,200 to 16,699,900. Including previous adjustments approved by the committee and carryover encumbrances from the prior year results in \$27,402,326 total authority.

Program Position. Central Fleet is one of four program revenue service (PRS) programs funded within DOA's *Transportation Services* appropriation s.20.505(1)(kb). This appropriation operates under the provisions of s20.903(2)(b) that authorizes accounts receivable and assets to be included for purpose of calculating appropriation balances. This treatment of accounts receivable and assets is similar to accrual accounting used by the private sector. The current program position through March 1, 2001 is \$363,800.

Rate Impact. Central Fleet has two pricing structures depending on whether a vehicle is leased to an agency on a long-term basis or leased on a daily basis from the motor pool. Rates for pool vehicles vary between \$20 and \$31 per day depending on the vehicle size. Assigned vehicles are assessed a fixed charge (\$142 to \$211 month) plus a variable charge based on mileage (\$.11 to \$.38 per mile). Subcompacts carry the lowest charges and passenger vans the highest. These rates cover depreciation and operating costs, including fuel. The increased appropriation authority in this request will not directly impact rates, however continued high fuel prices may require rate increases to fully recover operating costs. The department is currently reviewing all program revenue rates as part of its normal operating cycle. Any rate increases will be effective July 1, 2001.

SUMMARY

The department requests a \$637,700 increase in FY01 expenditure authority to the appropriation under s.20.505(1)(kb). This will increase expenditures from the 2000-01 Chapter 20 level of \$16,062,200 to \$16,999,900. This additional authority will enable the department to make vendor payments through the remainder of the fiscal year.

cc: Linda Seemeyer
Brian Hayes
Robert Cramer
Paul McMahon



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT McCALLUM
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
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Date: May 17, 2001
To: George Lightbourn, Secretary
Department of Administration
From: Joshua Hummert
Subject: Request Under s. 16.505/515 from the Department of Workforce
Development.

REQUEST:

The Department of Workforce Development (DWD) requests additional budget and position authority for the Division of Worker's Compensation (WC). The department is requesting the creation of 2.00 FTE PR and \$205,400 PR to be added to the base in the appropriation under s. 20.445(1)(ha).

REVENUE SOURCES FOR APPROPRIATION(S):

Revenue for the appropriation under s. 20.445(1)(ha), worker's compensation operations, comes from fees that are assessed on insurers and self-insured employers who pay worker's compensation claims. The fee rate is based on worker's compensation claims paid in the latest complete year. For example, the FY01 rate is based on claims paid in FY99.

BACKGROUND:

This request seeks to address the backlog of worker's compensation cases at DWD. Currently, an injured worker filing a worker's compensation claim must wait eight to twelve months before receiving a hearing. DWD wants to reduce the wait for claimants to six months or less. To accomplish this, DWD requested in its biennial budget proposal 3.0 FTE PR and \$206,000 PR in FY02 and \$248,300 in FY03 to fund the positions. DWD proposed using 2.0 FTE PR as administrative law judge (ALJ) positions and 1.0 FTE PR as a worker's compensation specialist. The FY01-03 Executive Budget proposal that the Governor submitted to the Legislature in February partially approved DWD's request. The Governor recommended providing \$85,400 PR in FY02 and \$113,800 PR in FY03 to allow DWD sufficient funding to convert existing 2.0 FTE PR program assistant positions to ALJ positions.

In this request, DWD is proposing to slightly modify the Governor's recommendation and address the backlog of worker's compensation cases more quickly. DWD is requesting to create 2.0 FTE PR ALJs and gain additional budget authority through the 16.505/515 process so that work on the case backlog may begin as soon as possible. As part of this request, DWD is also proposing to eliminate 2.0 FTE PR-S positions in the Administrative Services Division (ASD) so that there will be no net gain in the department's permanent position authority.

ANALYSIS:

This is a reasonable request for a number of reasons. First, DWD goal is to address the worker's compensation case backlog as soon as possible. The earliest that this issue can be addressed through the budget is July 1. Following inclusion in the budget, DWD would need to recruit for this position, something that would add weeks or even months to the time it takes to fill the approved positions. Approving this request would allow DWD to hire new ALJs much more quickly.

In addition, DWD's request meets the goal of the Executive Budget to reallocate positions and keep the number of permanent state employees stable. The department's proposal would reduce the number of administrative positions at DWD and increase the number of positions that provide services to Wisconsin citizens. Finally, the Department of Administration (DOA) has expressed to agencies that it will provide assistance in reallocating positions if the reallocations will help limit growth in the number of state employees. DWD proposal meets this criterion.

RECOMMENDATION:

Approve the creation of 2.00 FTE PR permanent positions and permanently add \$205,400 PR in the appropriation under s. 20.445(1)(ha).

Scott McCallum
Governor

Jennifer Reinert
Secretary

DS - M - VLB - CC: JAK
JH



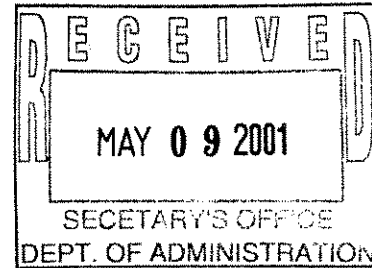
State of Wisconsin

Department of Workforce Development

OFFICE OF THE SECRETARY
201 East Washington Avenue
P.O. Box 7946
Madison, WI 53707-7946
Telephone: (608) 266-7552
Fax: (608) 266-1784
<http://www.dwd.state.wi.us/>
e-mail: DWDSEC@dwd.state.wi.us

May 8, 2001

George Lightbourn, Secretary
Department of Administration
101 East Wilson Street, 10th Floor
Madison, WI 53707



Dear Secretary Lightbourn:

The Department of Workforce development requests approval under s.16.505 and s.16.515 for a permanent increase in position and expenditure authority in PR-O appropriation 129, s.20.445(1)(ha), Workers Compensation Operations. The request is for two (2.00 FTE) PR-O funded Administrative Law Judge positions, and \$205,400 in spending authority in SFY01 to fund costs associated with creation of the positions (while little of the proposed spending authority will actually be used in SFY01, the annualized costs are being included to insure the appropriate base building amounts are integrated into the biennial budget). Two (2.0 FTE) PR-S positions in the Administrative Services Division will be eliminated to offset the additional position authority in the Worker's Compensation Division.

The revenues exist to support the request. The proposed funding is as follows:

<u>PR-O Appropriation 129, 20.445(1)(ha)</u>	<u>SFY01</u>
Permanent Position(s)	2.00 FTE
Permanent Salary Base Increase	\$ 124,800
Fringe Benefits Increase	45,600
Supplies & Services Base Increase	22,000
Supplies & Services (One Time Increase)	13,000
Total Increase	<u>\$ 205,400</u>

Revenue Source for Appropriation

An administrative cost assessment, issued annually by the Worker's Compensation Division in accordance with s. 102.75 to all insurance carriers and self-insured employers conducting business in Wisconsin, provides the revenues needed to fund the department's fiscal year costs of administering the worker's compensation program (Appropriation 129).

Problem

The department's 2001-03 Biennial Budget submittal included a request (DIN #5201 - Reduce the Wait Time for a Worker's Compensation Hearing) for 2.00 FTE Administrative Law Judges (ALJ) positions and 1.00 FTE WC Specialist position along with the associated expenditure authority. The Governor's 2001-03 Biennial Budget recommended no new positions, instead providing \$85,400 in FY02 and \$113,800 in FY03 to support the conversion of two (2.00 FTE) existing program assistant positions to two ALJ positions.

Because backlogs continue to grow, we need to implement a more immediate solution. The Department is proposing the elimination of two ASD (2.0 FTE) PR-S funded positions (s.20.445(1)(kc)) and the reallocation of the position authority to create two (2.0 FTE) PR-O funded ALJ positions (s.20.445(1)(ha)) in the Worker's Compensation Division, with increased spending authority to reflect full funding of salaries, fringes and the associated supplies/services. We believe the reallocation of these positions from the ASD Division to the WC Division is a more appropriate and timely solution to the backlog.

Summary

The department requests approval for increased position authority of two (2.0 FTE) positions and increased expenditure authority of \$205,400 in SFY01 in PR-O Appropriation 129, s.20.445(1)(ha), Workers Compensation Operations. The request will support two Administrative Law Judge positions in the Worker's Compensation Division, to immediately begin addressing the existing backlog in Worker's Compensation hearings. The length of time required to obtain a hearing is the #1 complaint of injured workers.

The Council on Worker's Compensation (CWC) fully supports the request for two new ALJ positions. The CWC has sent letters to your office and to Governor McCallum expressing their support for the initiatives included in the Department's original budget request. We hope our offer to reallocate existing positions will facilitate prompt consideration and approval of the request by the Department of Administration and the Joint Committee on Finance.

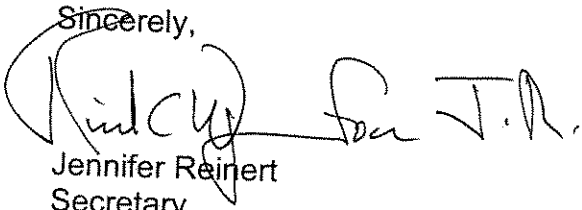
We are also sensitive to the timing issues involved in this request, given concurrent consideration of the Governor's budget by the Committee. If the request is approved as a SFY01 request, we would ask that it be included as a base building increase to the biennial budget under standard budget adjustments by the DOA State Budget Office and/or the Legislative Fiscal Bureau. Addressing these immediate needs through reallocation is consistent with the Governor's recommendation, and if incorporated in the base would supercede the need for any further consideration in the biennial budget.

Secretary George Lightbourn
05/08/01
Page 3 of 3

In the interests of these timing issues we would appreciate anything you can do to expedite consideration and approval of this request.

If you have any questions please contact Thomas K. Smith, the DWD Budget Director, at 266-7895.

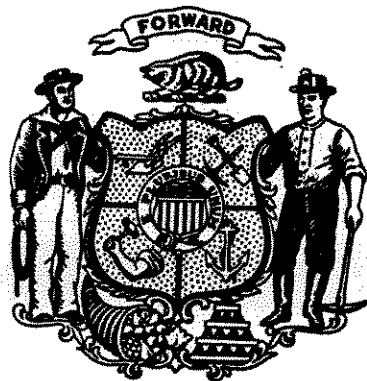
Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer Reinert". The signature is written in a cursive style with a large initial "J" and "R".

Jennifer Reinert
Secretary
Department of Workforce Development

Cc Deputy Secretary Richard Wegner
Judy Norman-Nunnery
Tom Smith

END



END

STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

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ASSEMBLY CHAIR
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JOINT COMMITTEE ON FINANCE

June 13, 2001

Secretary Darrell Bazzell
Department of Natural Resources
101 South Webster Street
Madison, WI 53707-7921

Dear Secretary Bazzell:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your requests, dated May 25, 2001, regarding the following four proposed land purchases:

- 110.8 acres in Sheboygan County from Windway Capitol Corporation Lands for \$615,000
- 425 acres from the Conservation Fund for \$873,375 and 94 acres from Cliff Schneider and James Walsh for \$94,000 in Iowa and Grant Counties
- 77 acres in fee and 365.74 acres in easement in Dunn County from E&L Harrison Enterprises, Inc., for \$443,000
- 345 acres in Crawford County from the Klekamp Trust for \$345,000

A meeting will be scheduled to further discuss the 110.8 acre purchase from Windway Capitol Corporation Lands. Therefore, that request is not approved at this time. The other three requests are approved.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of John Gard in black ink.

JOHN GARD
Assembly Chair

BB:JG:dh

cc: Members, Joint Committee on Finance
Vicky LaBelle, Department of Administration

Approved at 9/6/01 1310 meeting

MO# AH2 ABCDEF

Sept 5, 2001

GARD	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUEBSCH	Y	N	A
HUBER	Y	N	A
GOSS Lassg	Y	N	A

13.10 Meeting

Agenda Items

VIII - XIII

BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI Robson	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
ROSENZWEIG	Y	N	A

AYE 16 NO 0 ABS

all items approved 16-0

D. Onion River Streambank Protection Area

1. Approve the DNR request to expend up to \$615,000 from the land acquisition subprogram of the Warren Knowles-Gaylord Nelson Stewardship 2000 program to purchase 110.8 acres from Windway Capital Corporation Lands for the Onion River Streambank Protection Area in Sheboygan County.
2. In addition to Alternative 1, provide up to \$8,000 for closing costs associated with the purchase of 110.8 acres from Windway Capital Corporation.
3. Deny the request.

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

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ASSEMBLY CHAIR
JOHN GARD

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members

From: Senator Brian Burke
Representative John Gard
Co-Chairs, Joint Committee on Finance

Date: May 25, 2001

Re: 14 Day Passive Review/Land Purchases

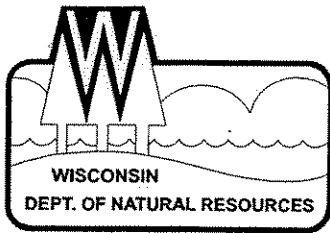
Attached are copies of four requests from Department of Natural Resources Secretary Darrell Bazzell, received on May 25, 2001, regarding the following four land purchases:

- 1) A proposed 110.8 acre land purchase from Windway Capitol Corporation Lands for \$615,000 in Sheboygan County.
- 2) A proposed 425 acre land purchase from The Conservation Fund for \$873,375 and a proposed 94 acre land purchase from Cliff Schneider and James Walsh for \$94,000 in Iowa and Grant Counties.
- 3) A proposed purchase of 77 acres in fee and 365.74 acres in easement from E&L Harrison Enterprises, Inc., for \$443,000 in Dunn County.
- 4) A proposed 345 acre land purchase from the Klekamp Trust for \$345,000 in Crawford County.

Please review these items and notify **Senator Burke** or **Representative Gard** no later than **Tuesday, June 12, 2001**, if you have any questions about these requests or would like the Committee to meet formally to consider them. If no objections are heard by that date, the requests will be approved.

Also, please contact us if you need further information.

BB:JG:dh



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Scott McCallum, Governor
Darrell Bazzell, Secretary

101 S. Webster St.
Box 7921
Madison, Wisconsin 53707-7921
Telephone 608-266-2621
FAX 608-267-3579
TDD 608-267-6897

MAY 25 2001

IN REPLY REFER TO: Fi-2686A

Honorable Brian Burke
Member State Senate
Room 316S
CAPITOL

Honorable John Gard
Member State Assembly
Room 315N
CAPITOL

Dear Senator Burke and Representative Gard:

The Department is notifying you as co-chairs of the Joint Committee on Finance of a proposed 110.8 acre land purchase from Windway Capitol Corporation Lands for \$615,000. This notice is pursuant to s. 23.0915(4), Stats., which requires the Department to notify the Joint Committee on Finance of all Stewardship projects more than \$250,000 in cost. The Natural Resources Board approved the purchase at the May meeting. The land is required for fisheries management, water resource protection and public recreation.

The file number is Fi-2686A and the land is located in Sheboygan County. Attached please find a memo and maps describing this transaction.

I certify that this request for consideration meets all applicable state and federal statutes, rules, regulations, and guidelines. This certification is based upon a thorough and complete analysis of this request.

If you do not notify the Department within 14 working days after this notification that the Committee has scheduled a meeting to review the proposed transaction, the Department will proceed with the approval process. If the Committee has no objections, the Department will forward the proposal to the Governor for his consideration. If you need additional information, please contact Richard Steffes at 266-0201. Mr. Steffes is available to answer any questions you may have in this matter.

Thank you for this consideration.

Sincerely,

Darrell Bazzell
Secretary

Attach.

cc: Legislative Fiscal Bureau
Department of Administration

Quality Natural Resources Management
Through Excellent Customer Service



CORRESPONDENCE/MEMORANDUM

DATE: April 23, 2001 FILE REF: FI-2686 A

TO: Governor McCallum

FROM: Darrell Bazzell *LB*

SUBJECT: Proposed Land Acquisition, Windway Capitol Corporation Lands Tract, File # FI-2686 A,
Option Expires August 1, 2001

1. PARCEL DESCRIPTION:

Streambank Protection Fee Program
Sheboygan County

Grantor:

Windway Capitol Corporation Lands
c/o Barb Quasius
630 Riverfront Dr. Suite 200
Sheboygan, WI 53081

Acres: 110.8Price: \$615,000Appraised Value: \$630,000; \$650,000 (allocated to this parcel)*Interest: Purchase in fee.Improvements: None of value

Comments*: The appraisals were prepared valuing the entire 135.8-acre parcel of which the subject is part of. The Department plans to acquire the entire parcel in two stages: 25 acres for \$140,000 approved for purchase in fiscal year 2001 (previously approved by the Governor), with the remaining 110.8 acres for \$615,000 to be purchased in fiscal year 2002 (this request). The total cost of \$755,000 is below appraised value as the seller is a cooperator and basically just desires to cover actual costs. Total appraised values for the 135.8 acres: \$770,000 and \$790,000.

Location: The tract is located fourteen miles west of the City of Sheboygan, in western Sheboygan County.

Land Description: The subject area contains a high, upland ridge with low, wet pond areas to the east saturated with spring flows.

<u>Covertypes Breakdown:</u>	<u>Type</u>	<u>Acreage</u>
	Wooded Upland	45.0
	Cropland	20.0
	Brushland and Ponds	20.8
	Red Pine Plantation	<u>25.0</u>
	TOTAL	110.8

Zoning: Shoreland -- FloodplainPresent Use: Outdoor RecreationProposed Use: Fisheries Management, Water Resource Protection, and Public Recreation

Tenure: Windway Capital Corporation purchased the parcel as part of a larger 144-acre parcel from Silver Springs of Plymouth, Inc., on April 30, 1999 for \$800,000; 8.2 acres with a restaurant were sold separately for \$125,000. Although short tenure exists, there is no substantial increase in price; the Grantor has incurred holding costs and has begun the cold water restoration work for this property.

Property Taxes: \$4,078.00Option Date: December 12, 2000

2. JUSTIFICATION:

The Department proposes to purchase a 110.8-acre parcel from Windway Capital Corporation in Sheboygan County. The land would be added to the Onion River Streambank Protection Area to protect the stream from runoff and erosion, to allow fishery management and restoration, and to provide opportunities for public recreation. An extensive restoration project will be done to improve cold water resources.

The Onion River is a Class II trout stream flowing through a primarily agricultural area in Sheboygan County. The Onion was one of the first Priority Watershed Projects selected in the state for this program in 1992, but there has been low landowner participation in the project. The stream has been heavily impacted by agricultural and development-related runoff and stream channel modification. Current management includes improving trout populations, restoration and protection of instream habitat, bank stabilization, fencing of livestock, and re-vegetation of eroded areas. The goal of the Streambank Protection Program is to protect water quality, instream fisheries, and aquatic habitat from urban and rural nonpoint source pollution.

The entire Windway Capital Corporation property is an inactive fish hatchery and restaurant, consisting of approximately 144 acres. Of this, about 135.8 acres are recommended for state acquisition. The grantor has separately sold 8.2 acres with all of the restaurant improvements. Due to financial limitations, the Department proposes to acquire the 135.8 acres in two pieces, 25 acres for \$140,000 were approved by the Department and the Governor for purchase in fiscal year 2001, with the remaining 110.8 acres for \$615,000 to be purchased in fiscal year 2002.

The entire property consists of a high ridge overlooking lowland pond areas, with numerous springs and artesian wells. The water resources on the property are exceptionally high quality, making up part of the headwaters of the Onion River. Covertypes include 45 acres of northern hardwood and oak timber with some larger trees along the hill lines, 20 acres of idle cropland, 25 acres of red pine plantation, and 20.8 acres of pond area and brush.

The Windway Capital property includes approximately 16 man-made ponds, used for the former fish hatchery operation. The largest pond is approximately 1.5 acres with the rest being smaller than one acre. The ponds are spring fed from a stream that flows from the foot of the ridge located to the west. Several of the ponds have been drained, but could easily be filled again by replacing the water control boards. There is also approximately 4,000 feet of frontage along both banks of Mill Creek, a small stream about 10 feet wide, starting on the property at the spring and flowing out east to Ben Nutt Creek 1¼ miles to the east, and ultimately to the Onion River. Mill Creek, originating on the property, discharges approximately 2.0 million gallons of water per day.

The ponds have had a profound impact on trout resources in the Upper Onion River, causing unnatural water temperatures during the course of the year – warm water in the summer and very cold in the winter. In addition, the impoundments have fragmented the habitat so that trout from the Onion or other tributaries were not able to access high-quality spawning habitat upstream of the ponds. Fish populations have changed over time from native brook trout to warm-water fisheries dominated by largemouth bass, green sunfish, yellow perch, and white suckers.

The overall goal of the acquisition is to restore the natural flow pattern of the stream so it will enhance water quality and provide high quality trout spawning and rearing habitat. The restoration plan includes removal of any impoundment structures, restoration of the original flow pattern, removal of other restrictions to migration of trout, and restoration of the stream channel.

The first parcel, which was approved for acquisition this fiscal year, is 25 acres in size, consisting of northern hardwood and oak timber. It provides a connection to the Kettle Moraine project to the west. The second parcel, which is now proposed for acquisition in fiscal year 2002, is 110.8 acres in size and contains the cropland, remaining forest, the pine plantation, and the ponds and springs.

The entire 135.8 acres of the proposed acquisition are outside of the established project boundary. Originally, the parcel was left out of the boundary due to the high number of improvements on it. At this time however, nearly all of the improvements have been removed. Analysis by Department managers (attached) designate this property as critical acreage requiring inclusion and protection in order to sustain the water quality and habitat gains on the rest of the unique property. If not acquired and incorporated into the management of the project, this parcel will face high development pressures in this area of the state. State land borders the parcel on the east, and an access easement included in the parcel will essentially connect the Onion River Streambank Protection Area with the Northern Unit of the Kettle Moraine State Forest to the west.

Several partner groups are keenly interested in this acquisition and inclusion into the project boundary. Those partners include the Sheboygan County Conservation Association, Lakeshore Chapter – Trout Unlimited, and Windway Capital Corporation, among others. All of the groups have indicated their interest in providing financial support toward the purchase and/or the restoration of the property.

The Department recommends acquisition of this property to provide protection of the water resource and surrounding springs, to re-establish a native trout population to the Onion River watershed area, and to allow for public recreation opportunities.

3. FINANCING:

State Stewardship bond funds are anticipated:

	Funds allotted to program:	Balance after proposed transaction
Stewardship Bond:	\$4,000,000	\$3,351,453

Comments: Fiscal Year 2002 funds are anticipated. The Department will not seek Governor's approval until funds are available (after July 1, 2001).

4. ACQUISITION STATUS OF THE STREAMBANK PROTECTION FEE PROGRAM:

Established: 1994
Acres Purchased to Date: 3,351.95
Acquisition Goal: 30,334.0 Acres
Percent Complete: 11.1%
Cost to Date: \$2,967,341

5. APPRAISAL:

Appraiser: Michael Augustyn (Private Appraiser)
Valuation Date: June 14, 2000
Appraised Value: \$770,000 (\$630,000 allotted to 110.8 acres in this transaction)
Highest and Best Use: Rural Residential - Recreational

Allocation of Values:

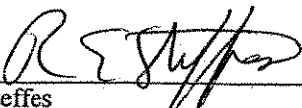
- a. land: 135.8 acres @ \$5,670 per acre: \$770,000
- b. market data approach used, four comparable sales cited
- c. adjusted value range: \$5,539 to \$6,146 per acre

Appraisal Review: Ron Olson — August 23, 2000

Comments: Two appraisals were completed for this transaction. The first was by Michael Augustyn (Private Appraiser), on June 14, 2000 with a valuation of \$770,000. The second appraisal was completed by Robert Steiro (Private Appraiser), on August 1, 2000 with a valuation of \$790,000. Through negotiations, the final purchase price was set at \$755,000 for the 135.8-acre parcel.

Allocating the two appraised values to the 110.8 acres in this transaction gives values of \$630,000 and \$650,000. The price is \$615,000. The purchase price is below appraised value because the seller is a cooperator and just needs to cover costs.

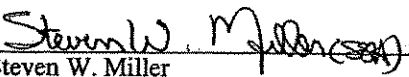
RECOMMENDED:


Richard E. Steffes

4-23-01
Date


Bureau of Legal Services

4/23/01
Date


Steven W. Miller

4/25/01
Date

RES:jp

CORRESPONDENCE/MEMORANDUM

DATE: October 9, 2000

FILE REF: 2200

TO: Steve Miller - AD/5

FROM: Gloria McCutcheon

SUBJECT: Boundary Modification Request - Onion River Steward Stream Bank Protection Area

Staff is recommending a 134-acre modification of the boundary of the Onion River Steward Stream Bank Protection Area. Maps identifying the project area which is located in the headwaters area of the Onion River Watershed in central Sheboygan County near the City of Plymouth are attached. The project boundary which, contains approximately 2,181 acres, was established for the purpose of protecting and enhancing the critical cold-water resources of the watershed. The portion of the Onion River within the project boundary is Class 2 trout water where some natural reproduction of trout occurs, but where stocking is required to support the fishery. The major goal of the project is to restore high quality habitat in the upper watershed that will eventually support entirely wild stocks of trout.

The project goal of restoring high quality habitat can only be accomplished through a combination of land acquisition and habitat restoration. We have been successful to date in both acquiring land and restoring good quality habitat near those properties. However, much work remains to be accomplished.

The expansion described in this request includes one property referred to as the "Silver Springs" parcel. The parcel is a former fish hatchery. It discharges to Mill Creek, a tributary of the Onion River. Silver Springs is currently for sale. Improvements with significant value will not be acquired on the Silver Springs parcel.

The Silver Springs property is located on the northwest corner of CTH "S" and Silver Spring Lane in the Town of Mitchell. It is a 144-acre property of which we have interest in acquiring approximately 134 acres. The entire property is outside of the project boundary of the Onion River Stream Bank Protection Area. It was excluded from the original project boundary because it contained significant improvements. Since that time all but one improvement have been removed. The remaining improvement and 10 acres is being sold to another party.

The Department currently owns 49 acres within the existing Onion River project boundary adjacent to the Silver Springs parcel. The Silver Springs parcel also includes a 132' wide access strip connected to the Northern Unit - Kettle Moraine State Forest (NUKMSF). If purchased, the Silver Springs property will essentially connect the NUKMSF to the Onion River Steward Stream Bank Protection Area.

The water resources on the Silver Springs property are exceptional cold-water resources. They are the most significant single source of groundwater discharge in the Onion River Watershed. The stream originating on the property discharges approximately 2.0 million gallons of water per day. The water resources were adversely impacted by the development of a fish farm having 15 ponds and numerous raceways for trout production. Over-development of the ponds in terms of their size increased water temperatures. Trout production was no longer economically feasible. The fish farm also increased water temperatures downstream and prevented trout from migrating to high quality spawning habitat.



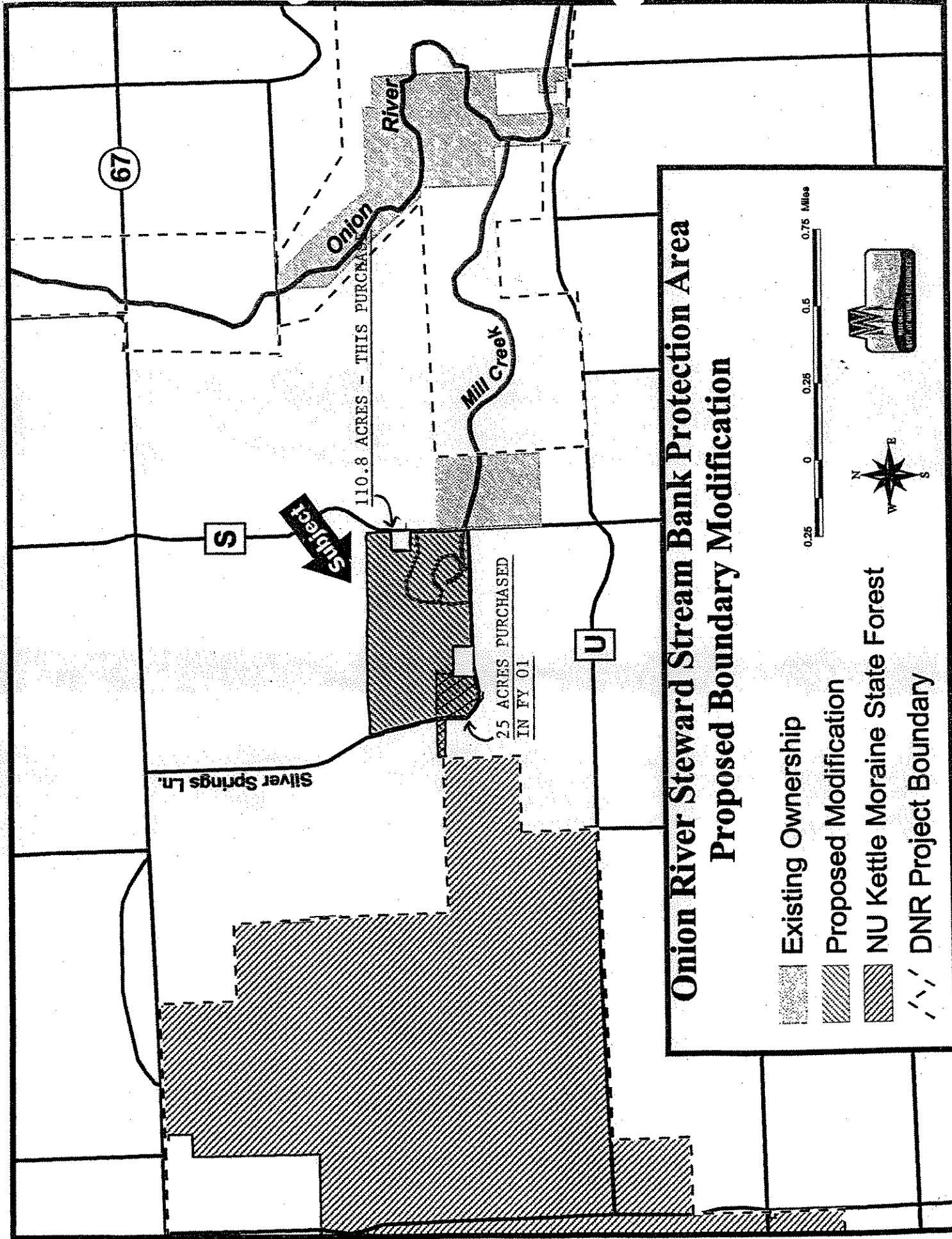
The land resources of the Silver Springs property are also exceptional. The diverse topography contains mostly upland forest with both hardwood and conifer cover types. Lowland forest is present where groundwater discharges occur. A wet meadow would be restored with restoration of the original stream channels. Use of the area by native Americans was likely significant due to its topography and water resources.

Several partner groups are keenly interested in this boundary modification. They have become familiar with the Silver Springs parcel and understand the significant contribution of public ownership with regard to water and land resources. Those partners include the Sheboygan County Conservation Association, Lakeshore Chapter - Trout Unlimited and Windway Capital Corporation, among others. All of the groups have indicated their interest in providing financial support toward the purchase and/or restoration of the properties.

Restoration of stream channels on the property is expected to cost approximately \$50,000. Potential partners in accomplishing this restoration work include Windway Capital and Trout Unlimited. The Great Lakes Protection Fund is another source of restoration funds. It is expected that WDNR Trout Stamp funds would also become available in this restoration effort.

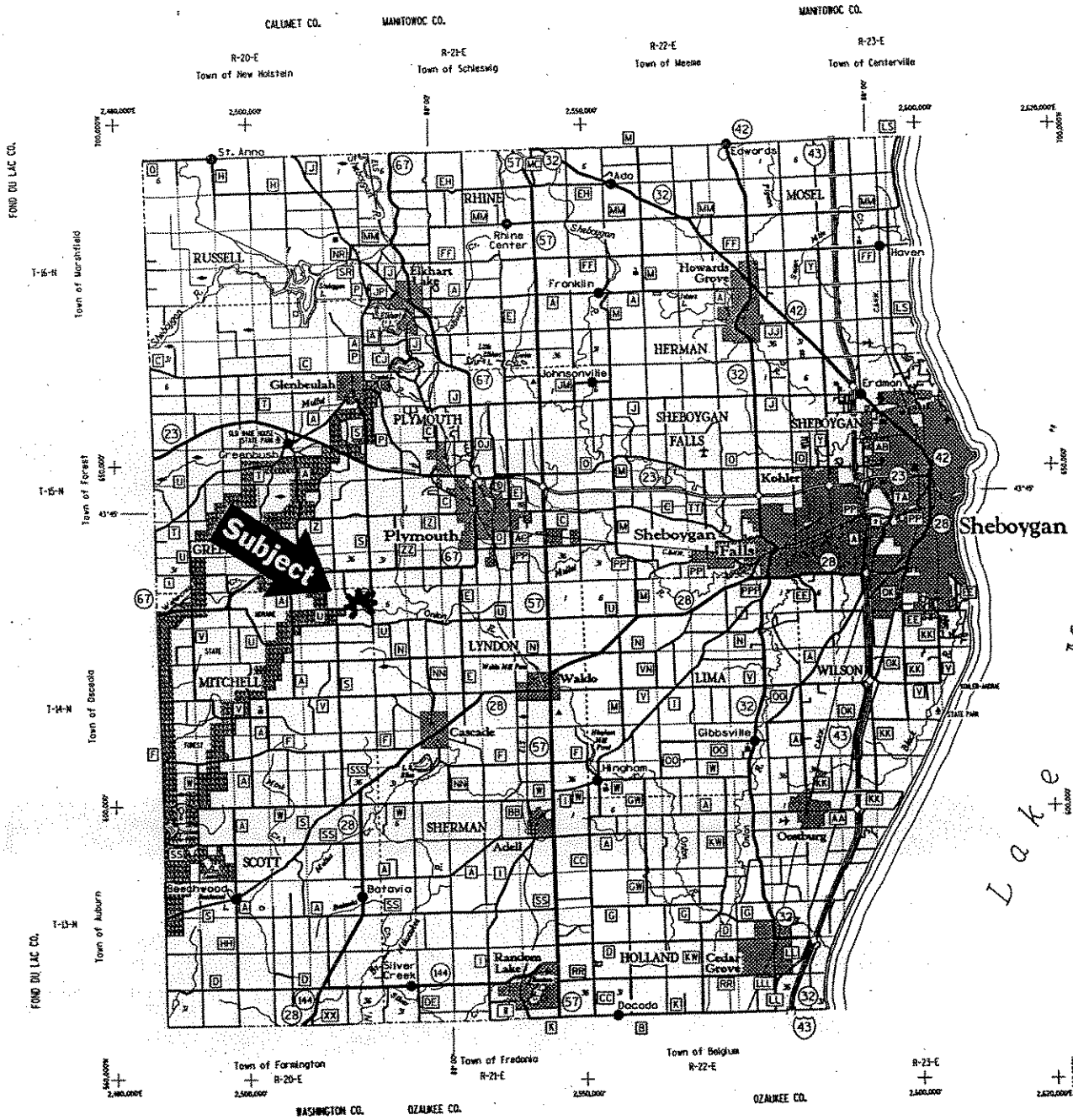
SUMMARY

In summary, staff is requesting a 134-acre modification of the acquisition boundary of the Onion River Steward Stream Bank Protection Area. Those 134 acres contain the most significant water resources in the upper Onion River watershed with regard to their potential to discharge high quality water and to provide spawning habitat for trout. I highly recommend this boundary expansion.



Onion River Steward Stream Bank Protection Area Proposed Boundary Modification

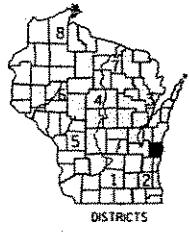
SHEBOYGAN 59-3



Michigan
Lake

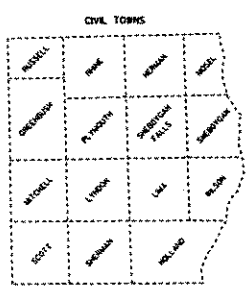
LEGEND

- Freeway
- U.S. or State Hwy
- County Trunk Hwy
- Town Road
- Firelane
- Mathlane Divided
- Interchange
- Highway Separation
- Interstate Highway No.
- U.S. Highway No.
- State Highway No.
- County Highway Letter
- Railroad
- State Boundary
- County Boundary
- Civil Town Boundary
- Section Line
- Corporate Limits
- Natl. & State Forest Bdry.
- Dam
- Hospital
- Schools
- Airport
- County Seat
- Unincorporated Village
- Fish Hatchery
- Game Farm
- Public Hunt. or Fish Grds.
- Public Camp & Picnic Grds.
- Ranger Station
- State Park - Wm. Cooper
- State Park - Wm. Foxhall
- County Park - Wm. Foxhall
- Boyside - Wm. Foxhall
- Wayside - Wm. Foxhall
- Battle Station Correctional Institution
- Div. of M. Center - Sheboygan Co.



TOWNSHIP NUMBERING

6	5	4	3	2	1
7	8	9	10	11	12
13	14	15	16	17	18
19	20	21	22	23	24
25	26	27	28	29	30
31	32	33	34	35	36



MILES OF HIGHWAY
as of Jan. 1, 1952

STATE	671
COUNTY	644
LOCAL ROADS	840
OTHER ROADS	14
TOTAL FOR COUNTY	1470

Land Area 505 sq. mi.
Population 50,538
County Seat Sheboygan

SHEBOYGAN CO.

DEPARTMENT OF TRANSPORTATION
STATE OFFICE BUILDING
Madison, Wisconsin

0 1 2
SCALE MILES

Contracted for
JAN. 1952

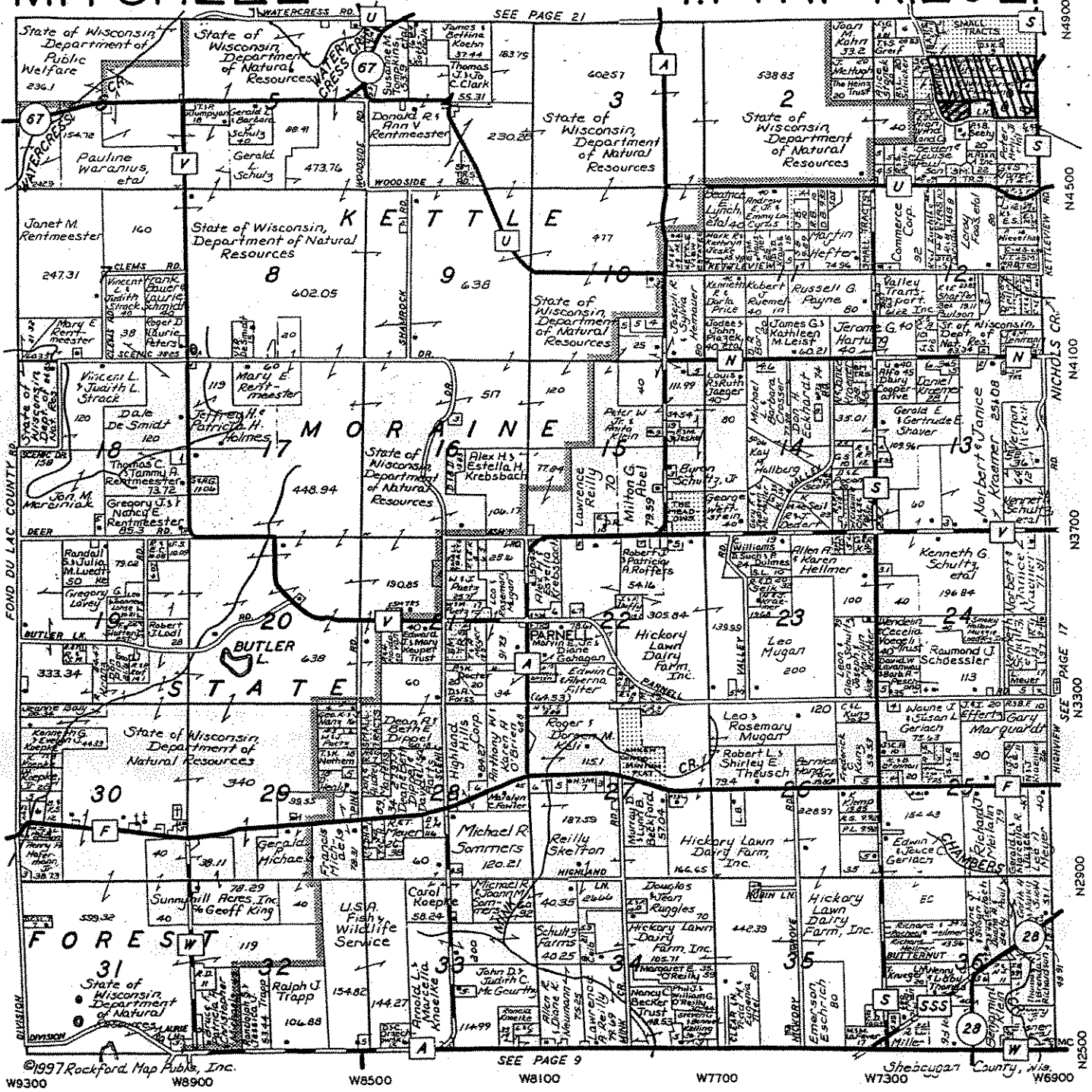
Data compiled from U.S.C.S. Quadrangles
1:50,000 Series

For boundaries of public hunting and fishing grounds please contact the Department of Natural Resources


Grid based on Washington coordinates system, north zone


MITCHELL

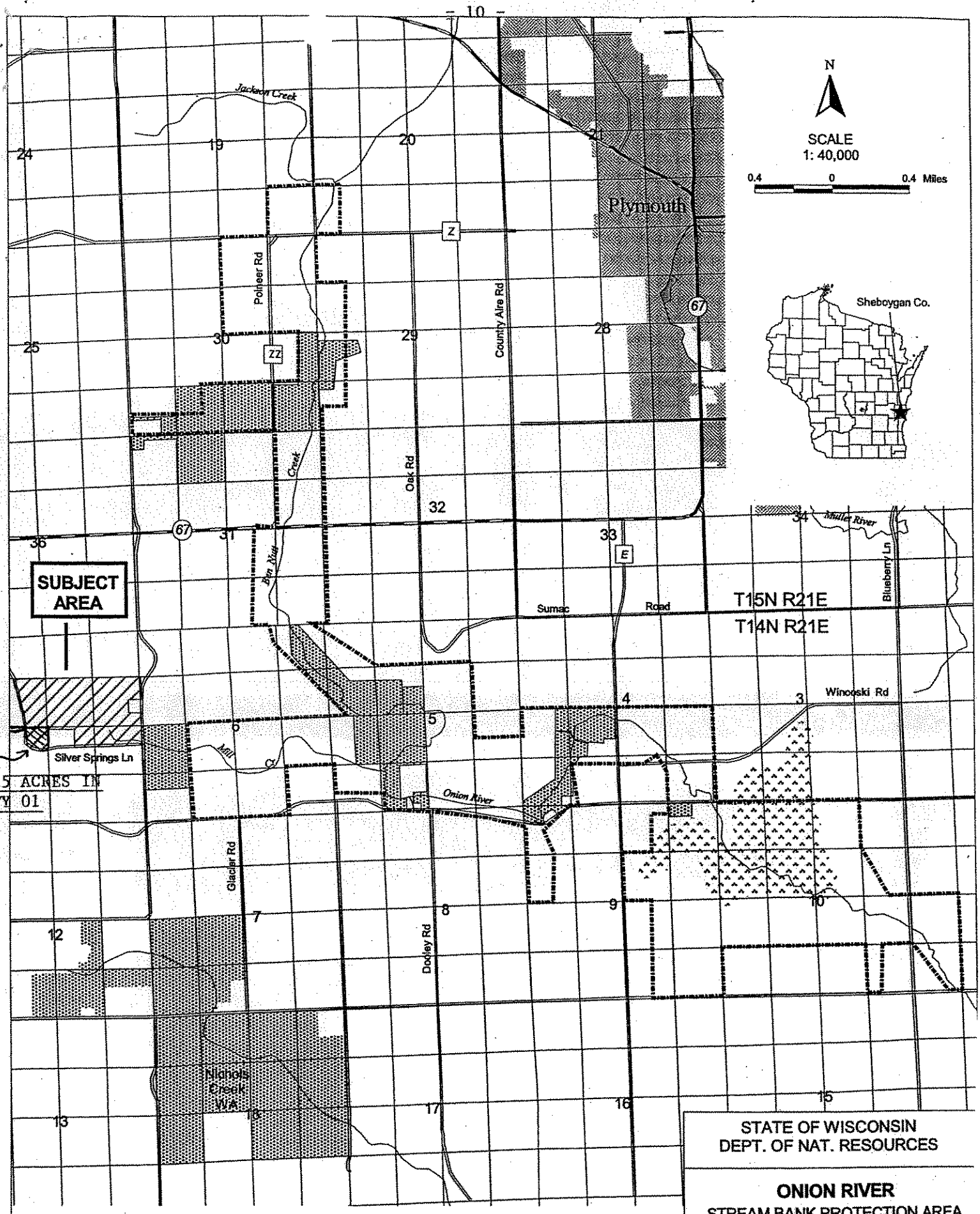
T.14N.-R.20E.



*Reproduced with permission of Rockford
Map Publishers, Inc. Rockford, Illinois*

 25 acres to be purchased in Fiscal Year 2001

 110 acres to be purchased in Fiscal Year 2002



SUBJECT AREA

25 ACRES IN
FY 01

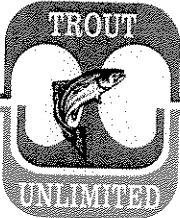
Project Boundary

State Owned
 State Easement

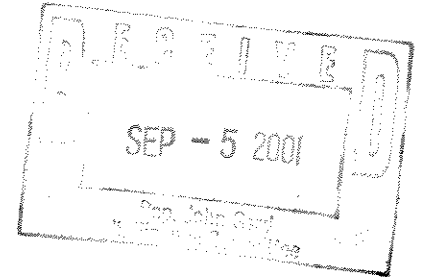
STATE OF WISCONSIN
DEPT. OF NAT. RESOURCES

UNION RIVER
STREAM BANK PROTECTION AREA

REVISED WDNR-LF		DATE 1/09/00
PROJECT NO. 2425	APPROVED REAL ESTATE	



August 31, 2001



Representative John Gard, Assembly Chair
Joint Finance Committee
Room 308 East, State Capitol
Madison, WI 53702

Dear Representative Gard:

I am writing to you in regard to the acquisition of the Silver Springs property in Sheboygan County from Windway Capital Corp., which is scheduled to come before the Joint Finance Committee for consideration next week. I hope that you will look favorably upon this unique project and great restoration opportunity.

The acquisition and restoration of the Silver Springs property is part of a larger initiative to improve water quality and restore habitat in the Onion River system. The local Trout Unlimited (TU) chapter has been working in partnership with the WDNR for many years to conduct restoration projects on this river system. In 1999, the TU chapter became aware of an opportunity to acquire two key properties at the headwaters of the Onion River – Silver Springs and the Kamrath property. They approached Windway Capital Corp. who agreed to make the initial purchase in order to make the significant conservation opportunities a reality. These two sites produce a tremendous amount of spring flow but the cooling benefits of this clean, clear water have not been felt downstream for decades as both sites had several dams and ponds that slowed and warmed the waters before flowing downstream.

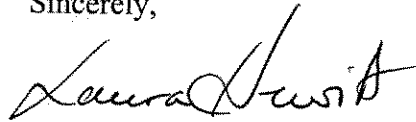
Staff with Trout Unlimited National was involved in early discussions with WDNR, Windway, and the local TU chapter about the acquisition of these two properties and the potential for their restoration. TU National was able to obtain a grant for \$300,000 from the Great Lakes Protection Fund in part to assist with the removal of numerous small ponds on the properties and restoration of the stream channels to natural and stable forms. The objectives of the restoration work are to remove barriers to fish migration, restore appropriate habitat for spawning, and allow the abundant spring waters to flow freely providing improvements to water quality downstream. The headwaters are now slated as a restoration site for native brook trout. Our hope and understanding has always been that these two properties would be acquired by the WDNR so that with public ownership and access the citizens of Wisconsin may fully benefit from the improved conditions of the river and its fishery. The Kamrath property has already been acquired by the WDNR and we have completed significant restoration work this past summer. We hope that you will approve the acquisition of the Silver Springs property so its restoration may proceed as well.

Trout Unlimited: America's Leading Coldwater Fisheries Conservation Organization
Upper Midwest Conservation Office • 211 S. Paterson St., Suite 270 • Madison, WI 53703
Phone: (608)250-3534 • Fax: (608)255-1326 • www.tu.org

River restoration ideally begins at the headwaters. It is a rare opportunity, however, to put this ideal into practice. The WDNR, Trout Unlimited, and Windway Capital Corp. have worked in partnership to make the most of this exciting opportunity. I hope you will become our partner in helping to restore the Onion River system.

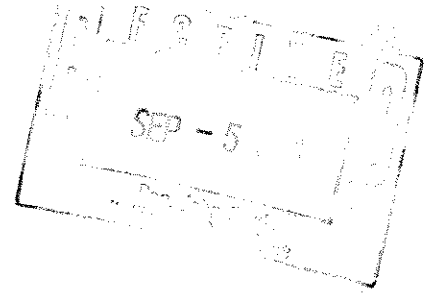
Please do not hesitate to contact me if you have any questions about this project.

Sincerely,

A handwritten signature in cursive script that reads "Laura Hewitt".

Laura Hewitt
Upper Midwest Conservation Director

cc: Sen. Jim Baumgart
Rep. Steve Kestell



STATE REPRESENTATIVE
STEVE KESTELL

27TH ASSEMBLY DISTRICT

September 5, 2001

Joint Committee on Finance
Representative John Gard, Assembly Co-Chair
308-East, State Capitol
Senator Brian Burke, Senate Co-Chair
317-East, State Capitol

Dear Co-Chairman Gard, Burke and committee members,

I am writing in support of the proposed acquisition of the Silver Springs property in Sheboygan County from Windway Capital Corporation. Windway Capital Corp. of Sheboygan County has made a significant contribution toward the realization of this project by purchasing and holding the property for conservation purposes. I urge the Committee to allow the vision to reach fruition by approving the WDNR request to acquire the property with Wisconsin Stewardship funds.

The 110.8-acre Silver Springs property is vital to conservation efforts and the Onion River system as a whole. The public/private cooperation on this project is an ideal example of where Stewardship funds should be utilized and could serve as a model to be emulated across Wisconsin. Restoring the headwaters at Silver Springs will not only improve fish habitat and migration; it will enhance the overall water quality and health of the entire Onion River.

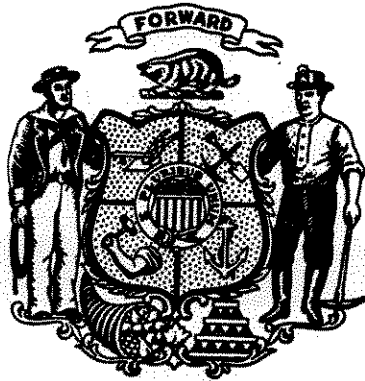
Again, it is my hope that the Committee will look favorably on this unique opportunity to promote sound conservation practice by allowing the WDNR to purchase the Silver Springs property.

Sincerely,

Steve Kestell
State Representative
27th Assembly District

cc: Lil Meerstein, Sheboygan County Conservation Association

END



END

STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

317-E Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-8535



ASSEMBLY CHAIR
JOHN GARD

308-E Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-2343

JOINT COMMITTEE ON FINANCE

June 13, 2001

Secretary Darrell Bazzell
Department of Natural Resources
101 South Webster Street
Madison, WI 53707-7921

Dear Secretary Bazzell:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your requests, dated May 25, 2001, regarding the following four proposed land purchases:

- 110.8 acres in Sheboygan County from Windway Capitol Corporation Lands for \$615,000
- 425 acres from the Conservation Fund for \$873,375 and 94 acres from Cliff Schneider and James Walsh for \$94,000 in Iowa and Grant Counties
- 77 acres in fee and 365.74 acres in easement in Dunn County from E&L Harrison Enterprises, Inc., for \$443,000
- 345 acres in Crawford County from the Klekamp Trust for \$345,000

A meeting will be scheduled to further discuss the 110.8 acre purchase from Windway Capitol Corporation Lands. Therefore, that request is not approved at this time. The other three requests are approved.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of John Gard in black ink.

JOHN GARD
Assembly Chair

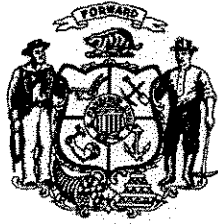
BB:JG:dh

cc: Members, Joint Committee on Finance
Vicky LaBelle, Department of Administration

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

ASSEMBLY CHAIR
JOHN GARD



317-E Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-8535

308-E Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: (608) 266-2343

JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members

From: Senator Brian Burke
Representative John Gard
Co-Chairs, Joint Committee on Finance

Date: May 25, 2001

Re: 14 Day Passive Review/Land Purchases

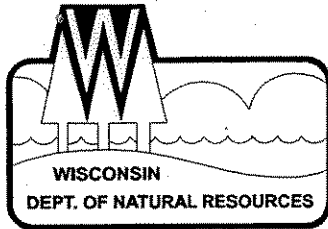
Attached are copies of four requests from Department of Natural Resources Secretary Darrell Bazzell, received on May 25, 2001, regarding the following four land purchases:

- 1) A proposed 110.8 acre land purchase from Windway Capitol Corporation Lands for \$615,000 in Sheboygan County.
- 2) A proposed 425 acre land purchase from The Conservation Fund for \$873,375 and a proposed 94 acre land purchase from Cliff Schneider and James Walsh for \$94,000 in Iowa and Grant Counties.
- 3) A proposed purchase of 77 acres in fee and 365.74 acres in easement from E&L Harrison Enterprises, Inc., for \$443,000 in Dunn County.
- 4) A proposed 345 acre land purchase from the Klekamp Trust for \$345,000 in Crawford County.

Please review these items and notify **Senator Burke** or **Representative Gard** no later than **Tuesday, June 12, 2001**, if you have any questions about these requests or would like the Committee to meet formally to consider them. If no objections are heard by that date, the requests will be approved.

Also, please contact us if you need further information.

BB:JG:dh



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Scott McCallum, Governor
Darrell Bazzell, Secretary

101 S. Webster St.
Box 7921
Madison, Wisconsin 53707-7921
Telephone 608-266-2621
FAX 608-267-3579
TDD 608-267-6897

MAY 25 2001

IN REPLY REFER TO: WR-518 and WR-516

Honorable Brian Burke
Member State Senate
Room 316S
CAPITOL

Honorable John Gard
Member State Assembly
Room 315N
CAPITOL

Dear Senator Burke and Representative Gard:

The Department is notifying you as co-chairs of the Joint Committee on Finance of a proposed purchase of 425 acres from The Conservation Fund for \$873,375 and 94 acres from Cliff Schneider and James Walsh for \$94,000. This notice is pursuant to s. 23.0915(4), Stats., which requires the Department to notify the Joint Committee on Finance of all Stewardship projects more than \$250,000 in cost. The Natural Resources Board approved the purchase at the May meeting. The land is required for scenic river protection and public recreation. Part of The Conservation Fund parcel will be conveyed to Schneider/Walsh as an exchange.

The file numbers are WR-518 and WR-516 and the land is located in Iowa and Grant Counties. Attached please find a memo and maps describing this transaction.

I certify that this request for consideration meets all applicable state and federal statutes, rules, regulations, and guidelines. This certification is based upon a thorough and complete analysis of this request.

If you do not notify the Department within 14 working days after this notification that the Committee has scheduled a meeting to review the proposed transaction, the Department will proceed with the approval process. If the Committee has no objections, the Department will forward the proposal to the Governor for his consideration. If you need additional information, please contact Richard Steffes at 266-0201. Mr. Steffes is available to answer any questions you may have in this matter.

Thank you for this consideration.

Sincerely,

Darrell Bazzell
Secretary

Attach.

cc: Legislative Fiscal Bureau
Department of Administration

CORRESPONDENCE/MEMORANDUM

DATE: May 3, 2001 FILE REF: WR-518

TO: Governor McCallum

FROM: Darrell Bazzell *DB*

SUBJECT: Proposed Land Acquisition and Exchange, The Conservation Fund and Schneider/Walsh Tracts, File # WR-518 and WR-516, Approval Requested by June 30, 2001

1. PARCEL DESCRIPTION:

Lower Wisconsin State Riverway
Iowa and Grant Counties

Grantors:

The Conservation Fund
c/o Renay Leone
Upper Mississippi River Field Representative
6459 Smithtown Road
Excelsior, MN 55331

Cliff Schneider
James Walsh (S/W)
302 E. Nebraska
Muscodia, WI 53573

Acres: 425.0

94.0

Price: \$873,375

\$94,000

Appraised Value: \$780,000; \$940,000

\$94,000

Interest: Purchase in fee. (Also, resale of 88 acres).

Purchase in fee*

Improvements: Older house, garage, barn, machine shed

None

Location: TCF tract is located twenty miles northwest of the City of Dodgeville, in northwestern Iowa County. The 94 acres consist of two parcels 6 miles apart on either side of Muscodia.

Land Description: The parcels range from fairly level in the south, changing to rolling terrace lands moving north, ending with river bottomlands along the Wisconsin River.

<u>Covertypes Breakdown:</u>	<u>Type</u>	<u>TCF Acreage</u>	<u>S/W</u>
	Wooded Lowland	92.0	40
	Wooded Upland	60.0	-
	Cropland	101.0	-
	Grasslands	154.0	44
	Building Site	6.0	-
	Open Water	<u>12.0</u>	<u>10</u>
	TOTAL	425.0	94

Zoning: Exclusive Agriculture, Shoreland and FloodplainPresent Use: Agriculture and Outdoor RecreationProposed Use: Scenic River Protection and Public Recreation

Tenure: Less than 1 year. The Department is partnering with The Conservation Fund to acquire this parcel which was auctioned on April 14. The previous grantors owned the subject for more than 70 years (Jonas). The Schneider/Walsh land was purchased in 1990 and 1993.

Property Taxes: \$4,209.77Agreement Date: April 14, 2001 (TCF); April 25, 2001 (Schneider/Walsh)

Comments: *88 acres of TCF parcel valued at \$192,000 will be conveyed to Schneider/Walsh for \$98,000 cash and their 94 acres.

2. JUSTIFICATION:

The 425-acre Conservation Fund parcel is recommended for purchase for the Lower Wisconsin State Riverway. The land is being acquired to protect the scenic and natural values of the tract and preserve them for future generations, to provide opportunities for public recreation, and to allow natural resource management of the land.

The Lower Wisconsin State Riverway was formed by combining nine existing wildlife areas along the Wisconsin River between Prairie du Chien and Sauk City. New lands were added to the former projects to close separations between them, to protect scenic lands along the river and to meet recreational needs.

The Conservation Fund secured this parcel from the previous owners (Jonas Estate) at an auction on April 14, 2001. The Department will be acquiring the parcel subject to approvals for the same price plus interest, a two percent fee and associated holding costs that The Conservation Fund accrued during their acquisition.

The Conservation Fund parcel is approximately 425 acres in size. The parcel is divided into two basic land types including 214 acres of upland and 211 acres of river bottomlands. The upland contains covertypes of 101 acres of cropland and uplands, 53 acres of hardwoods, 7 acres of softwoods, 47 acres of grassland, and 6 acres of farmstead. The river bottoms have about 92 acre of hardwoods, 107 acres of grass and 12 acres of open water. Some stands of hardwood may have significant timber value if harvested. Water resources on the parcel include approximately one-half mile of low bank frontage on the south side of the Wisconsin River, one third of Kendall Lake - a 15.6-acre lake with a depth of about 17 feet, and 1,500 feet of frontage along a Wisconsin River bottoms slough. Kendall Lake and the Wisconsin River provide excellent fishery habitat, while the lake and slough provide secluded duck hunting opportunities.

State land borders this parcel to the east and west. Acquisition would block in with existing state land to provide over 4 miles of continuous frontage along the Wisconsin River. Access to the parcel will be by STH 80 that runs through the southern half of the parcel.

The farmstead improvements include an older house, machine shed barn and outbuildings. The farmstead area of 58 acres south of Highway 80 will be resold to help cover acquisition costs of the subject. Another 30 acres north of the highway also will be sold. Both of these sales, totaling 88 acres not needed for conservation purposes, will be used in an exchange with Schneider/Walsh.

Approximately 158 acres of The Conservation Fund parcel are outside of the boundary. This includes the farmstead area, and all road frontage. The Department has reached agreement with The Conservation Fund and another interested party, Clifford Schneider, for a three-way transaction. In this transaction, 88 acres of the outlying area will be conveyed to Schneider/Walsh. The remaining 70 acres are recommended to be included into the established project boundary.

The Conservation Fund has secured the entire 425-acre parcel from the original owner through auction and will sell it to the Department. Mr. Walsh and Mr. Schneider will buy the 58 acres south of the highway (including the farmstead), as well as 30 acres north of the highway. These 88 acres are valued at \$192,000. Payment for the 88 acres that Mr. Schneider and Mr. Walsh will acquire will include \$98,000 in cash towards the Department's cost, as well as 94 acres in trade to the Department, appraised at \$94,000.

The Schneider/Walsh land to be conveyed to the state consists of two parcels about 6 miles apart. The first is 54 acres in size and is completely within the project boundary. Covertypes consist of 40 acres of bottomland hardwoods, dominated by river birch, and 14 acres of marsh and open sloughs. The subject lies entirely within the floodplain of the Wisconsin River. The property has approximately 1,500 feet of low-bank frontage on the southern bank of the Wisconsin River. State land borders the subject to the east and south. The parcel will be managed for wetland protection as well as providing a natural, scenic riverway for public recreation in the project area. The second parcel is west of Muscoda and consists primarily of lowland woods and grasses with about 10 acres of open

water . The water area is Postel Lake which provides 2,000 feet of frontage for the land on this Wisconsin River backwater lake. Both fishing and duck hunting opportunities are available on these lands. State land borders the 40 acre parcel on the south, west and part of the east sides. After the trade, the net purchase price for 431 acres to remain in state ownership will be \$775,375.

The Department recommends the purchase and exchange to provide opportunities for public recreation, to allow natural resource management, to consolidate state ownership, to prevent development incompatible with the goals of the project, and to preserve the natural condition of the Wisconsin River. Because the auction sale of the Jonas Estate land required a cash downpayment, The Conservation Fund assisted in this transaction.

3. FINANCING:

State Stewardship bond funds are anticipated:

	Funds allotted to program:	Balance after proposed transaction
Stewardship Bond:	\$2,027,913	\$8,110

4. ACQUISITION STATUS OF THE LOWER WISCONSIN STATE RIVERWAY:

Established: 1989
Acres Purchased to Date: 43,811.44
Acquisition Goal: 78,825.0 Acres
Percent Complete: 55.6%
Cost to Date: \$14,166,467

5. APPRAISALS, TCF PARCEL:

Appraiser: Paul Stone (Private Appraiser)
Valuation Date: March 6, 2001
Appraised Value: \$780,000
Highest and Best Use: Subdivision into Hobby Farms

Allocation of Values:

- Cost Approach:
 - a. land: 416 acres @ \$1,700 per acre: \$707,200
 - improvements: \$ 84,400
 - TOTAL: \$791,600
 - b. cost approach considered, four comparable sales cited
 - c. adjusted value range: \$1,546 to \$1,768 per acre
 - Market Approach:
 - a. land: 416-acre farmstead @ \$1,851 per acre: \$770,000
 - b. market approach considered, three comparable sales cited
 - c. adjusted value range: \$697,288 to \$813,868 total value
- Market Approach: \$770,000
Cost Approach: \$791,600
Final Conclusion: \$780,000

Appraisal Review: Ron Olson — April 6, 2001

Appraiser: R. N. Bredemus (Private Appraiser)
Valuation Date: March 9, 2001
Appraised Value: \$940,000
Highest and Best Use: Residential Development

Allocation of Values:

• Cost Approach:

- a. land: 416 acres \$ 2,149 per acre: \$894,000
improvements: \$ 86,000
TOTAL: \$980,000
- b. cost approach considered, three comparable sales cited
- c. adjusted value range: \$2,139 to \$2,299 per acre

• Market Approach:

- a. land: 416 acre farm at \$2,200 per acre: \$915,200
- b. market approach considered, three comparable sales cited
- c. adjusted value range: \$1,574 to \$2,222/acre

Market Approach: \$915,000
Cost Approach: \$980,000
Final Conclusion: \$940,000

Comments: The price of \$873,375 (\$2,055 per acre) was set in a competitive auction situation and is about the mid-point between the two appraised values. The appraisals were based on an assumed size of 416 acres. However, actual surveyed size is 425 acres. The price of \$192,000 for the 88 acres to be conveyed to Schneider/Walsh were based on the Bredemus and Stone appraisals as well as data gathered at the auction on April 14.

5a. APPRAISALS: SCHNEIDER/WALSH PARCELS:

Appraiser: Paul Stone (Private Appraiser)
Valuation Date: December 5, 2000
Appraised Value: \$94,000 (total from two separate reports)
Highest and Best Use: Recreation

Allocation of Values:

- a. land: 94 acres @ \$1,000/acre: \$94,000
- b. market data approach used, four sales cited
- c. adjusted value range: \$866 to \$1,074 per acre

Appraisal Review: Ron Olson – January 24, 2001

RECOMMENDED:

Richard E. Steffes
Richard E. Steffes

4-30-01
Date

Richard Hengen
Bureau of Legal Services

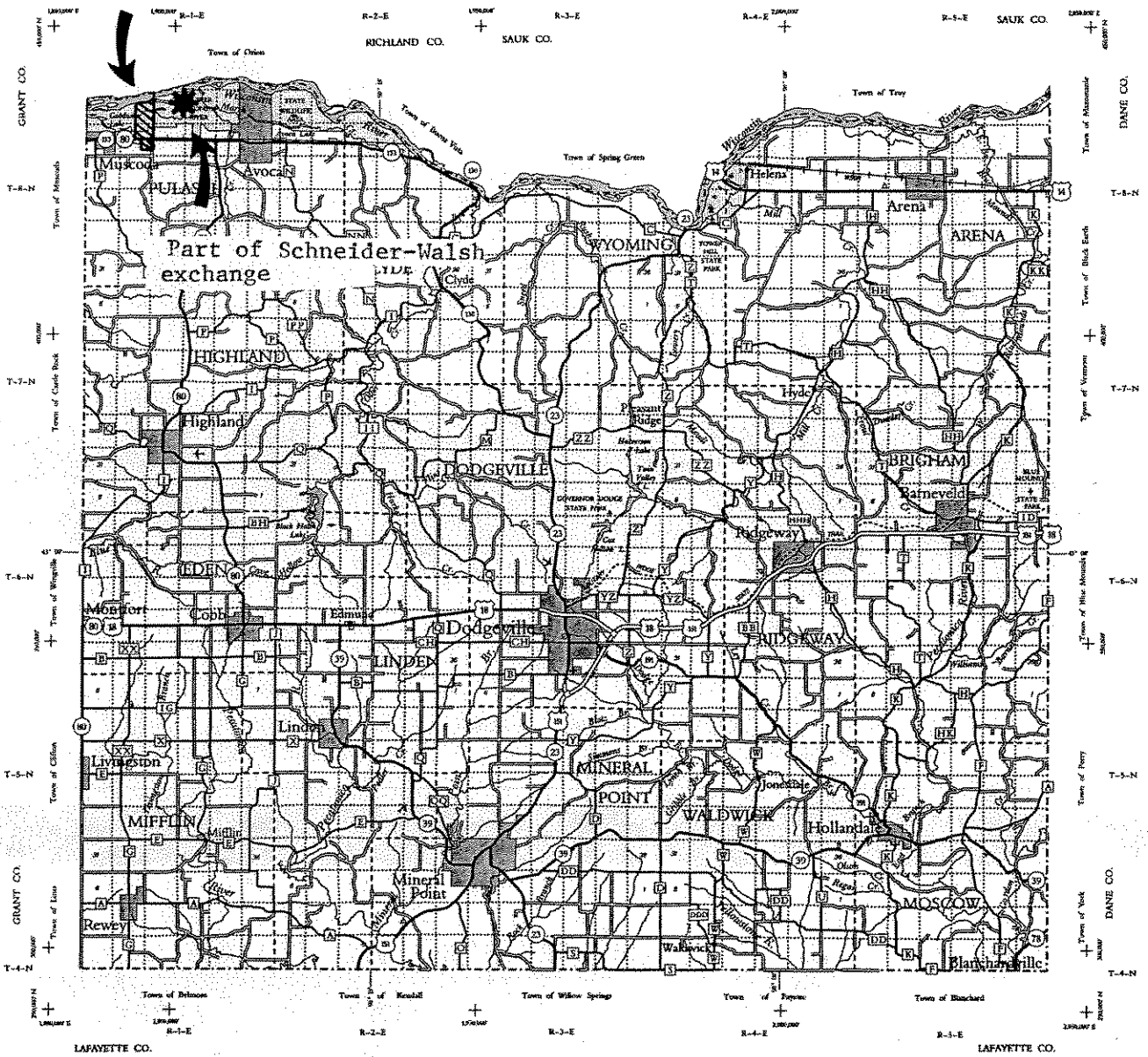
4/30/01
Date

Steven W. Miller (2001)
Steven W. Miller

4/30/01
Date

RES:jp

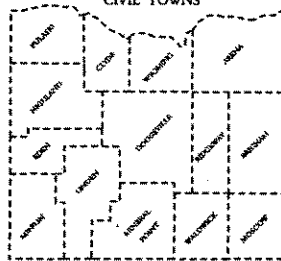
416-acre TCF parcel



LEGEND

- Freeway
- Mainline Divided
- U.S. or State Hwy
- County Trunk Hwy
- Town Road
- Fireline
- Railroad
- State Trail
- Interchange
- Highway Separation
- Intersecting Highway No.
- U.S. Highway No.
- State Highway No.
- County Highway Letter
- State Boundary
- County Boundary
- Civil Town Boundary
- Section Line
- Dam
- Hospital
- Schools
- Airport
- Cowboy Seat
- Unincorporated Village
- Fish Hatchery
- Game Farm
- Public House or Fish Club
- Public Camp & Picnic Grds.
- Ranger Station
- State Park
- County Park
- Wildlife Refuge
- Wayside
- Median Facility
- State Facility

CIVIL TOWNS



For boundaries of public hearing and fishing grounds please contact the Department of Natural Resources
 + Grid based on the new plane coordinate system north zone and the NAD 83

SECTION NUMBERING OF A TOWNSHIP

1	2	3	4	5	6
7	8	9	10	11	12
13	14	15	16	17	18
19	20	21	22	23	24
25	26	27	28	29	30
31	32	33	34	35	36

MILES OF HIGHWAY as of Jan. 1, 1991

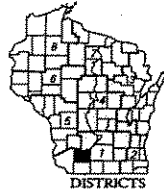
STATE	102
COUNTY	165
LOCAL ROAD	140
OTHER ROAD	10
TOTAL FOR COUNTY	317

Land Area (1990 Census) ... 703 sq. mi.
 Population (1990 Census) ... 30,000
 County Seat ... Dodgeville

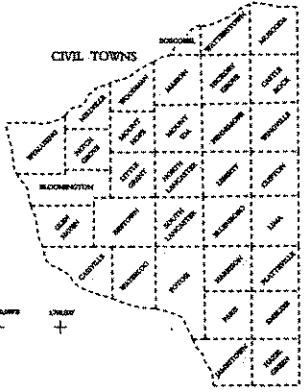
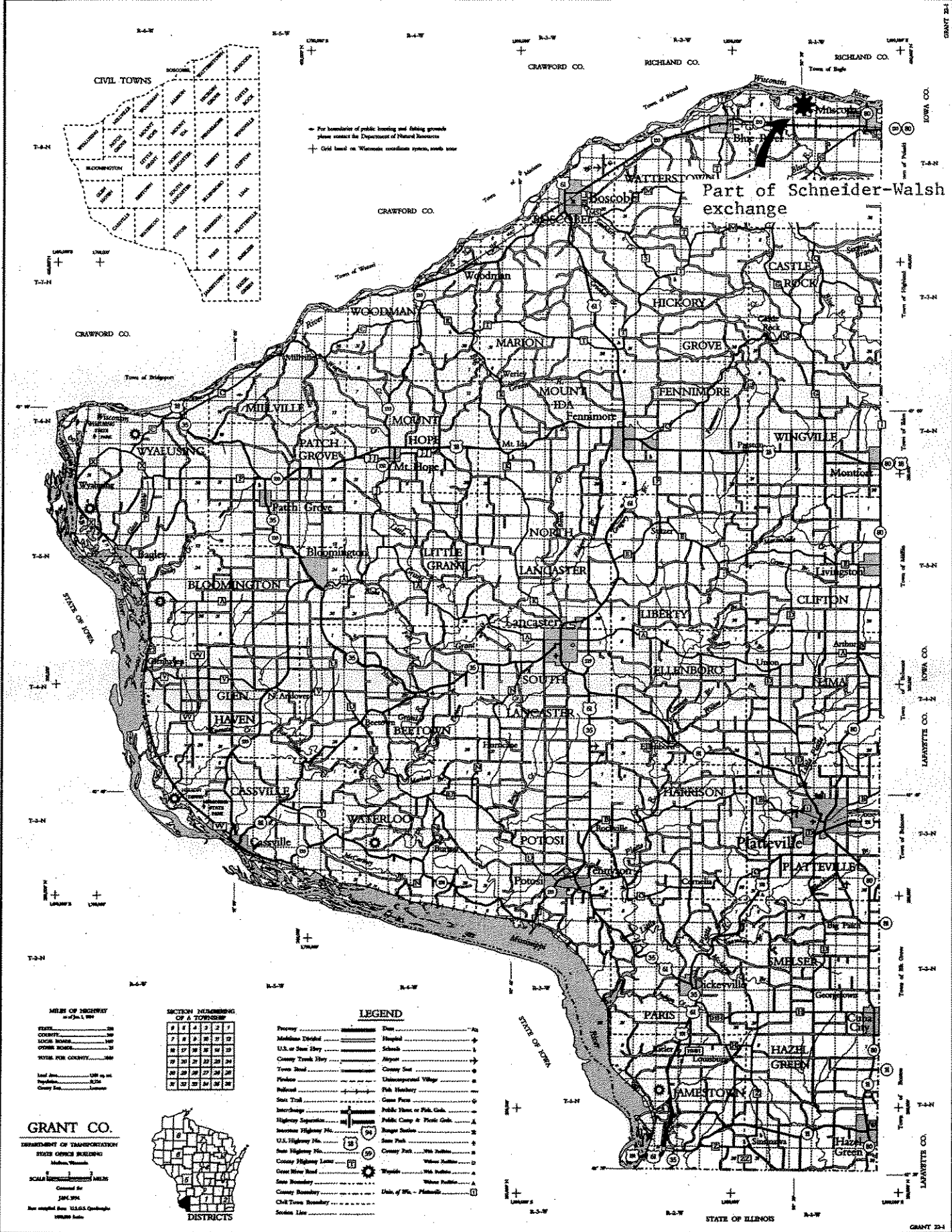
IOWA CO.

DEPARTMENT OF TRANSPORTATION
 STATE OFFICE BUILDING
 Madison, Wisconsin

SCALE 1:50,000
 Contour in Feet
 JAN. 1991
 Map compiled from U.S.G.S. Contour Maps 1:50,000 Series



DISTRICTS



For boundaries of public hunting and fishing grounds
please contact the Department of Natural Resources
+ Grid based on Wisconsin coordinate system, north zone

Part of Schneider-Walsh
exchange

MILES OF HIGHWAY
as of 1-1-1997

STATE	100
COUNTY	100
SECTION	100
OTHER	100
TOTAL FOR COUNTY	100

**SECTION NUMBERING
OF A TOWNSHIP**

1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40

LEGEND

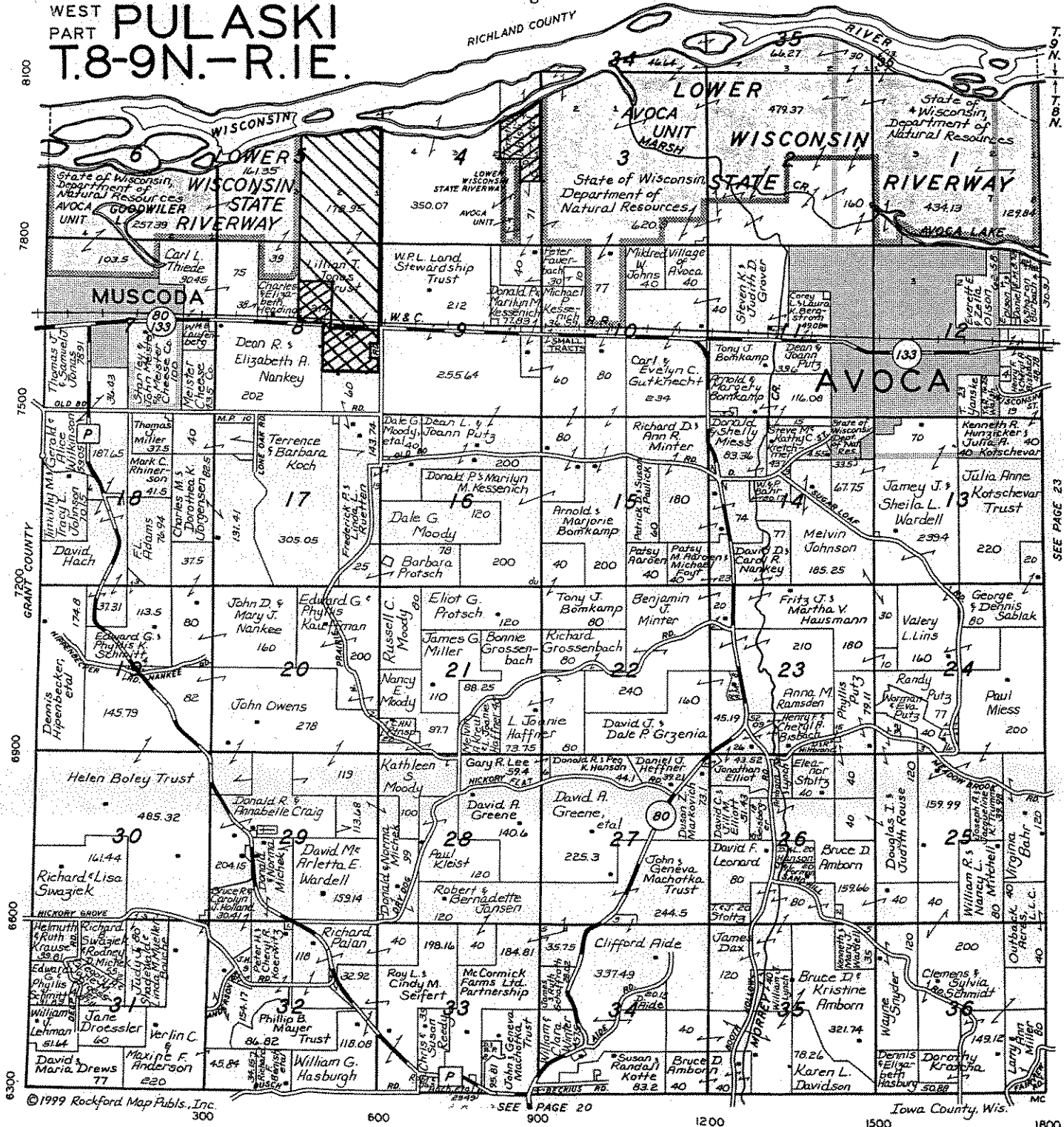
Power	—————	Shore	—————
Melville District	—————	Hatched	—————
U.S. or State Hwy	—————	School	—————
County Trunk Hwy	—————	Allyard	—————
Town Road	—————	County Seat	—————
Fence	—————	Unimproved Water	—————
Railroad	—————	Fish Hatchery	—————
Soil Trail	—————	Game Park	—————
Interchange	—————	Public Tract or Fish Club	—————
Highway Separation	—————	Public Camp or Public Club	—————
Interstate Highway No.	—————	Range Station	—————
U.S. Highway No.	—————	State Park	—————
State Highway No.	—————	County Park - With Station	—————
County Highway Letter	—————	County Park - With Station	—————
County River Road	—————	Woods	—————
City Boundary	—————	Water Pollution	—————
County Boundary	—————	Unit of 5% - Pictorial	—————
City Trunk Boundary	—————	Section Line	—————

GRANT CO.
DEPARTMENT OF TRANSPORTATION
SEVEN OFFICE BUILDING
MADISON, WISCONSIN
SCALE: UNASSIGNED METERS
Created for
JAN 1997
Not scaled from USGS Quadrangle
1982B-100



GRANT 24

WEST PART PULASKI T.8-9N.-R.1E.



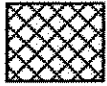
©1999 Rockford Map Pubs., Inc. 300

SEE PAGE 20

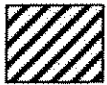
Iowa County, Wis.



337 acres to be conveyed to State from
The Conservation Fund



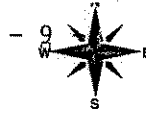
88 acres to be conveyed to Schneider -
Walsh



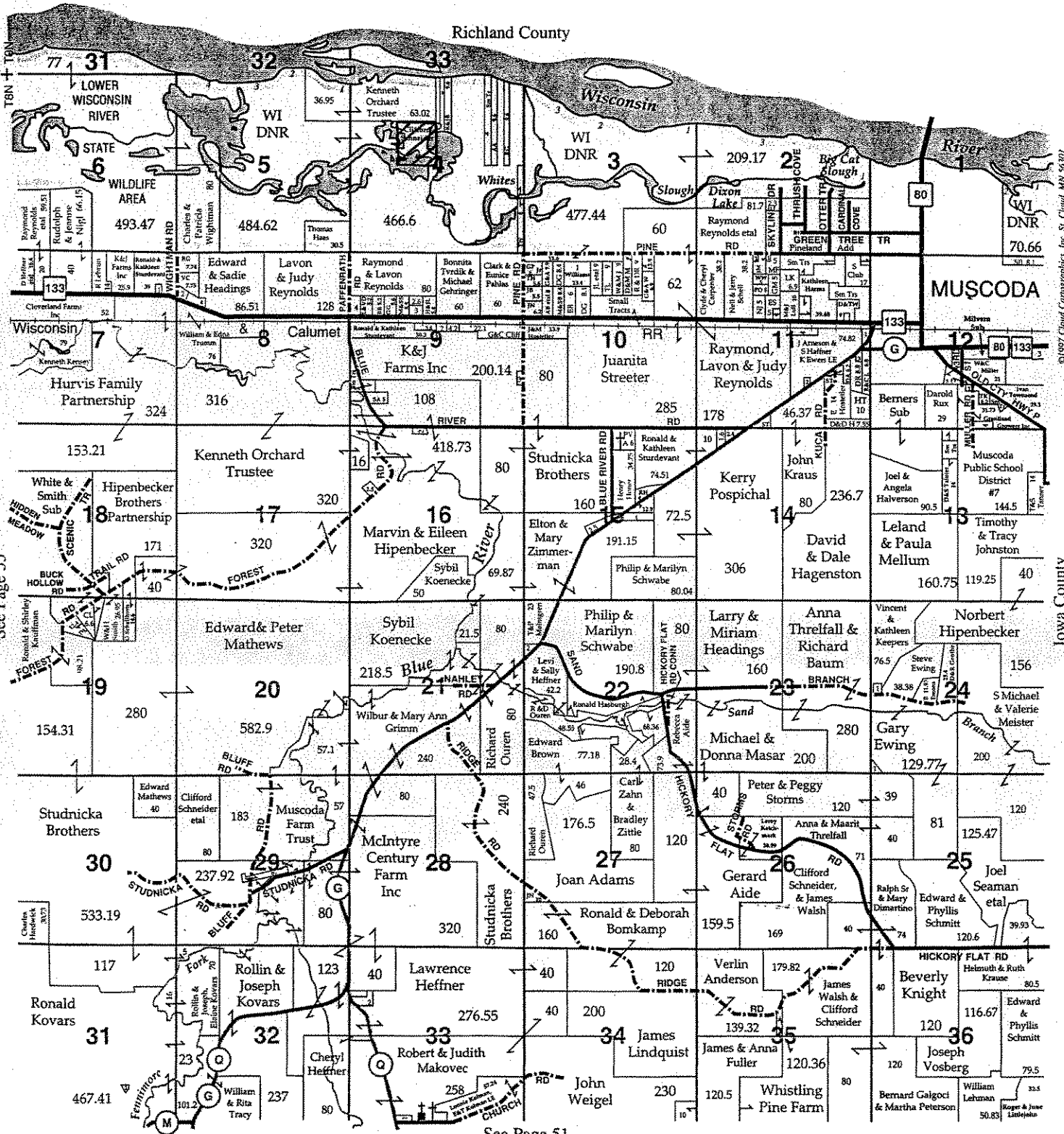
54 acres to be conveyed to State from
Schneider - Walsh

*Reproduced with permission of Rockford
Map Publishers, Inc. Rockford, Illinois*

SEE PAGE 23



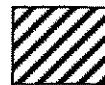
Richland County



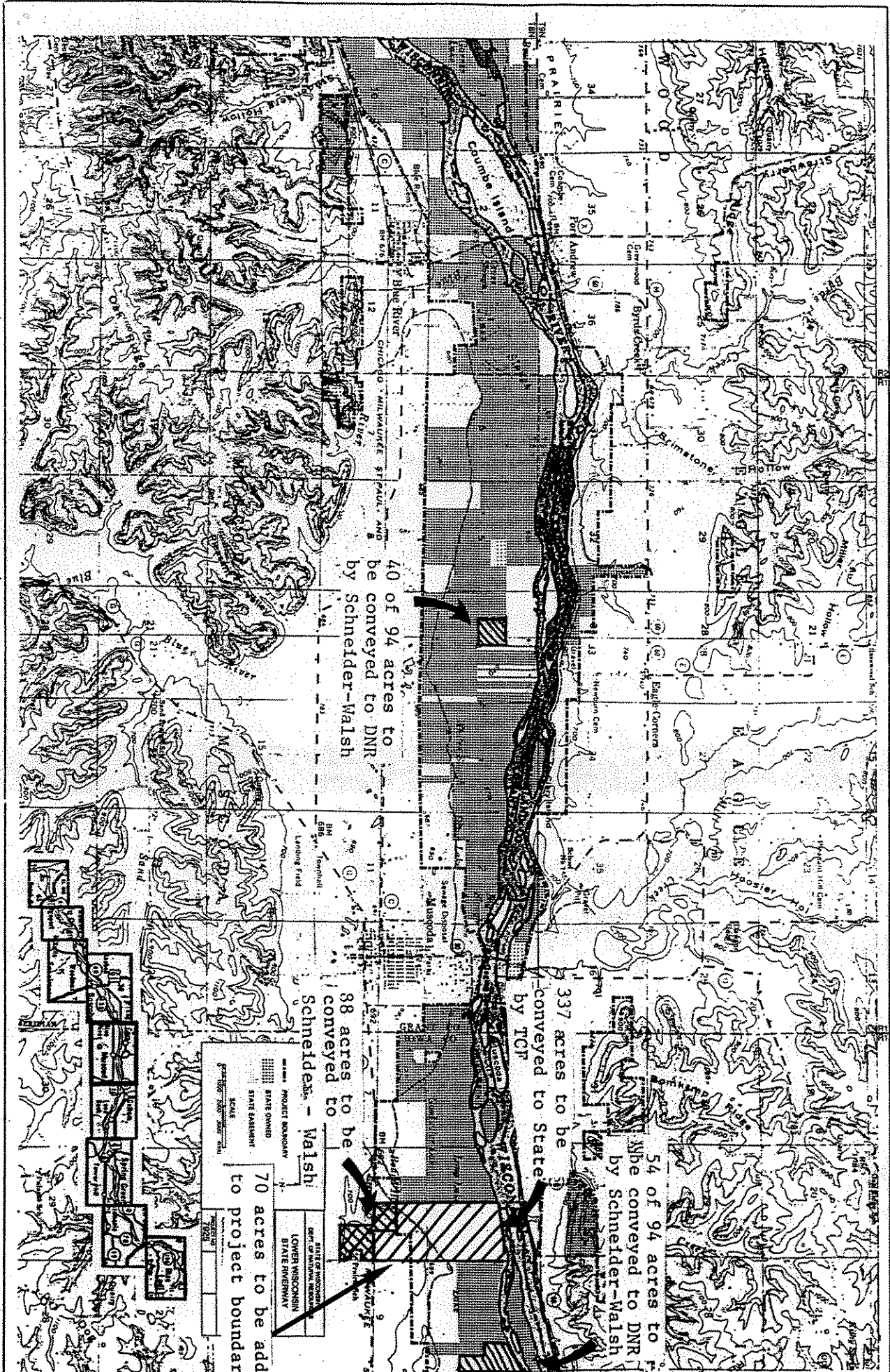
See Page 53

See Page 51

"Reproduced with permission of Cloud Cartographics, Inc."



40 acres to be conveyed to State from Schneider - Walsh



40 of 94 acres to be conveyed to DNR by Schneider-Walsh

337 acres to be conveyed to State by TCR

54 of 94 acres to be conveyed to DNR by Schneider-Walsh

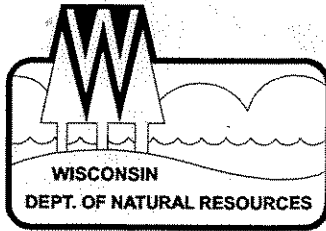
88 acres to be conveyed to Schneider-Walsh

70 acres to be added to project boundary

	PROJECT BOUNDARY
	STATE OWNED
	STATE ACQUISITION
	LOWER WISCONSIN STATE HIGHWAY

SCALE
1" = 100'

STATE OF WISCONSIN
DEPT. OF NATURAL RESOURCES
LOWER WISCONSIN STATE HIGHWAY



State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Scott McCallum, Governor
Darrell Bazzell, Secretary

101 S. Webster St.
Box 7921
Madison, Wisconsin 53707-7921
Telephone 608-266-2621
FAX 608-267-3579
TDD 608-267-6897

MAY 25 2001

IN REPLY REFER TO: W-1427

→ Honorable Brian Burke
Member State Senate
Room 316S
CAPITOL

Honorable John Gard
Member State Assembly
Room 315N
CAPITOL

Dear Senator Burke and Representative Gard:

The Department is notifying you as co-chairs of the Joint Committee on Finance of a proposed purchase of 77 acres in fee and 365.74 acres in easement from E&L Harrison Enterprises, Inc., for \$443,000. This notice is pursuant to s. 23.0915(4), Stats., which requires the Department to notify the Joint Committee on Finance of all Stewardship projects more than \$250,000 in cost. The Natural Resources Board approved the purchase at the May meeting. The land is required for wildlife management and public recreation.

The file number is W-1427 and the land is located in Dunn County. Attached please find a memo and maps describing this transaction.

I certify that this request for consideration meets all applicable state and federal statutes, rules, regulations, and guidelines. This certification is based upon a thorough and complete analysis of this request.

If you do not notify the Department within 14 working days after this notification that the Committee has scheduled a meeting to review the proposed transaction, the Department will proceed with the approval process. If the Committee has no objections, the Department will forward the proposal to the Governor for his consideration. If you need additional information, please contact Richard Steffes at 266-0201. Mr. Steffes is available to answer any questions you may have in this matter.

Thank you for this consideration.

Sincerely,

Darrell Bazzell
Secretary

Attach.

cc: Legislative Fiscal Bureau
Department of Administration

CORRESPONDENCE/MEMORANDUM

DATE: April 24, 2001 FILE REF: W-1427
 TO: Governor McCallum
 FROM: Darrell Bazzell *LB*
 SUBJECT: Proposed Land Acquisition, E & L Harrison Enterprises, Inc. Tract, File # W-1427,
 Option Expires September 5, 2001

1. PARCEL DESCRIPTION:

Muddy Creek Wildlife Area
 Dunn County

Grantor:

E & L Harrison Enterprises, Inc.
 c/o Lynn Harrison
 Route 2, 600 University St.
 Elk Mound, WI 54739

Acres: 77.0 in fee; 365.74 acres in easement

Price: \$443,000*

Appraised Value: \$466,000*

Interest: Purchase in fee.

Improvements: There are improvements associated with active agriculture located within the easement area. However, the easement will not negatively impact these improvements' value and therefore they are not given value in the final purchase price.

Location: The tract is located nine miles southeast of the City of Menomonie, in southeastern Dunn County.

Land Description: The subject area is generally flat to gently rolling cropland, with a ridge running along the section line down the middle of the parcel.

*Comments: The grantors are selling the parcel with a partial donation of \$23,000 toward the purchase price of \$466,000 for a final value of \$443,000.

<u>Covertime Breakdown:</u>	<u>Type</u>	<u>Acreage</u>
	Wooded Lowland	45.00
	Cropland	378.00
	Wetland	17.74
	Building Site	<u>2.00</u>
	TOTAL	442.74

Zoning: Shoreland - Floodplain

Present Use: Agriculture and Outdoor Recreation

Proposed Use: Wildlife Management and Public Recreation

Tenure: In the family for more than 18 years

Property Taxes: \$620.06 (estimated for fee area only)

Option Date: April 13, 2001



2. JUSTIFICATION:

The Department proposes to purchase 77 acres of land in fee and 365.74 acres of land in easement from E & L Harrison Enterprises, Inc., to protect 4,300 feet of frontage on Old Elk Lake. Acquisition will provide opportunities for public recreation, protect wildlife habitat, and consolidate state ownership in Muddy Creek Wildlife Area in Dunn County. This will be the first time public access will be established to Old Elk Lake.

The Muddy Creek Wildlife Area is located in west central Wisconsin. The project was established in 1948 to manage the 3,736-acre wetland habitat area primarily for waterfowl and furbearers. The property is used by the public for hunting, fishing, trapping, cross-country skiing, hiking and other outdoor recreation.

The E & L Harrison Enterprises, Inc., parcel will be included into the project boundary with the Natural Resources Board approval of the feasibility study and boundary expansion being proposed concurrently at the May 2001 Board meeting. The boundary will be expanded to include the additional acres of the subject parcel, containing frontage on Old Elk Lake, one of only two prairie lakes in Dunn County. This inclusion is an important prairie/savanna pothole system housing both savanna and wetland communities and providing necessary breeding areas for waterfowl, furbearers, deer, and pheasants. The expansion also includes habitat for non-game species, such as sandhill cranes, trumpeter swans, red-necked grebes, great egrets, yellow-headed blackbirds, black terns and double crested cormorants.

The E & L Harrison Enterprises, Inc., parcel is 442.74 acres in size and includes 77 acres in fee and 365.74 acres in easement. The 77 acres proposed for fee purchase includes all of the lakeshore in this ownership, about 4,300 feet -- approximately 1/3 of the lake's shoreline. Fee acquisition will create a grassland buffer that will protect the water quality of the lake as well as provide nesting habitat for waterfowl, and public recreation.

The remaining 365.74 acres of the subject are proposed for easement purchase. The easement will assure the continuation of open space agricultural pursuits that are compatible with the adjacent Muddy Creek Wildlife Area. Agricultural practices will be carefully monitored to ensure the protection of water quality in Old Elk Lake. The easement also limits further development of the eased area. Public access would be allowed throughout the easement area except for the 2-acre building site.

The subject property is facing development pressure from both the Menomonie and Eau Claire area. State ownership and easement will relieve this pressure, preventing incompatible residential development, and allowing for continued agricultural practice. Development of the parcel would create loss of potential habitat for wildlife and would isolate the existing wildlife area from Old Elk Lake.

Since the early 1990's the Department has had an interest in creating a project in Dunn County with the goals of providing a buffer for Muddy Creek Wildlife Area and protecting Old Elk Lake and the associated biological values. The proposed transaction would go a long way toward accomplishing those two goals and the proposal has been supported locally.

The Department recommends acquisition of the E & L Harrison Enterprises, Inc., property to consolidate state ownership, to allow natural resource management, to protect wildlife habitat, and to provide public access to the property and Old Elk Lake.

3. FINANCING:

State Stewardship bond funds are anticipated:

	Funds allotted to program:	Balance after proposed transaction
Stewardship Bond:	\$5,342,793	\$14,255

4. ACQUISITION STATUS OF THE MUDDY CREEK WILDLIFE AREA:

Established: 1948
Acres Purchased to Date: 3,205.65
Acquisition Goal: 3,735.6 Acres
Percent Complete: 85.8%
Cost to Date: \$459,446

5. APPRAISAL:

Appraiser: Michael Augustyn (Private Appraiser)
Valuation Date: February 12, 2001
Appraised Value: \$466,000
Highest and Best Use: Rural Residential - Recreational (fee); Agriculture - Recreation (easement)

Allocation of Values:

a.	land: fee:	77 acres @ \$2,300 per acre:	\$177,100.00
	easement:	354.24 acres @ \$805 per acre:	\$285,163.20 (full easement) *
		9.5 acres @ \$345 per acre:	\$3,277.50 (utility eased) *
		2.0 acres @ \$230 per acre:	\$460.00 (building site) *
	TOTAL:		\$466,000.00
b.	market data approach used, five comparable sales cited		
c.	adjusted value range: \$2,163 to \$2,396 per acre		

Appraisal Clarification: The appraiser assigned differing values for the easement value based on the rights obtained for each area. The full easement is applied to 354.24 acres of land at \$805 per acre. 9.5 acres of land contain existing utility easements and therefore development rights are already restricted somewhat, but public access will be acquired yielding a value of \$345 per acre. The building site of 2.0 acres will only have development rights obtained in the easement and not public access, yielding \$230 per acre.

Appraisal Review: Ron Olson — March 22, 2001

Comments: Two appraisals were completed for this transaction. The first was by Rodney Bush (Private Appraiser) on August 1, 2000 with a valuation of \$488,000 for an easement on the entire parcel and no public access. The second appraisal was completed by Michael Augustyn (Private Appraiser) on February 12, 2001 with a valuation of \$466,000 and includes a structured fee and easement valuation. Through negotiations with the grantors, the final purchase price was set at \$443,000 with the grantors including a partial donation toward the purchase price of \$23,000.


RECOMMENDED:


Richard E. Steffes

4-25-01
Date


Bureau of Legal Services

4/25/01
Date


Steven W. Miller

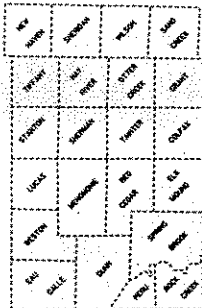
4/26/01
Date

RES:jp

LEGEND

- Freeway
- U.S. or State Hwy.
- County Trunk Hwy.
- Town Road
- Fireline
- Highway Bridge
- Interchange
- Highway Separation
- Interstate Highway No.
- U.S. Highway No.
- State Highway No.
- County Highway Letter
- Railroad
- State Boundary
- County Boundary
- Civil Town Boundary
- Section Line
- Corporate Limits
- Nat. & State Forest Area
- Dike
- Maple
- Sawmill
- Airport
- County Seat
- Unincorporated Village
- Fish Hatchery
- Game Farm
- Public Hunt or Flats Park
- Public Camp & Picnic Ground
- Recreation Station
- State Park
- County Park
- Roadside
- Huffman 1886 Rec. Area
- View of Mt. Shasta

For boundaries of public hunting and fishing grounds please contact the Department of Natural Resources



CIVIL TOWNS

TOWNSHIP NUMBERING

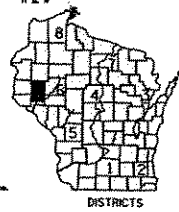
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7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
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31	32	33	34	35	36

DUNN CO.

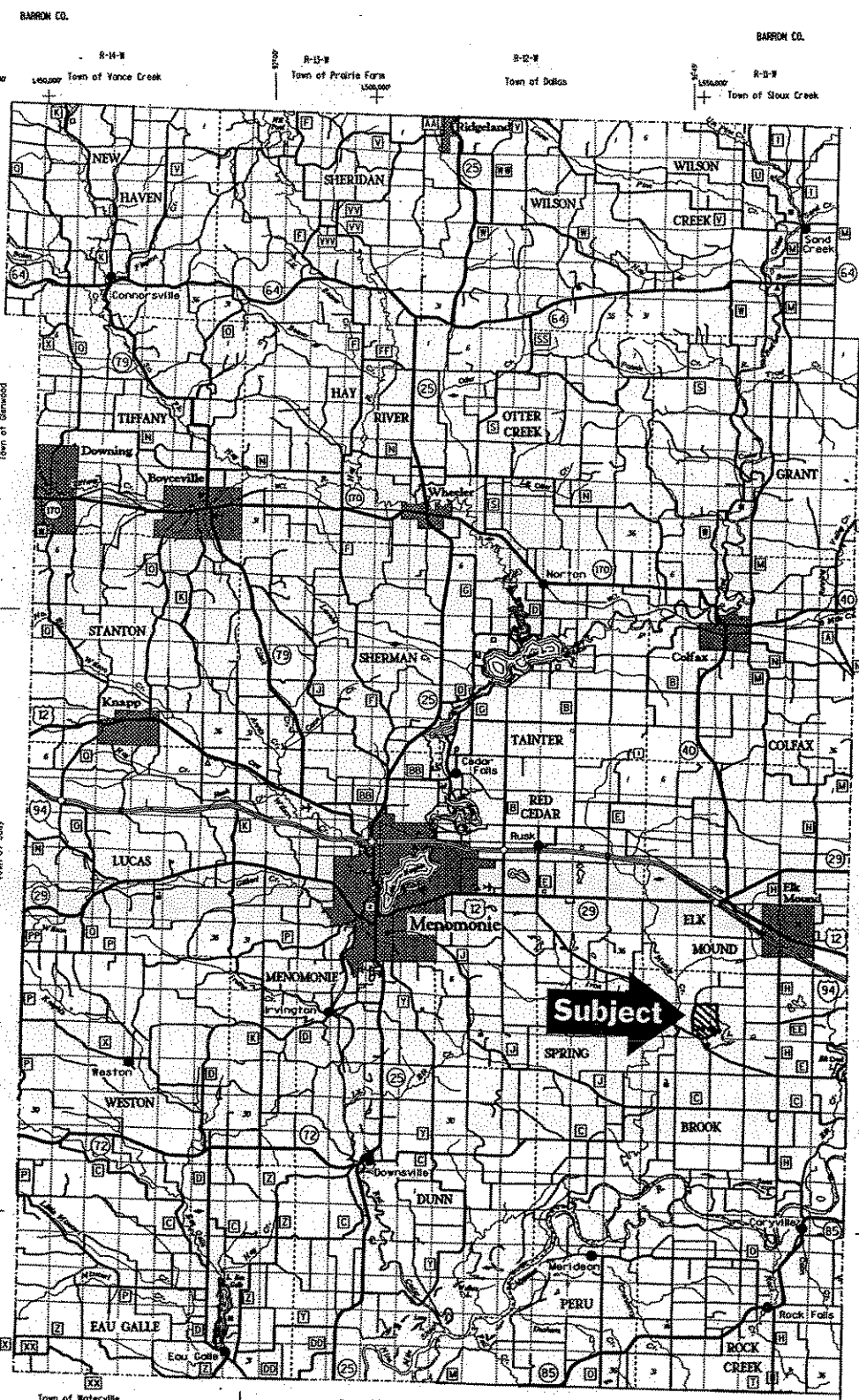
DEPARTMENT OF TRANSPORTATION
STATE OFFICE BUILDING
Madison, Wisconsin
SCALE 1:250,000 MILES
Corrected for
JAN. 1952
Now compiled from U.S.G.S. Quadrangle
280,000 Series

MILES OF HIGHWAY
as of Jan. 1, 1951

STATE	304
COUNTY	425
LOCAL ROADS	975
OTHER ROADS	0
TOTAL FOR COUNTY	1704



DISTRICTS



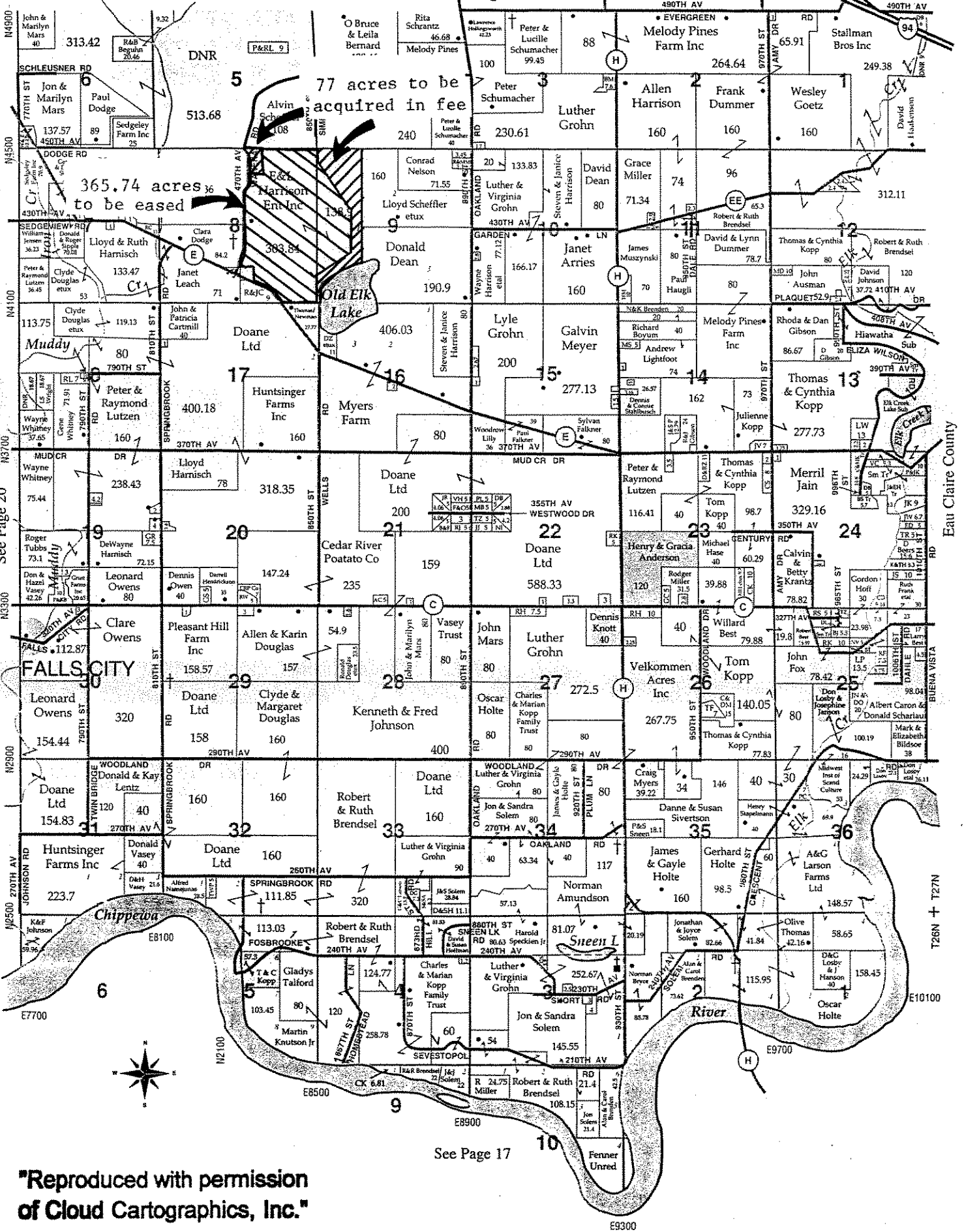
Town of Interville Town of Burd Town of Leno Town of Albany
TOWN TOWN TOWN TOWN

ST. CROIX CO. PEPPY CO. PEPPY CO. PEPPY CO.

SPRING BROOK (E)

T.26&27N. - R.11W.

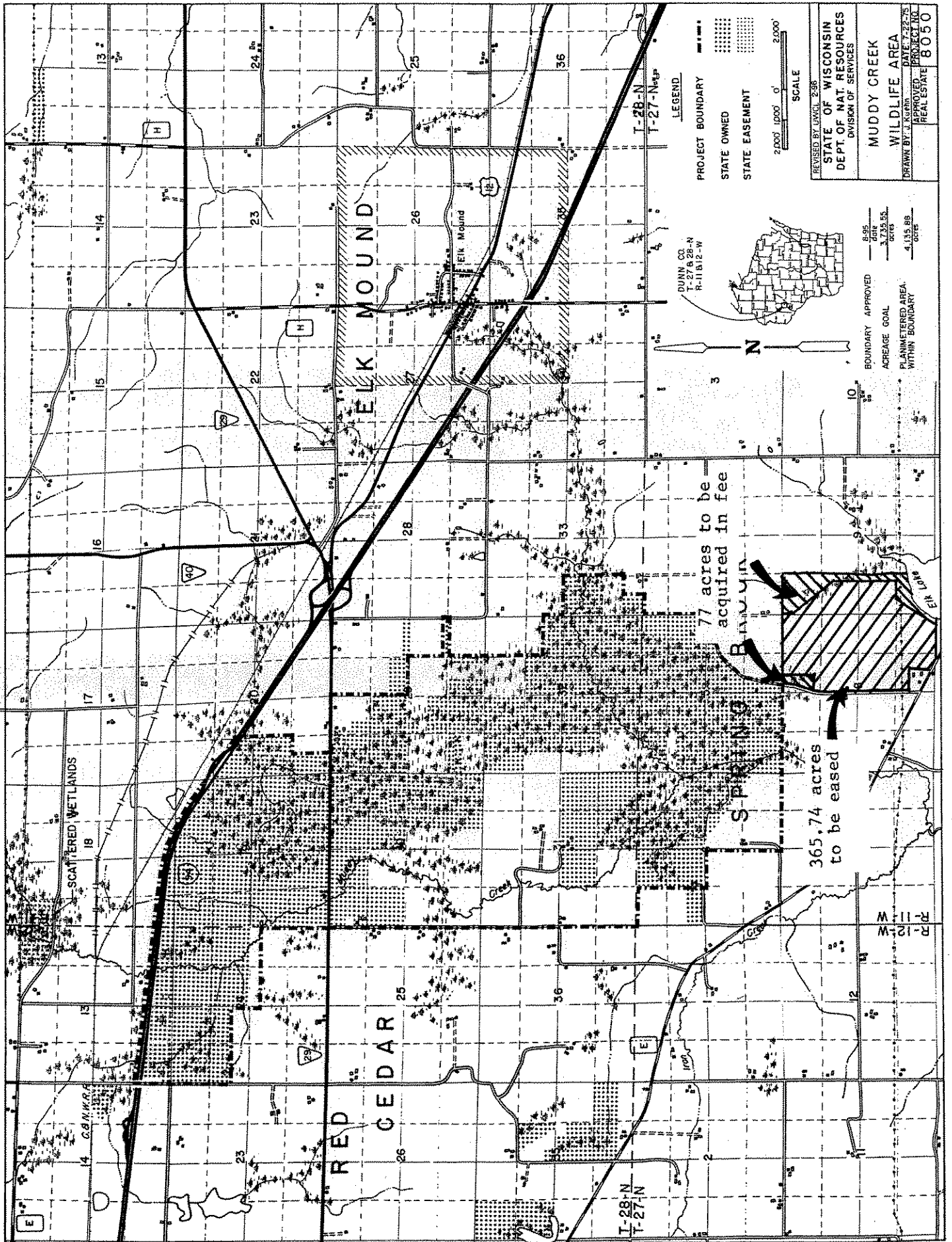
See Page 32



See Page 20

See Page 17

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LEGEND

- PROJECT BOUNDARY
- STATE OWNED
- STATE EASEMENT

SCALE
 2,000' 1000' 0' 2,000'

REVISED BY LUMCL 2-3-68
 STATE OF WISCONSIN
 DEPT OF NAT RESOURCES
 DIVISION OF SERVICES
 MUDDY CREEK
 WILDLIFE AREA
 DRAWN BY J. KROHN
 PROJECT NO. 72-25
 REAL ESTATE 8050

DUNN CO.
 T-27 & 28-N
 R-11 & 12-W



BOUNDARY APPROVED 7.95
 ACRES GOAL 3,275.55
 PLANNED AREA 62.03
 WITHIN BOUNDARY 4,135.58
 ACRES

77 acres to be
 acquired in fee

365.74 acres
 to be eased

SCATTERED WETLANDS

RED CEDAR

ELK MOUND

SPRING BROOK

R-12-W

T-28-N
 T-27-N

E

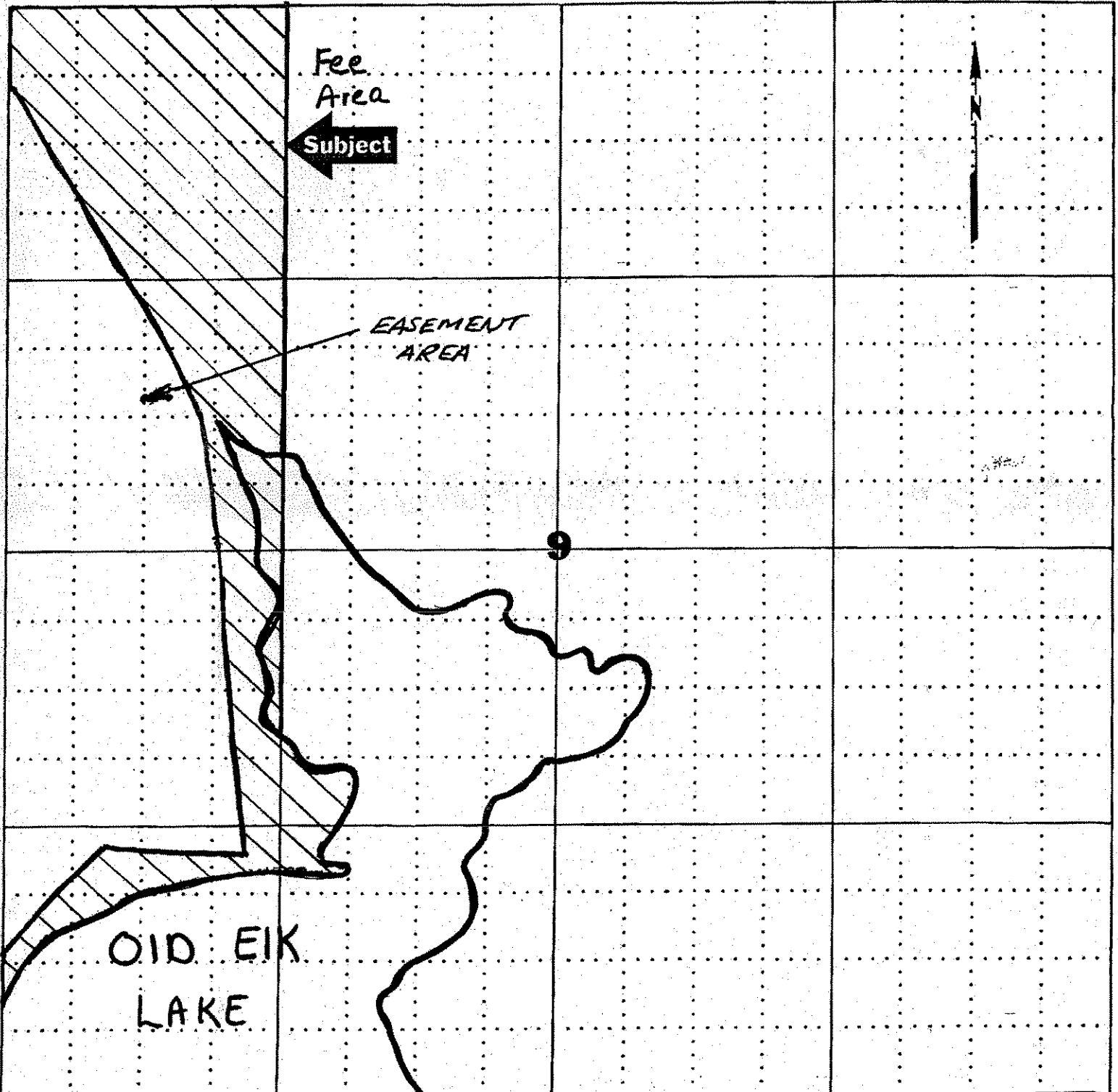
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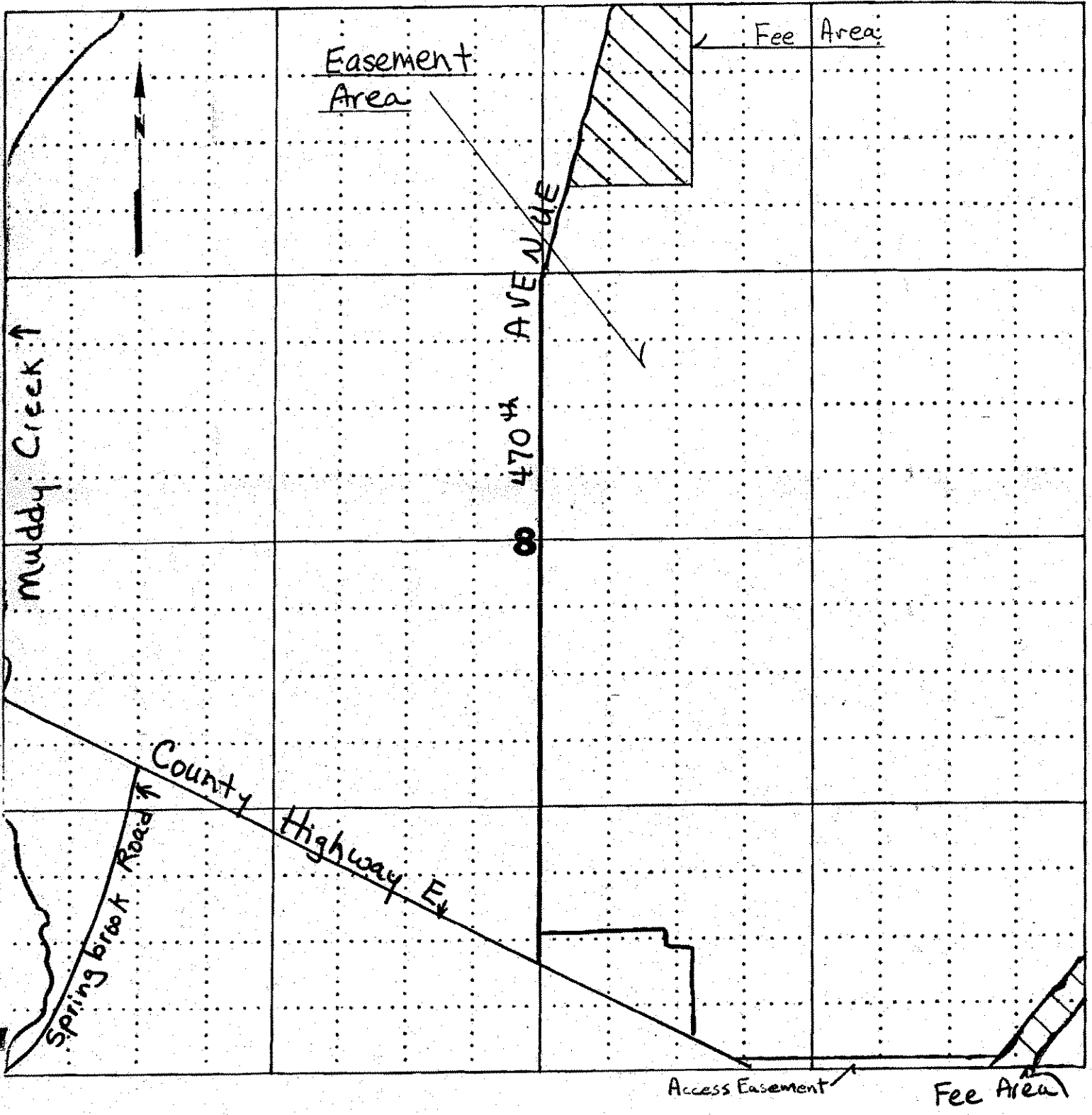
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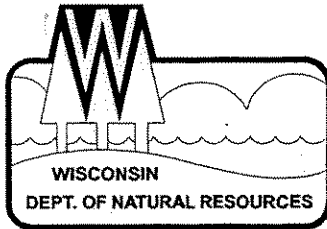
ELK

PROJECT Muddy Creek Wildlife Expansion Area		MAPPED BY Mary M. Van Fossen	
COUNTY Dunn County	LANDOWNER E. & L. Harrison Enterprises, Inc. c/o Lynn E. Harrison		
TOWN Springbrook	ADDRESS Route 2, Box 2048 Elk Mound, WI 54739		
T. 27N. R. 11W.			
SECTION 9.	TOWNSHIP T. 27N.	RANGE R. 11W.	SCALE ACREAGE acres



PROJECT Muddy Creek Wildlife Expansion Area		MAPPED BY Mary M. Van Fossen	
COUNTY Dunn County		LANDOWNER E. & L. Harrison Enterprises, Inc. / Lynn E. Harrison	
TOWN Springbrook		ADDRESS Route 2, Box 2048, Elk Mound, WI 54739	
SECTION 8	TOWNSHIP T. 27N.	RANGE R. 11W.	SCALE ACREAGE acres





State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

Scott McCallum, Governor
Darrell Bazzell, Secretary

101 S. Webster St.
Box 7921
Madison, Wisconsin 53707-7921
Telephone 608-266-2621
FAX 608-267-3579
TDD 608-267-6897

MAY 25 2001

IN REPLY REFER TO: W-1420

Honorable Brian Burke
Member State Senate
Room 316S
CAPITOL

Honorable John Gard
Member State Assembly
Room 315N
CAPITOL

Dear Senator Burke and Representative Gard:

The Department is notifying you as co-chairs of the Joint Committee on Finance of a proposed 345.0 acre land purchase from Klekamp Trust for \$345,000. This notice is pursuant to s. 23.0915(4), Stats., which requires the Department to notify the Joint Committee on Finance of all Stewardship projects more than \$250,000 in cost. The Natural Resources Board approved the purchase at the May meeting. The land is required for wildlife management and public recreation.

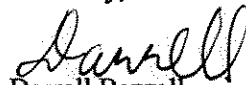
The file number is W-1420 and the land is located in Crawford County. Attached please find a memo and maps describing this transaction.

I certify that this request for consideration meets all applicable state and federal statutes, rules, regulations, and guidelines. This certification is based upon a thorough and complete analysis of this request.

If you do not notify the Department within 14 working days after this notification that the Committee has scheduled a meeting to review the proposed transaction, the Department will proceed with the approval process. If the Committee has no objections, the Department will forward the proposal to the Governor for his consideration. If you need additional information, please contact Richard Steffes at 266-0201. Mr. Steffes is available to answer any questions you may have in this matter.

Thank you for this consideration.

Sincerely,


Darrell Bazzell
Secretary

Attach.

cc: Legislative Fiscal Bureau
Department of Administration

CORRESPONDENCE/MEMORANDUM

DATE: April 19, 2001
 TO: Governor McCallum
 FROM: Darrell Bazzell *DB*
 SUBJECT: Proposed Land Acquisition, Klekamp Trust Tract, File # W-1420,
 Option Expires August 1, 2001

FILE REF: W-1420

1. PARCEL DESCRIPTION:

Kickapoo Wildlife Area
 Crawford County

Grantor:

Klekamp Trust
 c/o Dorothy Klekamp
 Route 1, Box 57
 Gays Mills, WI 54631

Acres: 345.0Price: \$345,000Appraised Value: \$345,000Interest: Purchase in fee.Improvements: 2 Grain Dryers, 2 Grain Bins, 1 Metal Pole Shed, 1 Storage Shed, and SiloLocation: The tract is located just southwest of the Village of Bell Center, in central Crawford County.Land Description: The subject area is low and level along the stream frontage, rising steeply to wooded hills and bluffs, with prominent rock outcropping.

<u>Covertyp</u> e Breakdown:	<u>Type</u>	<u>Acreage</u>
	Wooded Lowland	45.0
	Wooded Upland	150.0
	Cropland	80.0
	Wetland	55.0
	Brushlands	10.0
	Building Site and Roads	5.0
	TOTAL	345.0

Zoning: Exclusive Agriculture, Floodplain, and ShorelandPresent Use: Agriculture and Outdoor RecreationProposed Use: Wildlife Management and Public RecreationTenure: More than 12 yearsProperty Taxes: \$1,674.85Option Date: March 3, 20012. JUSTIFICATION:

The Department proposes to purchase the 345-acre Klekamp Trust property for the Kickapoo Wildlife Area in Crawford County to protect the natural values of the property, to provide additional opportunities for

public recreation, and to allow natural resource management and restoration. Approximately 40 acres of the parcel are within the designated boundary of the Hogback Prairies Natural Area, part of the Statewide Natural Areas Program.

The Kickapoo Wildlife Area, originally part of the Lower Wisconsin River Wildlife Area, was established in 1975 as a separate project. The project goal is to protect wildlife habitat, provide opportunities for public recreation, especially hunting and fishing, and to allow wildlife management. Early acquisition was of public hunting ground easements, which allowed access only for hunting and fishing. Since 1975, the project has been a fee-acquisition project that allows the Department to buy tracts within the approved boundary for public recreation and to allow wildlife management.

The Hogback Prairies Natural Area is a cooperative-effort of prairie acquisition and management between the Department and the Nature Conservancy. About a dozen sites in central Crawford County have been targeted for purchase, including a portion of the subject.

The Klekamp Trust parcel is approximately 345 acres in size and includes 7,500 feet of streamthread on Hall's Branch Creek, and 1,400 feet of frontage on the western bank of the Kickapoo River. Covertypes include about 150 acres of upland hardwood forest, 55 acres of wetlands, 45 acres of lowland hardwood forest, 80 acres of cropland, 10 acres of dry prairie brushland, and 5 acres of improvement sites, including buildings and roads. The cropland will be rented or shorecropped for the next several years.

The Department purchased a hunting and fishing easement in 1968 on the western 194 acres of the parcel. Acquisition of this parcel will allow for improved management of the parcel for fisheries and wildlife habitat, as well as open new lands for public recreation and protection.

Detailed plant and animal surveys have not been conducted on the entire property. It is expected that relict populations of numerous plant/insect/herptile associations occur on the Hogback Prairie site for the subject. Furthermore, there is a high potential that this area harbors snake hibernacula and provides important habitat for species such as six-lined racerunners, blue racers, and prairie ringneck snakes. An increasing amount of rural development, coupled with natural succession, are contributing to the scarcity of high-quality dry prairie sites in Wisconsin. Preservation and management of remaining sites is becoming increasingly important.

The upland forests on the subject are primarily southern dry-mesic forest types. Management will focus on maintaining oak as a viable forest component, incorporating oak savanna habitat adjacent to bluff prairie sites, and minimizing conversion to northern hardwood types. Bottomland forests will be passively managed.

Existing croplands will be gradually converted to prairie, further expanding and enhancing the values of the existing prairies. Until the conversion occurs, the cropland will be sharecropped or rented by a local farmer. The few improvements will remain on the property for the next three years. The grantors will continue to use them during this time. After this time period, the improvements will be removed and disposed of.

Wild turkeys, squirrels, ruffed grouse, cottontail rabbits, and white-tailed deer are common game animals found on the property. The Department and the Gays Mills Sportsmen's Club annually stock ring-necked pheasants throughout the Bell Center Unit. Non-game animals include numerous songbirds, shorebirds, and wading birds, black rat snakes, small mammals, and copious amphibians. An examination of the Natural Heritage Inventory records for this area indicate that wood turtles, a state threatened species, utilizes this area of Hall's Branch Creek. State land borders the property to the east, across the Kickapoo River, and to the north, across CTH "S".

Acquisition of the Klekamp Trust parcel will protect the property's inherent natural values, increase nature-based opportunities for public recreation and provide important wildlife and fisheries habitat management.

The Department recommends acquisition of this land to allow natural resource management, to consolidate state ownership, to protect the natural values of the site, to provide opportunities for public recreation, and to prevent development that is incompatible with the goals of the project.

3. FINANCING:

State Stewardship bond funds are anticipated:

	Funds allotted to program:	Balance after proposed transaction
Stewardship Bond:	\$4,000,000	\$1,935,950

Comments: Fiscal Year 2002 funds are anticipated.

4. ACQUISITION STATUS OF THE KICKAPOO WILDLIFE AREA:

Established: 1975
Acres Purchased to Date: 7,268.02
Acquisition Goal: 8,958.0 Acres
Percent Complete: 81.1%
Cost to Date: \$1,507,457

5. APPRAISAL:

Appraiser: Robert Bredemus (Private Appraiser)
Valuation Date: November 28, 2000
Appraised Value: \$345,000
Highest and Best Use: Hobby Farm -- one large or several small

Allocation of Values:

- a. land: 345 acres @ \$956 per acre: \$330,000
improvements: \$15,000
TOTAL: \$345,000
- b. market data approach used, three comparable sales cited
- c. adjusted value range: \$963 to \$1,111 per acre

Appraisal Review: Ron Olson — February 5, 2001

Comments: Two appraisals were completed for this transaction. The first is by Robert Bredemus with a valuation of \$345,000. The second appraisal was completed by Julie Hankes (Private Appraiser) with a valuation of \$379,000. Through negotiations with the grantors, final price was set at \$345,000.

RECOMMENDED:

Richard E. Steffes
Richard E. Steffes

4-19-01
Date

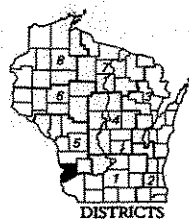
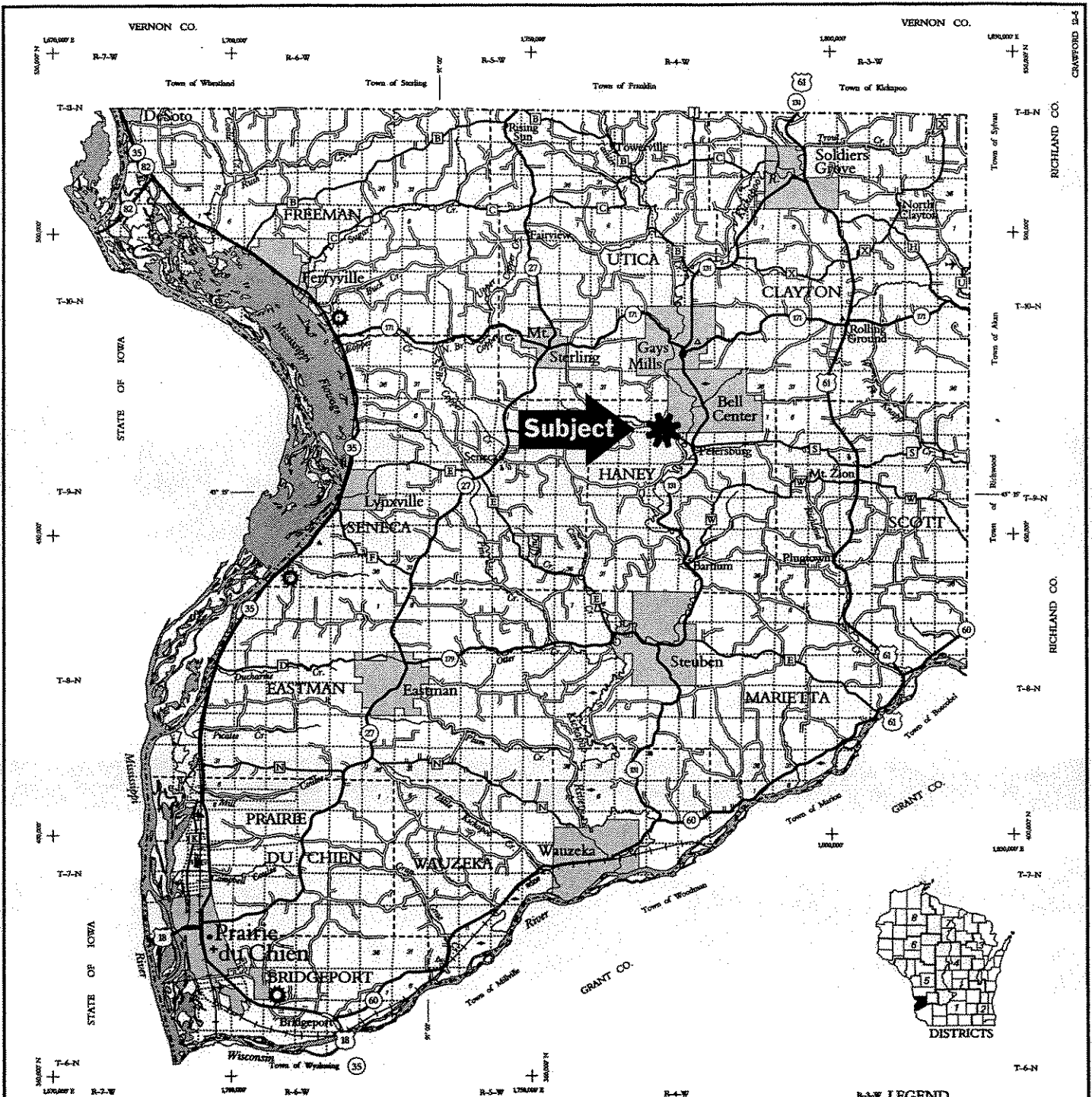
Bureau of Legal Services
Bureau of Legal Services

4/24/01
Date

Steven W. Miller
Steven W. Miller

4/25/01
Date

RES:jp



CRAWFORD CO.
 DEPARTMENT OF TRANSPORTATION
 STATE OFFICE BUILDING
 Madison, Wisconsin
 SCALE 1" = 20 MILES
 Corrected for
 JAN. 1998
 Data compiled from U.S.G.S. Quadmaster
 1:250,000 Series

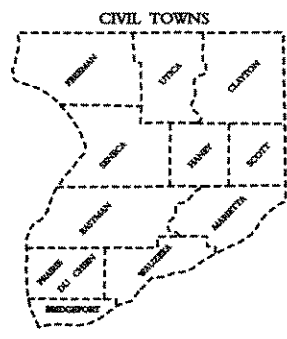
MILES OF HIGHWAY
 as of Jan. 1, 1998

STATE	380
COUNTY	133
LOCAL ROADS	754
OTHER ROADS	0
TOTAL FOR COUNTY	1267

Land Area (2000 Census) 575 sq. mi.
 Population (2000 Census) 4598
 County Seat Pacific de Chien

SECTION NUMBERING OF A TOWNSHIP

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
26	25	24	23	22	21
34	33	32	31	30	29
42	41	40	39	38	37



R-S-W LEGEND

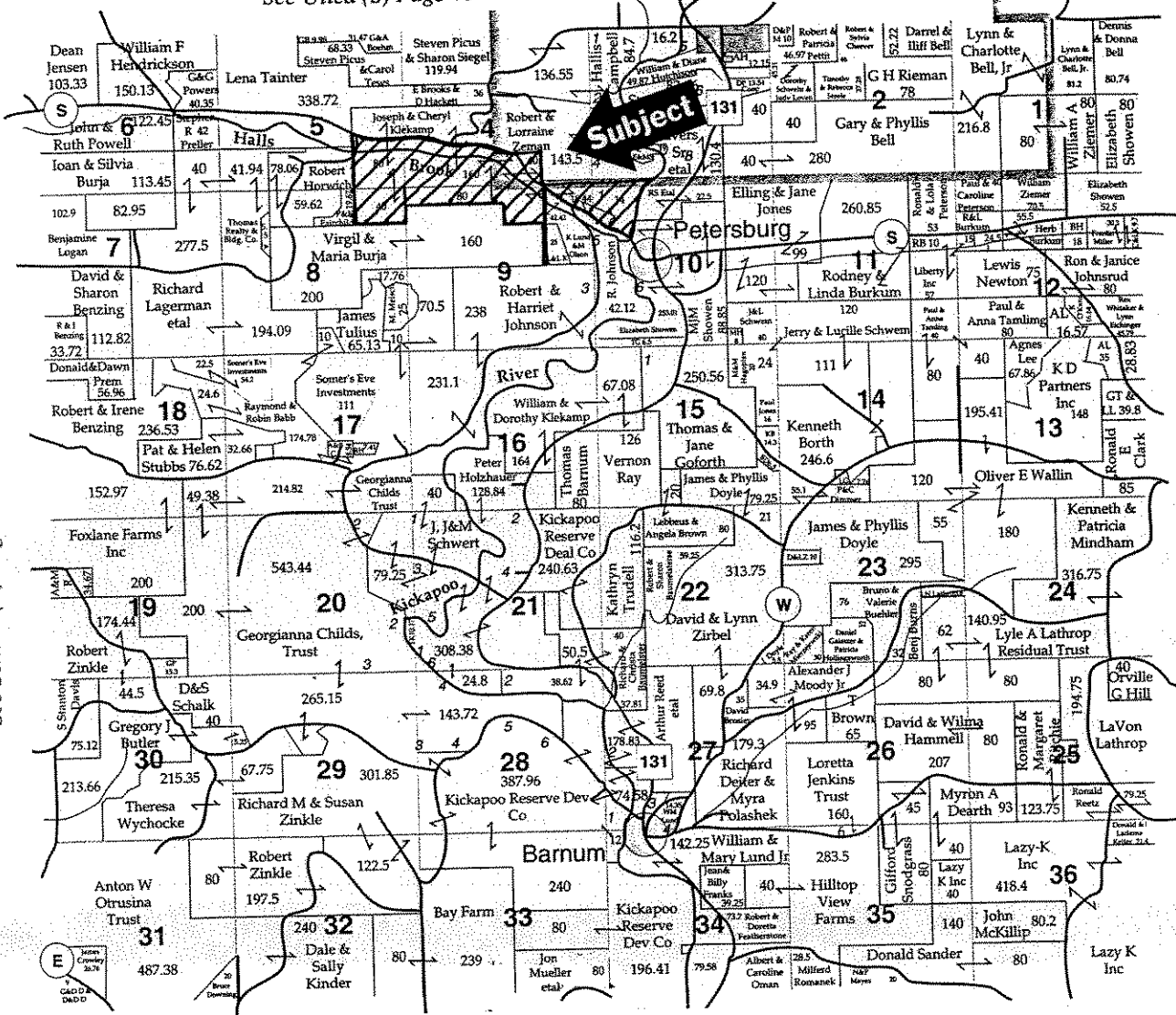
- | | | | |
|------------------------|-------|-----------------------------------|-------|
| Freeway | ..... | Dam | ..... |
| Multilane Divided | ..... | Hospital | ..... |
| U.S. or State Hwy | ..... | Schools | ..... |
| County Trunk Hwy | ..... | Airport | ..... |
| Town Road | ..... | County Seat | ..... |
| Firelane | ..... | Unincorporated Village | ..... |
| Railroad | ..... | Fish Hatchery | ..... |
| State Trail | ..... | Game Farm | ..... |
| Interchange | ..... | Public House or Fish Crk. | ..... |
| Highway Separation | ..... | Public Camp & Picnic Crk. | ..... |
| Interstate Highway No. | ..... | Ranger Station | ..... |
| U.S. Highway No. | ..... | State Park | ..... |
| State Highway No. | ..... | County Park With Facilities | ..... |
| County Highway Letter | ..... | Wetland Facilities | ..... |
| Great River Road | ..... | Wetland Facilities | ..... |
| State Boundary | ..... | Wetland Facilities | ..... |
| County Boundary | ..... |  |  |
| Civil Town Boundary | ..... |  |  |
| Section Line | ..... |  |  |



See Utica (S) Page 40

BELL CENTER

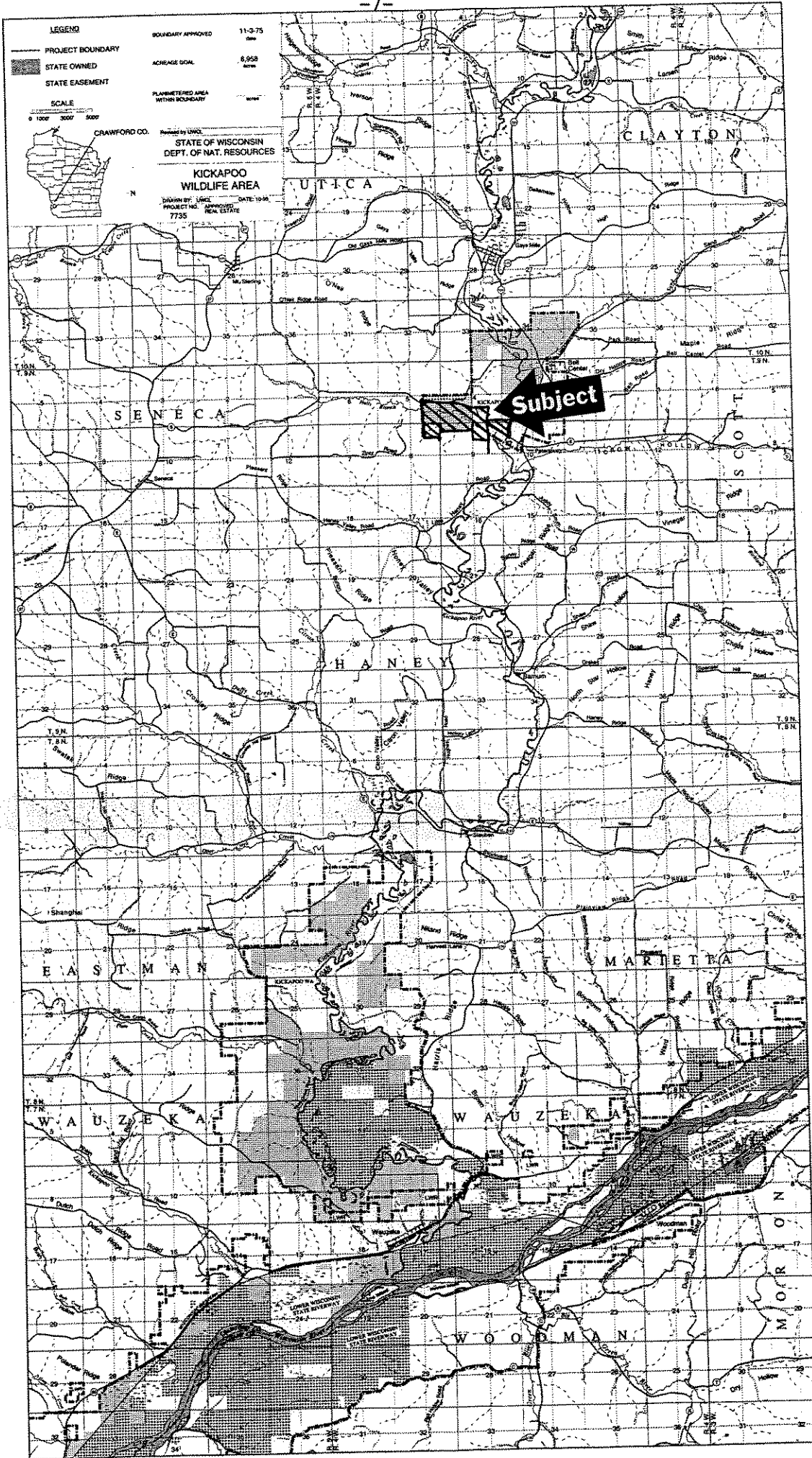
See Clayton (S) Page 12



See Seneca (E) Page 32

See Scott Page 30

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LEGEND

PROJECT BOUNDARY

STATE OWNED

STATE EASEMENT

SCALE

0 1000 2000 3000

BOUNDARY APPROVED 11-3-75

ACREAGE GOAL 6,958

PLANNED AREA WITHIN BOUNDARY None



CRAWFORD CO. PROJECTED BY DNR

STATE OF WISCONSIN

DEPT. OF NAT. RESOURCES

KICKAPOO WILDLIFE AREA

DRAWN BY: LSC DATE: 10-84

PROJECT NO: 7735 APPROVED: RML 12/84

Subject

SEN ECA

UTICA

CLAYTON

HANEY

EASTMAN

MARIETTA

WAUZEKA

WAUZEKA

WOODMAN

MORON