

1995-96 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR_RCP_pt01a
- 05hrAC-EdR_RCP_pt01b
- 05hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **

➤ Miscellaneous ... Misc

➤ 95hrJC-Fi_Misc_pt36

➤ Record of Comm. Proceedings ... RCP

➤ **

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

LL1, 119 Martin Luther King Jr. Blvd.
P.O. Box 7882
Madison, WI 53707-7882
Phone: 608-266-2253



ASSEMBLY CHAIR
BEN BRANCEL

LL2, 119 Martin Luther King Jr. Blvd.
P.O. Box 8952
Madison, WI 53708-8952
Phone: 608-266-7746

JOINT COMMITTEE ON FINANCE

February 21, 1996

Secretary James R. Klauser
Department of Administration
110 East Wilson Street
Madison, WI 53702

Dear Secretary Klauser:

This is to inform you that the members of the Joint Committee on Finance have reviewed the February 1, 1996 16.505/515 (2) request regarding the Department of Revenue.

No objections to this request have been raised. Accordingly, the request has been approved.

Sincerely,

Handwritten signature of Ben Brancel in cursive.

BEN BRANCEL
Assembly Chair

Handwritten signature of Tim Weeden in cursive.

TIM WEEDEN
Senate Chair

BB:TW:kc

cc: Members, Joint Committee on Finance
Linda Nelson, Department of Administration
Robert Lang, Legislative Fiscal Bureau

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

ASSEMBLY CHAIR
BEN BRANCEL

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JOINT COMMITTEE ON FINANCE

February 2, 1996

TO: Members, Joint Committee on Finance

FROM: Representative Ben Brancel
Senator Tim Weeden
Co-Chairs, Joint Committee on Finance

RE: 16.515/505(2) Request *Supervised assessments*

Attached is a copy of a request from the Department of Administration dated February 1, 1996 pursuant to sections 16.515/505(2) pertaining to a request from the Department of Revenue.

Please review this item and notify Representative Ben Brancel's office not later than Tuesday, February 20, 1996 if you have any questions or concerns about the request or would like the committee to meet formally to consider the request.

Also, please contact us if you need further information.

BB:TW:kc

CORRESPONDENCE MEMORANDUM

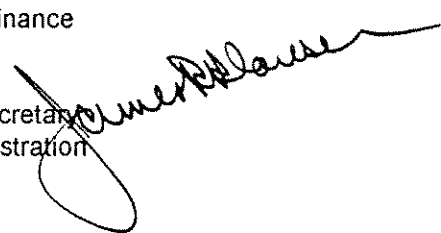
**STATE OF WISCONSIN
Department of Administration**

Date: February 1, 1996

To: The Honorable Tim Weeden, Co-Chair
Joint Committee on Finance

The Honorable Ben Brancel, Co-Chair
Joint Committee on Finance

From: James R. Klauser, Secretary
Department of Administration



Subject: S. 16.515/16.505(2) Requests

Enclosed are requests which 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:

| <u>AGENCY</u> | <u>DESCRIPTION</u> | <u>1995-96 AMOUNT</u> | <u>FTE</u> | <u>1996-97 AMOUNT</u> | <u>FTE</u> |
|---------------------|---------------------------|---------------------------|------------|---------------------------|------------|
| DOR 20.566(2)(h) | Supervised Assessments | \$1,787,100 | | \$543,900 | |

As provided in s. 16.515, this request will be approved on February 22, 1996, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about this request.

Please contact Linda Nelson at 266-3330, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

CORRESPONDENCE/MEMORANDUM

STATE OF WISCONSIN
Department of Administration

Date: January 25, 1996

To: James R. Klauser, Secretary
Department of Administration

From: Paul Ziegler, Policy and Budget Analyst
State Budget Office



Subject: Department of Revenue's S.16.515 request related to supervision of assessments

Request:

The Department of Revenue (DOR) requests additional expenditure authority of \$1,787,100 in FY96 and \$543,900 in FY97 for appropriation s.20.566(2)(h) Reassessments to cover the costs of supervised assessments required under s.70.05(5). The FY97 request is for ongoing funding.

Revenue Source for Appropriation:

The source of revenue for this request is reimbursements from the municipalities for which supervised assessments are required under s.70.05(5).

Background:

If DOR determines that a municipality failed to assess each class of property in the municipality within 10% of the full value of the class for five consecutive years, the municipality is required to attend assessment training in the next (sixth) year. If the municipality fails to assess each class of property in its boundaries within 10% of the class's full value in the year after the training (the seventh year), DOR is required by s.70.05(5)(g) to order special supervision of the municipality's assessment for the second year after training (the eighth year).

DOR's responsibility to track municipal assessments under this eight year timetable began with 1989 property values. Consequently, 1996 is the first time it has been required to order assessment supervision under these statutory provisions. (Under a separate section of the statutes, s.70.75(1), but under the same appropriation, supervised assessments may also arise from property owner petitions. DOR's costs to oversee petition initiated assessments are also reimbursed by the municipality involved.)

In 1994, the first year of training under the timetable, 177 municipalities were required to complete assessment training. In 1995, 52 taxation districts were given training. In 1996, 67 are expected to receive training.

Of those given training in 1994, 23 (13%) failed to comply with the full assessment standard in the year after training. DOR has ordered supervised assessments for this group for 1996 (FY96). In determining its request for FY97, DOR assumed that this same percentage of trainees will undergo supervised assessment. Consequently, DOR estimates that seven

supervised assessments will be ordered in 1997 (52*13%) and that nine will be ordered in 1998 (67 *13%).

The department issues requests for proposals to contract for assistance for local assessors under the supervision orders. The department also supervises the projects. Both the contractual costs and DOR's supervisory costs are charged to the municipality.

In its request, the department assumed that each contract would cost \$75,000, (the average of the last three contracts the department ordered). It also included its average DOR supervisory charge of \$2700 to each supervised assessment. DOR's request is thus calculated as the number of supervised assessments times \$77,700.

Analysis:

The cost of supervised assessments will vary. While DOR based this request on an average of a small number of actual contracts, the cost for contracts for individual municipalities will differ according to the number and type of parcels in each.

The number of supervised assessments will also vary. DOR's assumption that 13% of each group of municipalities given training will later require supervised assessments is based on only one year of experience. The portion in future years may be considerably different. Over time, the number of municipalities requiring training may also drop as a greater share will have undergone training in prior years.

Petition initiated assessments will consume a portion of the appropriation's expenditure authority. The number of such assessments will fluctuate. In 1995, DOR ordered two supervised assessments as a result of petitions. Two others are currently being investigated by DOR for possible supervision. In making its request, DOR has assumed that the appropriation's current expenditure authority of \$91,700 will be used for such s.70.75(1) assessments and thus be unavailable for supervised assessments resulting from the eight year s.70.05(5) cycle.

Possible law change. Assembly Bill 736 would allow a municipality to avoid supervision if it assesses within 10% of full value in either the training year or the year after training. Current law requires DOR to evaluate the municipality's effort *only* in the year after training. Passage of such legislation would reduce the number of supervised assessments.

Recommendation:

Approve the request but place the amounts on unallotted reserve. While DOR is obligated by statute to order the supervised assessments, the cost and number of these assessments will vary. Placing the requested amounts on unallotted reserve will allow the Department of Administration to release the funds only as needed.



State of Wisconsin • DEPARTMENT OF REVENUE

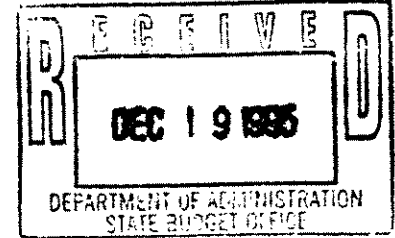
125 SOUTH WEBSTER STREET • P.O. BOX 8933 • MADISON, WISCONSIN 53708-8933 • 608-266-6486 • FAX 608-266-5718

Tommy G. Thompson
Governor

Mark D. Bugher
Secretary of Revenue

MEMORANDUM

December 15, 1995



TO: Richard G. Chandler, State Budget Director
Department of Administration

FROM: Mark D. Bugher, Secretary
Department of Revenue

SUBJECT: Section 16.515 Request for Increased Expenditure Authority
Under Section 20.566(2)(h), Stats., Reassessments

SUMMARY OF REQUEST

The Department of Revenue (DOR) requests \$1,787,100 PR in 1995-96 and \$543,900 in 1996-97 to fund the costs associated with administering section 70.05(5)(g) and 70.75(3), stats. The funding for fiscal year 1996-97 is requested on an ongoing basis.

BACKGROUND OF REQUEST

Section 70.05, stats., requires the Department to monitor the levels of assessment of each class of property in each taxation district in the state to ensure that local assessments of all properties are made equitably. The local assessment level by class based on the calendar year (as of January 1st) is measured against the Equalized Value released August 15th of each year. The assessment of each class must be within 10% of the full market value established by the Department of Revenue for the same class. If the taxation district's assessments are out of compliance for four consecutive years, the Department sends a notice telling them they have one more year to comply. If they remain out of compliance the fifth year, they are required to attend Department-sponsored training the sixth year. The assessments are then monitored for compliance the year after training (the seventh year). If they continue out of compliance, the law requires that the Department order a supervised assessment for the eighth year. We have been monitoring the assessment levels of all classes of property in each taxation district in the state under this law since 1989.

In 1994, training was provided to 177 districts whose assessments have not been in compliance since 1989. Based on the 1995 Equalized Value, fifty-nine (59) of the 177 communities are not in compliance. Nine (9) communities have completed their 1995 Assessments and are not in compliance. Fourteen (14) communities achieved compliance in the training year (which is not monitored under the existing statute) and failed to maintain

Richard G. Chandler

December 15, 1995

Page 2

the compliance level for the monitored year (1995). Twenty-three orders for supervised assessments in 1996 have been sent. This group represents 13% of the total municipalities trained in the first enforcement cycle. An additional, 36 communities have not completed their 1995 Assessments and filed the required Statement of Assessment. Until the Statement of Assessment is filed, we are unable to determine if these communities have achieved or failed to reach the compliance level. This means we have a potential of ordering supervised assessments in 59 taxation districts for 1996.

In 1995 we provided training to 52 taxation districts whose assessments have not been in compliance since 1990. Their assessments will then be monitored in 1996, (the year after training). If the same percentage (13%) as in the first enforcement cycle remain out of compliance, we will order seven (7) supervised assessments in 1997.

For 1996 our compliance comparison completed on October 31, 1995 indicates 67 districts will be required to attend training in the current cycle. These districts have not been in compliance since 1991. Their assessments will be monitored in 1997, (the year after training). If they remain out of compliance, a supervised assessments will be ordered in 1998. Based on the first enforcement cycle experience, nine (9) supervised assessments will be ordered.

In addition to funding supervised assessments in non-complying districts, this program revenue appropriation funds all costs associated with processing group petitions received for reassessments under Section 70.75(1), Stats. An average of 5 petitions are received each year under this law. We have ordered and are supervising the assessments of two taxation districts for 1995 and are currently investigating the petitions in two other districts.

The ongoing activities required to administer s.70.05(5)(g) and 70.75(1) and (3) include:

1. Annually monitor the assessment levels of each taxation district in the state.
2. Provide training to those in non-compliance five consecutive years.
3. Order supervised assessments in those taxation districts remaining out of compliance the year following the training.
4. Request responses to Requests for Proposal (RFP) from certified assessors and firms interested in doing assessment work.
5. Hire and supervise the expert help performing the assessment function in those districts under Chapter 70, Wis. Stats.

Richard G. Chandler
December 15, 1995
Page 3

6. Process petitions for reassessment received from groups of taxpayers including ordering supervised assessments in those districts where substantial inequities are evident.
7. Bill taxation districts for all associated costs.

ESTIMATE OF COSTS

The cost for this type of contractual work is largely dependent on the size of the taxation district under supervision, including the number and mix of parcels (residential, commercial, agricultural, etc.), whether there is lake property involved, the amount of sales activity in the area, and whether the assessments are done manually or placed on a computer database. The last three assessments supervised by the Department were \$120,000, \$80,000 and \$26,600. These were all in towns. An average of \$75,000 is being used to project the 1996 contractual assessment work.

The contract and actual Department costs are all recaptured after completion of each project. The taxation district is required to pay for all associated costs and is billed for the total amount of the project. Payment must be received by the end of the fiscal year in which the billing occurs. Since the work often crosses fiscal years, the project could begin and contractual funds be expended in one fiscal year, with the costs not recaptured until the next fiscal year. The additional contractual expenditure for 1995-96 is estimated to be \$1,725,000 for the 23 currently ordered supervised assessment communities. This assumes the 36 communities in the current enforcement cycle with Statements of Assessment outstanding will be in compliance when the statements are filed. The estimated 1996-97 additional expenditure is \$525,000 for the 7 anticipated supervised assessments.

In addition to the actual contractual costs, the Department charges \$45 per hour for its time to supervise the projects. An average Departmental charge is \$2,700 (60 hours x \$45), again depending on the individual project. This hourly rate includes all personal service and supplies and services costs. The estimated 1995-96 cost of the Department's supervision of the twenty-three (23) supervised assessment contracts is \$62,100. The Department supervision will be performed by SLF Bureau of Equalization staff located throughout the state in seven (7) district offices with coordination from the Central Office in Madison. The estimated 1996-97 Department cost of the seven (7) anticipated supervised assessment contracts is \$18,900.

SUMMARY OF REQUEST

The following is a summary of the Department's request for additional expenditure authority within supplies and services in s. 20.566(2)(h) - Reassessments:

| | <u>FY 1995-96</u> | <u>FY 1996-97</u> |
|---------------------|-------------------|-------------------|
| Supplies & Services | \$1,787,100 | \$543,900 |

The Department will continue to administer this law on an annual basis. Therefore, we request that the additional funding for fiscal year 1996-97 be authorized as ongoing funding.

PROGRAM REVENUE CASH FLOW ANALYSIS

| | <u>FY95-96</u> Estimate | <u>FY96-97</u> Estimate | <u>FY 97-98</u> Estimate |
|-------------------------|----------------------------|----------------------------|-----------------------------|
| Opening Balance | \$16,500 | (\$1,744,000) | (\$500,800) |
| Revenue Estimate | 198,700 | 1,878,800 | 635,600 |
| Expenditure Estimate | (1,959,200) | (635,600) | (791,000) |
| Ending Balance | (\$1,744,000) | (\$500,800) | (\$656,200) |

The Reassessment Program by nature creates an expenditure for the contract services and supplies and services costs before any revenues are received from the municipalities involved. The Department orders supervised assessments for the assessment year (as of January 1st) with the contract assessor performing the required work during the calendar year. Required performance time periods vary by municipality and are specified in the Department's contractual agreements. Payments to the contractor are based on the percentage completion of the contract as determined by Department staff supervising the reassessment contract.

Revenues are generated after contract completion and accumulation of the Department's supervisory staff costs. Since an average reassessment requires six months or more to complete, the reimbursement for the contractual costs and Department's supervision usually extends into the following fiscal year. If payment from a municipality is not received, payment is collected as a charge against the municipality's shared revenue payment in the following fiscal year. The expenditures of one year, therefore, become receipts for the following year.

The supervised assessment program revenue estimates are actual charges to date and the cost of the average reassessment contract (\$75,000) plus the average cost of Department supervision (\$2,700, 60 hours @ \$45) for a typical municipality. The reimbursed revenues

Richard G. Chandler
December 15, 1995
Page 5

for s. 70.75 petitions are estimated to be \$2,000 per municipality or approximately \$10,000 per year.

The cash deficits indicated for each fiscal year are covered by accounts receivables.

REVENUE SOURCES FOR APPROPRIATION

The sources of revenue deposited in the appropriation under s. 20.566(2)(h), Reassessments, are reimbursements from municipalities for costs incurred in reassessments of property value.

If you have any questions concerning this request, you may contact Pat Lashore at 266-3347.

cc: J. Rader
W. Tews
P. Strabala

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

ASSEMBLY CHAIR
BEN BRANCEL

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Phone: 608-266-2253



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JOINT COMMITTEE ON FINANCE

February 14, 1996

Secretary George E. Meyer
Department of Natural Resources
101 South Webster Street
Madison, WI 53702

Dear Secretary Meyer:

This is to inform you that the members of the Joint Committee on Finance have reviewed the request from the Department of Natural Resources pursuant to s.23.0915(4) regarding the purchase of 642.68 acres of land in Monroe and LaCrosse counties.

No objections to this request have been raised. Accordingly, the request has been approved.

Sincerely,

Handwritten signature of Ben Brancel in black ink.

BEN BRANCEL
Assembly Chair

Handwritten signature of Tim Weeden in black ink.

TIM WEEDEN
Senate Chair

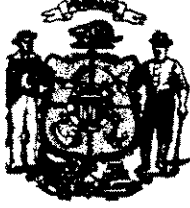
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cc: Members, Joint Committee on Finance
Linda Nelson, Department of Administration
Robert Lang, Legislative Fiscal Bureau

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

Room 119 South, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253



ASSEMBLY CHAIR
BEN BRANCEL

Room 107 South, State Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

TO: Members
Joint Committee on Finance

FROM: Senator Tim Weeden
Representative Ben Brancel
Co-Chairs, Joint Committee on Finance

DATE: January 25, 1996

RE: 14-Day Review
DNR, Proposed land acquisition, Schiller and Cook Tract

We have received a request for review from the Department of Natural Resources 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 review is for the proposed purchase of 642.68 acres in Monroe and La Crosse counties known as the Schiller and Cook Tract, to be included in the Streambank Protection Program, - Sand Creek.

Please review the attached materials and notify **Senator Tim Weeden's office** not later than **February 12, 1996** if you have concerns about the request or would like the Committee to meet formally to consider it.

Also, please contact us if you need additional information.

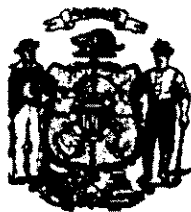
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attachment

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

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Phone: 266-2253



ASSEMBLY CHAIR
BEN BRANCEL

Room 107 South. State Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

January 25, 1996

George E. Meyer, Secretary
Department of Natural Resources
101 South Webster Street
Box 7921
Madison, WI 53707

Dear Secretary Meyer:

Your request for a 14-day review of the proposed Schiller and Cook Tract, (File # Fi-2484) land acquisition was received in our offices today. This request will be reviewed by the Committee, and we will notify you of our approval by Wednesday, February 14, 1996.

We appreciate your offer to provide additional information.

Sincerely,

Handwritten signature of Tim Weeden in black ink.

TIM WEEDEN
Senate Chair

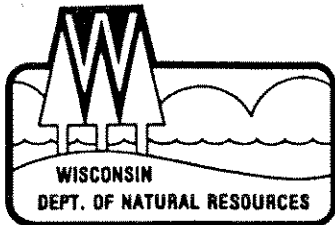
Handwritten signature of Ben Brancel in black ink.

BEN BRANCEL
Assembly Chair

TW:BB:dr

Attachment

1-25-96



George E. Meyer
Secretary

State of Wisconsin \ DEPARTMENT OF NATURAL RESOURCES

101 South Webster Street
Box 7921
Madison, Wisconsin 53707
TELEPHONE 608-266-0849
TELEFAX 608-267-2750
TDD 608-267-6897

IN REPLY REFER TO: Fi-2484

Honorable Timothy Weeden
Member State Senate
Room 37 South
C A P I T O L

Honorable Ben Brancel
Member State Assembly
Room 107 South
C A P I T O L

Dear Senator Weeden and Representative Brancel:

The Department is notifying you as co-chairs of the Joint Committee on Finance of a proposed 642.68-acre land purchase from Marvin Schiller and James and Joan Cook for \$352,000. 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 will consider the purchase at the January meeting. The land is required for Water Quality Protection, Fishery Management, and Public Recreation for the Streambank Protection Program - Sand Creek. There are sufficient funds appropriated to complete the purchase.


The file number is Fi-2484 and the land is located in Monroe and La Crosse Counties. Attached please find a memo and maps describing this transaction. The Department has notified local elected officials and state representatives regarding this transaction and I have not received any objections.

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 approved by the Natural Resources Board, the Department will forward the proposal to the Governor for his consideration. If you need additional information, please contact Carl Evert at 266-3462. Mr. Evert is available to answer any questions you may have in this matter.

Thank you for this consideration.

Sincerely,


George E. Meyer
Secretary

t:\pm9cochr.res

cc: Members, Joint Committee on Finance
Legislative Fiscal Bureau

NATURAL RESOURCES BOARD AGENDA ITEM

Form 1100-1
Rev. 5-91

SUBJECT: Sand Creek land acquisition - Monroe and La Crosse Counties.

FOR: JANUARY BOARD MEETING

TO BE PRESENTED BY: Carl H. Evert

SUMMARY: The Department has obtained an option to purchase 642.68 acres of land from Marvin Schiller and James and Joan Cook for \$352,000 for the Streambank Protection Program - Sand Creek in Monroe and La Crosse Counties. The item is being submitted because the purchase price is more than \$150,000. The property consists of a 640-acre block of sandy land (a complete section) along with a 2.68-acre access strip. Sand Creek flows diagonally through the section with more than 7,000 feet of stream thread on Sand Creek, 600 feet of thread on an unnamed tributary, and 4,000 feet of thread on another unnamed tributary. All streams are Class I brook trout waters. A small waterfall falls 20 feet over a horizontal distance of 30 feet along one of the tributaries. Most of the site is upland forest dominated by jack pine, scrub oak, and white and red pines. There are large white and red pines along the streams. This is a very scenic property which is large enough for management for a variety of public uses, such as hunting, fishing, hiking and cross-country skiing.

RECOMMENDATION: That the Board approve the purchase of 642.68 acres of land for \$352,000 for the Streambank Protection Program - Sand Creek.

LIST OF ATTACHED MATERIALS:

- | | | | |
|--|---|---|----------|
| No <input checked="" type="checkbox"/> | Fiscal Estimate Required | Yes <input type="checkbox"/> | Attached |
| No <input checked="" type="checkbox"/> | Environmental Assessment or Impact Statement Required | Yes <input type="checkbox"/> | Attached |
| No <input type="checkbox"/> | Background Memo | Yes <input checked="" type="checkbox"/> | Attached |

APPROVED:

Carl Evert
Real Estate Director, Carl H. Evert - PM/4

1-4-96
Date

J. T. Addis
Administrator, J. T. Addis - AD/5

1-8-96
Date

George E. Meyer
Secretary, George E. Meyer - AD/5

1/8/96
Date

- cc: L. Kernen - FM/4
 C. Evert - PM/4
 J. Scullion - AD/5
 D. Winter - Eau Claire

DATE: January 2, 1996

FILE REF: Fi-2484

TO: Governor Thompson

FROM: George E. Meyer *George*

SUBJECT: Proposed Land Acquisition, Schiller and Cook Tract, File # Fi-2484, Option Expires March 3, 1996

1. PARCEL DESCRIPTION:

Streambank Protection Program - Sand Creek
Monroe and La Crosse Counties

Grantor:

Marvin Schiller
James and Joan Cook
N8858 Highway 162 North
Mindoro, WI 54644

Acres: 642.68

Price: \$352,000

Appraised Value: \$352,000

Interest: Purchase in fee.

Improvements: Old wind mill and small shack.

Location: The tract is located fifteen miles northwest of Fort McCoy in northwestern Monroe County.

Land Description: The land is generally level to moderately rolling with a sharp 30- to 50-foot drop to Sand Creek.

Coverttype Breakdown:

| <u>Type</u> | <u>Acreage</u> |
|---------------------|----------------|
| Wooded Upland | 530.00 |
| Wetland | 20.00 |
| Cropland | 90.00 |
| Other (Access Road) | <u>2.68</u> |
| TOTAL | 642.68 |

Zoning: General Forestry District; Shoreland/Floodplain

Present Use: Recreation, Forestry, and Agriculture

Proposed Use: Water Quality Protection, Fishery Management, and Public Recreation

Tenure: 50 and 57 Years

Property Taxes: \$4,849.12

Option Date: December 4, 1995

2. JUSTIFICATION:

The Schiller and Cook property is proposed for purchase for the Stream Bank Protection Program - Sand Creek in Monroe and La Crosse Counties to protect the stream from runoff and erosion, to allow fishery management, and to provide opportunities for public recreation.

The goal of the Streambank Protection Program is to protect water quality, instream fisheries, and aquatic habitat from urban and rural nonpoint source pollution. Protection will be accomplished by acquiring easements or fee ownership along shorelands and managing the land to maintain permanent cover. The Streambank Protection Program - Sand Creek encompasses 2,250 acres of land and 8 miles of stream. The purpose of the project is to protect Sand Creek and some tributary areas. Sand Creek is a high quality trout stream containing brook trout and is a tributary of the Black River. It is one of the few streams in the area that has high water quality and potential for fishery habitat improvement. The width of the project is wider than that of other projects since the stream is set in a wide, deep valley and includes two tributary streams. The boundary was established at the top of the ridge for effective protection. Proposed management includes instream habitat improvement, livestock fencing, bank stabilization, and access improvements.

The Schiller and Cook property consists of a 640-acre block of sandy land (a complete section) along with a 2.68-acre access strip that provides physical and legal access to the southern part of the property. Access to the northern part of the property is provided by a town road. The property is entirely within the approved project boundary of the Streambank Protection Project - Sand Creek. It contains more than 7,000 feet of stream thread on Sand Creek, 600 feet of thread on an unnamed tributary, and 4,000 feet of thread on another unnamed tributary. All streams are Class I brook trout waters. A small waterfall tumbles about 20 feet over a horizontal distance of 30 feet along one of the tributaries and gave the Town of Little Falls its name. There is also at least one Native American gravesite on the property. Numerous spring seeps are located along the streambanks.

Sand Creek meanders diagonally through the tract in a 50-foot deep valley. Large, mature white pines shade the stream and protect the banks from erosion. Although the owner has periodically harvested other timber on the tract, these white pine were not cut because of the irreversible damage that would occur to the banks if they were removed. As part of this option, the Department has agreed that no white or red pine growing within 200 feet of the creek or its tributaries will be harvested except for salvage purposes because of disease, fire, wind, or other natural disaster. The streams could use some instream habitat work, primarily because of lack of cover, but erosion is not a problem along most of the stream.

Most of the site is upland that is forested with jack pine, oaks, and white pine. Some of the white pine are quite large and are concentrated along the creek and its tributaries. About 20 acres of wetlands occur along the stream system and contain northern wet-mesic forest. Although the site has not been inventoried, it is likely that this natural community provides habitat for several rare plant and bird species. The property has about 90 acres of cropland, mainly hay and corn, in the

northern part of the site. There is an old wind mill, a well, and a small hunting shack, all in poor condition. They add no value to the property.

The owner has allowed public hunting and fishing on the property for 50 years. He is now 82-years-old and is concerned that private ownership would mean the loss of natural values of the site as it is subdivided and sold to others. A private individual offered \$375,000 for the property, an offer that the owners rejected. The Department has discussed acquisition of the subject with the owners since 1969, and the owner would like to see the property go into public ownership.

This parcel is the key parcel for the entire Streambank Protection Project - Sand Creek. It is located at the middle of the project; it contains the main portion of Sand Creek and the confluence of two tributaries into Sand Creek. Protection of the site protects 28 percent of the project. Under poor management, erosion and nonpoint source pollution could cause deterioration of the water quality of the stream system and therefore deleterious to the fishery. The property provides access to an adjacent landlocked parcel owned by the Department and downstream from the subject.

The Department recommends purchase of the property to protect the natural resources of the site including the water quality of the stream and the fishery, to allow natural resource management, to provide opportunities for public recreation, and to consolidate state ownership. This is a rare opportunity to protect a large portion of a project by acquiring an entire section of land from one conservation-minded landowner.

3. FINANCING:

State Stewardship bond funds are anticipated:

| Funds allotted to program: | Balance after proposed transaction: |
|-------------------------------|---|
| \$1,108,880* | \$304,566 |

Comments: The purchase price will be paid in five installments. Estimated interest cost is \$35,200. *\$500,000 was added to this allocation by modifying the expenditures for the 1994 Wisconsin Dells land transaction.

4. ACQUISITION STATUS OF STREAMBANK PROTECTION PROJECT:

Established: 1994
Acres Purchased to Date: 1,941.57
Acquisition Goal: 30,334 Acres
Percent Complete: 6%
Cost to Date: \$1,504,361

5. APPRAISAL:

Appraiser: Richard Mertig (Staff Appraiser)

Valuation Date: November 6, 1995

Appraised Value: \$352,000

Highest and Best Use: Agriculture, seasonal recreation, and forestry


Allocation of Values:

- a. land: 642.68 acres @ \$547 per acre: \$351,545.96 rounded to \$352,000
- b. market data approach used, 5 comparable sales cited
- c. adjusted value range: \$490 to \$579 per acre

Appraisal Review: Ronald Olson - November 21, 1995

Comment: Norm Mesun, private appraiser, also appraised the property for the Department. He estimated value at \$360,000. The review appraiser approved both appraisals and approved the Mertig appraisal for just compensation because he judged the more conservative value placed on the timber value by Mertig was more reflective of the actions of a recreational buyer.

RECOMMENDED:



 Carl H. Evert

1-4-96

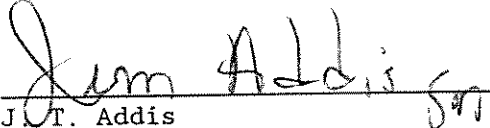
 Date



 Bureau of Legal Services

1/4/96

 Date



 J.T. Addis

1-8-96

 Date

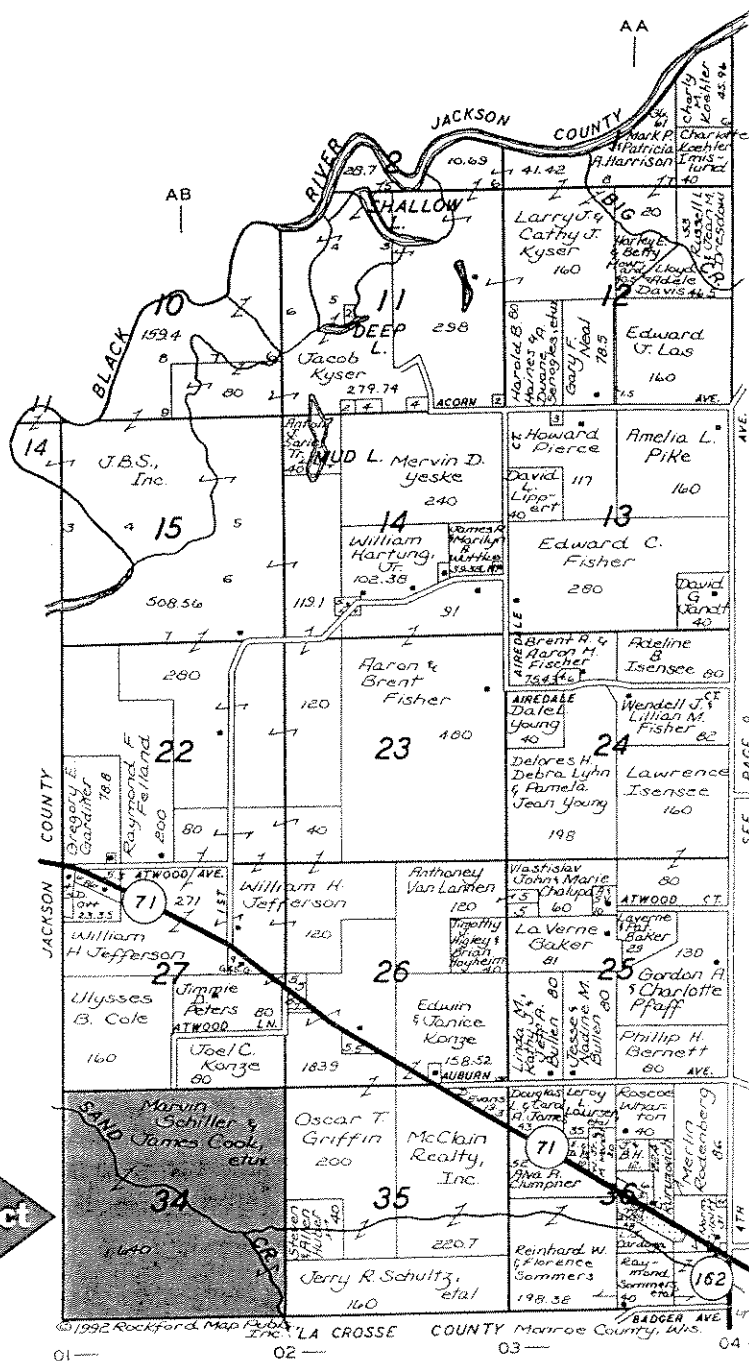
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8

NORTHWEST
PART

LITTLE FALLS

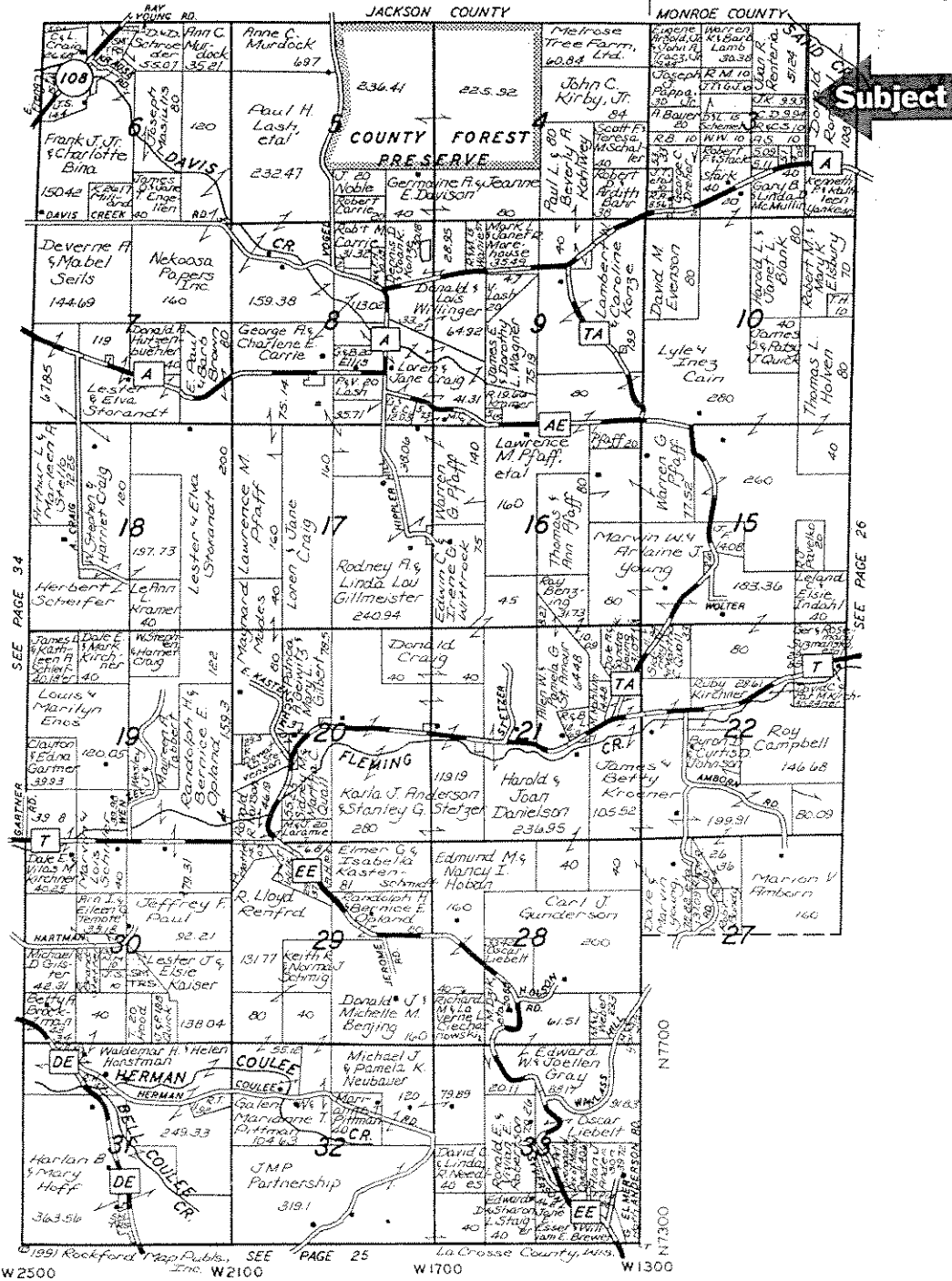
T. 19 N.-R. 5 W.



SEE PAGE 9

EAST PART FARMINGTON

T.18 N.-R.5 W.







© 1991 Rockford Map Publs., SEE PAGE 25 La Crosse County, Miss.
 W 2500 Inc. W 2100 W 1700 W 1300

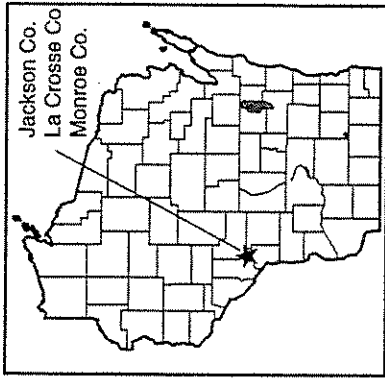
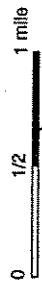
Subject

SEE PAGE 34

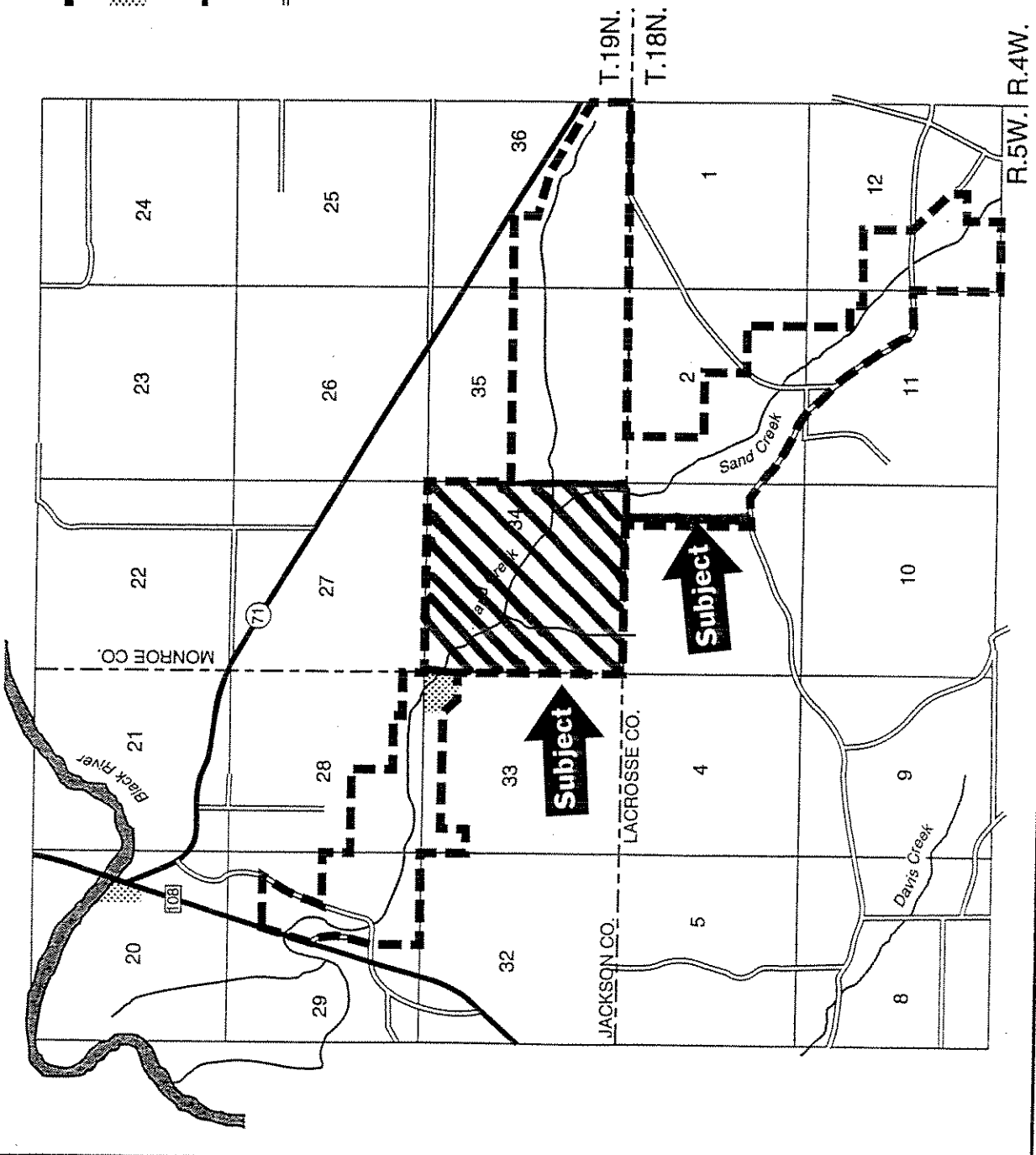
SEE PAGE 26

Stream Bank Protection - Fee Area Sand Creek

-  Project Boundary
-  State Owned
-  Highways and County Roads
-  Local Roads



| | |
|---|---------|
| STATE OF WISCONSIN DEPT. OF NAT. RESOURCES DIVISION OF SERVICES | |
| PROJECT NO. | DATE |
| 2425 | 11-3-93 |



STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

LL1, 119 Martin Luther King Jr. Blvd.
P.O. Box 7882
Madison, WI 53707-7882
Phone: 608-266-2253



ASSEMBLY CHAIR
BEN BRANCEL

LL2, 119 Martin Luther King Jr. Blvd.
P.O. Box 8952
Madison, WI 53708-8952
Phone: 608-266-7746

JOINT COMMITTEE ON FINANCE

February 9, 1996

Secretary James R. Klauser
Department of Administration
110 East Wilson Street
Madison, WI 53702

Dear Secretary Klauser:

This is to inform you that the members of the Joint Committee on Finance have reviewed the January 22, 1996 16.515/505(2) request regarding the Department of Justice.

No objections to this request have been raised. Accordingly, the request has been approved.

Sincerely,

A handwritten signature in cursive script that reads 'Ben Brancel'.

BEN BRANCEL
Assembly Chair

A handwritten signature in cursive script that reads 'Tim Weeden'.

TIM WEEDEN
Senate Chair

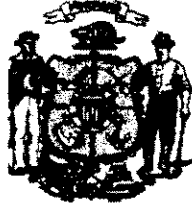
BB:TW:kc

cc: Members, Joint Committee on Finance
Linda Nelson, Department of Administration
Robert Lang, Legislative Fiscal Bureau

STATE OF WISCONSIN

SENATE CHAIR
TIM WEEDEN

Room 119 South, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-2253



ASSEMBLY CHAIR
BEN BRANCEL

Room 107 South, State Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-7746

JOINT COMMITTEE ON FINANCE

TO: Members of Joint Committee on Finance

FROM: Senator Tim Weeden
Representative Ben Brancel
Co-Chairs, Joint Committee on Finance

DATE: January 22, 1996

RE: 16.515/.505(2) Request
DOJ, Interagency and Intra-Agency Assistance

Attached is a copy of a request from the Department of Administration dated January 22, 1996 pursuant to section 16.515/.502(2) pertaining to a request from the Department of Justice.

Please review this item and notify Senator Tim Weeden's office not later than February 8, 1996 if you have any concerns about the request or would like the committee to meet formally to consider it.

Also, please contact us if you need further information.

TW:BB:dr

CORRESPONDENCE\MEMORANDUM

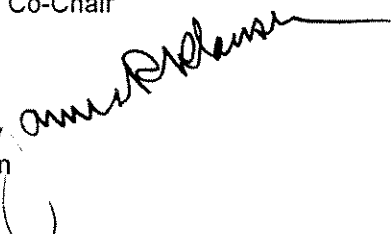
STATE OF WISCONSIN
Department of Administration

Date: January 22, 1996

To: The Honorable Tim Weeden, Co-Chair
Joint Committee on Finance

The Honorable Ben Brancel, Co-Chair
Joint Committee on Finance

From: James R. Klauser, Secretary
Department of Administration



Subject: S. 16.515/16.505(2) Requests

Enclosed are requests which 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:

| <u>AGENCY</u> | <u>DESCRIPTION</u> | <u>1995-96</u> | | <u>1996-97</u> | |
|----------------------|---|----------------|------------|----------------|------------|
| | | <u>AMOUNT</u> | <u>FTE</u> | <u>AMOUNT</u> | <u>FTE</u> |
| DOJ 20.455(1)(km) | Interagency and Intra-Agency Assistance | \$28,500 | | \$28,500 | |

As provided in s. 16.515, this request will be approved on February 12, 1996, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about this request.

Please contact Linda Nelson at 266-3330, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

CORRESPONDENCE/MEMORANDUM

STATE OF WISCONSIN
Department of Administration

Date: January 17, 1996

To: James R. Klauser, Secretary
Department of Administration

From: Michael Heifetz, Executive Policy and Budget Analyst
State Budget Office

Subject: Request under s. 16.515 from the Department of Justice relating to increased expenditure authority for attorney expenses related to property condemnation cases funded by the Department of Transportation.

REQUEST:

The Department of Justice (DOJ) requests increased expenditure authority of \$28,500 PRS annually under s. 20.455(1)(km), Interagency and intra-agency assistance appropriation, to cover the actual salary, fringe benefit and supplies and services costs associated with condemnation of property cases managed by DOJ through a contract with the Department of Transportation (DOT). Funding for this request will be provided from DOT SEG funds under s. 20.395(3)(iq).

REVENUE SOURCE FOR APPROPRIATION:

The source of revenue for the appropriation under s. 20.455 (1)(km) is the DOT appropriation under s. 20.395(3)(iq), *Administration and planning, state funds*. The *Administration and planning, state funds* appropriation receives revenue from the Transportation Fund.

BACKGROUND:

In December 1991, the Departments of Justice and Transportation signed an interagency agreement in which DOT provided \$100,000 annually for DOJ legal services to manage condemnation of property cases associated with DOT highway improvement projects. On January 2, 1992, the Joint Finance Committee (JCF) authorized position and PRS expenditure authority that enabled DOJ to fund one full-time attorney position and one half-time Legal Secretary position under s.20.455(1)(km). 1993 Wisconsin Act 16 (the 1993-95 biennial budget act) provided for \$111,400 PRS in FY94 and \$111,500 PRS in FY95 to fully fund the cost of the legal services provided by DOJ to DOT under the agreement.

Section III, F of the DOJ/DOT contract requires both parties to biennially reevaluate the agreement to determine if the amount of SEG funding is sufficient. In accordance with this section, in February 1994, the interagency agreement was amended to increase the annual funding to \$120,000. This adjustment was required to reflect the salary increase for the attorney position as a result of the new attorneys collective bargaining agreement. A request under s. 16.515 for additional expenditure authority required to fund this amendment (\$8,600 PRS in FY94 and \$8,500 PRS in FY95) was approved by the JCF on July 18, 1994. However, these increases were inadvertently excluded from DOJ's base budget during the 1995-97 biennial budget process.

ANALYSIS:

In December 1995, the interagency agreement was again amended to increase the annual funding to \$140,000. This adjustment was required to reflect the actual salary, fringe benefit and supplies and services costs associated with the positions that are funded from this contract. These expenses are likely to continue to increase as the state's ambitious highway improvement program continues to progress. Additional spending authority required under appropriation s. 20.455(1)(km) totals \$28,500 annually:

| | <u>FY96</u> | <u>FY97</u> |
|-------------------------------------|------------------|------------------|
| Salaries | 98,500 | 98,500 |
| Fringe Benefits | 30,000 | 30,000 |
| Supplies & Services | <u>11,500</u> | <u>11,500</u> |
| Total Budget | \$140,000 | \$140,000 |
| 20.455(1)(km) expenditure authority | <u>111,500</u> | <u>111,500</u> |
| Additional funding required | \$ 28,500 | \$ 28,500 |

The additional expenditure authority would be allocated as follows: (1) \$20,900 (including \$8,500 approved in July, 1994 but not added to the DOJ base budget) to the salary line; (2) \$4,500 to the fringe benefits line; and (3) \$3,100 to the supplies and services line.

RECOMMENDATION:

Approve increased expenditure authority of \$28,500 PRS annually in appropriation 20.455(1)(km) to fund the actual attorney expenses associated with the DOJ/DOT contract. The additional expenditure authority is ongoing and should be built into DOJ's base budget during the 1997-99 biennial budget process.

Date: January 5, 1996

To: Michael Heifetz
Department of Administration

From: Andrew Cohn *Andrew Cohn/SS*
Department of Justice

Subject: REQUEST UNDER SEC. 16.515, RELATING TO A CONTRACT WITH
DOT

Under the authority of sec. 16.515, Wis. Stat., the Department of Justice requests increases in the appropriation under sec. 20.455(1) (km) -- "Interagency and Intra-Agency Assistance." Increases of \$28,500 are requested for '96 and '97. These increases will enable us to spend additional amounts which the Department of Transportation has agreed to pay for legal services which we provide for highway improvement projects.

Background

On December 4, 1991, Attorney General Doyle and Transportation Secretary Fiedler signed an interagency agreement (attached), under which DOT was to provide \$100,000 annually from the Transportation Fund under sec. 20.395(4) (aq), for 1.5 FTE positions assigned to highway improvement legal work. In December, 1991, the Department submitted a request under sec. 16.505 and 16.515, Wis. Stat., for position and spending authority to fulfill this agreement, which was subsequently approved.

On January 18, 1994, the interagency agreement was amended to provide for \$120,000 in annual payments. Additional spending authority was provided through a May, 1994 request under sec. 16.515 (attached). As that request noted, the 1993-95 budget process resulted in spending authority of \$111,400 in '94 and \$111,500 in '95, for this appropriation. Consequently, the increases requested under sec. 16.515, to enable the Department to spend the \$120,000 paid by DOT, were \$8,600 in '94 and \$8,500 in '95.

Analysis

On December 18, 1995, this agreement was again amended (attached), to provide for DOT payments of \$140,000 annually. However, WiSMART spending authority for this contract remains at the \$111,500 level set in 1993 Wisconsin Act 16--the May, 1994 adjustment was not built into the 1995-97 budget process. Consequently, to reach the \$140,000 in spending which the DOT grant calls for, annual increases of \$28,500 are needed in this appropriation. The resulting budget would be \$98,500 for salaries,

\$30,000 fringe benefits, and \$11,500 supplies and services. (Please note that this appropriation now "houses" an unrelated grant which we receive from the Department of Administration for risk management purposes, in the amount of \$114,500 annually.)

Summary

The Department of Transportation has recognized the additional costs incurred by the Department of Justice in providing certain legal services, and our interagency agreement has been modified accordingly. Approval of this request will adjust current spending authority to match the revised agreement, to the benefit of many parties.

attachments



Wisconsin Department of Transportation

Tommy G. Thompson
Governor

Ronald R. Fiedler, P.E.
Secretary

OFFICE OF THE SECRETARY
P. O. Box 7910
Madison, WI 53707-7910

December 4, 1991

Attorney General James Doyle
Department of Justice
123 West Washington Avenue
Madison, WI 53707

Dear Attorney General Doyle:

Our staffs have been working jointly to establish a cooperative interagency agreement for the reimbursement of legal services provided by the Department of Justice on highway improvement projects. This proposed agreement will provide supplementary funding to support additional positions at the Department of Justice. Funding for this supplementary agreement will come from the highway improvement program.

According to your staff, one employee can handle about 40 condemnation cases per year. Currently, the condemnation caseload is nearly double that amount and it is expected to increase in the short term. Under this proposed agreement, the Department of Justice will commit one additional attorney and one-half additional support staff person to this workload and bill the Department of Transportation for their actual charges.

The language of the proposed interagency agreement has been kept general to provide sufficient flexibility to adjust to changing needs. An annual limit of \$100,000 has been established to finance the salary, fringe benefits, and supply needs associated with the 1.5 staff positions.

This proposed agreement will enhance our efforts to deliver transportation services in an efficient and timely manner and it should help ensure that the resources needed to provide highway related legal services are available. If there are any questions about this proposed agreement or suggested revisions, please contact Steve Watters, Director of the Bureau of Budget and Program Analysis at 266-7575.

Sincerely,

A handwritten signature in cursive script that reads "Ronald R. Fiedler".

Ronald R. Fiedler, P.E.
Secretary

RRF:lcb

AGREEMENT

Wisconsin Department of Transportation
and
Wisconsin Department of Justice
Supplementary Funding for Legal Services

I. STATEMENT OF PURPOSE

Under s. 165.25 (4) (a), the Department of Justice is required to furnish all legal services, together with any other services, including stenographic and investigational, as are necessarily connected with Department of Transportation legal work. Reimbursement to the Department of Justice from the Transportation Fund for these required legal services is provided under s. 20.395 (4) (aq).

Present Department of Justice staffing levels cannot adequately address transportation related needs, however. Inadequate consultation or untimely Department of Justice responses may unnecessarily delay project construction and can increase project costs.

The purpose of this supplementary funding agreement is to provide the Department of Justice with the additional resources and funding to assist it in carrying out in a timely manner its responsibilities under s. 165.25 (4) (a).

II. BASIS FOR AGREEMENT

The legal services provided to the Department of Transportation by the Department of Justice are, in large part, related to the condemnation of property. As the highway construction program has expanded, real estate acquisition activities have increased dramatically. This workload is expected to continue to grow in the next few years as the Corridors 2020 program is implemented.

Prior to the most recent expansion in the Department of Transportation's highway improvement program, the Department of Justice was able to fulfill its responsibilities and obligations under s. 165.25 (4) (a), using existing budgetary resources. The increased need for legal services related to transportation projects has, however, resulted in a backlog at the Department of Justice and its legal staff is no longer able to provide the level of service that the highway program demands and the statutes require. In response to this reality, the Department of

Transportation and the Department of Justice have decided to enter into this agreement.

III. ITEMS OF AGREEMENT

A. The Department of Justice will employ 1.5 Full Time Equivalent (FTE) additional positions to carry out its responsibilities related to the highway improvement program.

B. These positions shall include one additional attorney and one-half additional legal secretary.

C. These positions are to increase Department of Justice services to Department of Transportation, not supplement current Department of Justice resources.

D. The Department of Transportation will fund these 1.5 positions. These SEG funded positions will be employees of the Department of Justice and subject to the Department of Justice's Work Rules and Code of Ethics.

E. The amount of SEG funding for the 1.5 FTE positions to be employed by the Department of Justice will be guided by the following:

- 1) Costs shall be reasonable, supported, and referenced to the appropriate project.
- 2) Eligible cost items shall include the following: salary, fringe benefits, exceptional performance and equity awards, travel, training, supplies, and office equipment. These are to be itemized when invoicing the Department of Transportation.
- 3) No other costs shall be reimbursed without specific, prior authorization from the Department of Transportation.
- 4) Annual salary and fringe benefit funding will be sufficient to fund one additional full time equivalent attorney and one-half additional legal secretary.
- 5) Total annual payment under this supplementary agreement shall not exceed \$100,000.
- 6) All documents supporting the costs shall be available for audit by the Department of Transportation or the Federal Highway Administration (FHWA) in accordance with established procedures.

- 7) The Department of Transportation shall notify the Department of Justice of projects that have been closed to further charges.
- F. The Department of Transportation and the Department of Justice will reevaluate this agreement in July, 1993 and every two years thereafter to determine whether the agreement should be continued or if the amount of SEG funding is sufficient or if other amendments are needed.

This agreement is contingent on approval by the Joint Committee on Finance and the Department of Administration pursuant to sec. 16.505, Stats.

Wisconsin Department of Transportation

Ronald R Fiedler

Ronald R. Fiedler, Secretary

12/4/91

Date

Wisconsin Department of Justice

James Doyle

James Doyle, Attorney General

12/4/91

Date



STATE OF WISCONSIN
DEPARTMENT OF JUSTICE

Bob H.

JAMES E. DOYLE
ATTORNEY GENERAL
Burneatta L. Bridge
Deputy Attorney General

February 3, 1994

123 West Washington Avenue
P.O. Box 7857
Madison, WI 53707-7857

Robert A. Selk
Assistant Attorney General
Administrator
Division of Legal Services
608/266-0332

Mr. James S. Thiel
General Counsel
Office of General Counsel
4802 Sheboygan Avenue, Room 115B
Madison, Wisconsin 53702

Dear Mr. Thiel:

Enclosed is the signed amendment to paragraph III.E. 5 of the Agreement between the Department of Transportation and the Department of Justice. This should take us to July, 1995 before we need to again reevaluate this agreement under III.F.

Please let me know if there are any additional matters we need to take care of at this point under this agreement. I have enjoyed working with you on this matter.

Sincerely,

Robert A. Selk
Assistant Attorney General
Administrator
Division of Legal Services

RAS:jpm

Enclosure

ADMINDOTDOLAGR



Wisconsin Department of Transportation

Tommy G. Thompson
Governor

Charles H. Thompson
Secretary

OFFICE OF GENERAL COUNSEL
P. O. Box 7910
Madison, WI 53707-7910

January 18, 1994

Robert A. Selk, Administrator
Division of Legal Services
Department of Justice
123 West Washington Avenue
P.O. Box 7857
Madison, WI 53707-7857

Dear Mr. Selk:

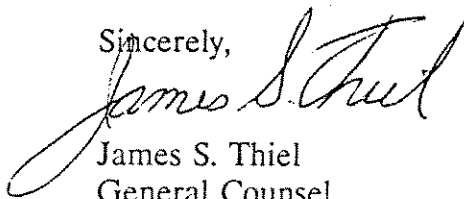
We met on January 10, 1994 to review the general estimates of time DOJ attorneys and paralegals devoted to DOT legal services during fiscal year 1993. We reconciled the expenditures of the \$100,000 DOT grant¹ to DOJ for legal services with these general estimates.

In light of these considerations, and as required by paragraph III. F. of the DOT grant agreement, we reevaluated the grant and determined the agreement should be continued and the amount of funding should be increased to reflect the new attorneys collective bargaining agreement. We agreed to amend paragraph III. E. 5) of the DOT grant agreement to read as follows:

"5) Total annual payment under this supplementary agreement shall not exceed ~~\$100,000~~ \$120,000."

Please acknowledge your acceptance of this amendment by endorsing and returning a copy of this letter to me. I will process the necessary paperwork for the next payment due at the end of this fiscal year.

Sincerely,


James S. Thiel
General Counsel

Amendment accepted: ; Date: 2.3.94

¹ "Agreement - Wisconsin Department of Transportation and Wisconsin Department of Justice - Supplementary Funding for Legal Services" dated 12/4/91.



Wisconsin Department of Transportation

Tommy G. Thompson
Governor

Charles H. Thompson
Secretary

OFFICE OF GENERAL COUNSEL
P. O. Box 7910
Madison, WI 53707-7910

December 11, 1995

Robert A. Selk, Administrator
Division of Legal Services
Department of Justice
123 West Washington Avenue
P.O. Box 7857
Madison, WI 53707-7857

DOT App.
461 Right Mt (690)
reduced from 350,000/yr to 315,000
in Feb ~~113~~
113

369 Highways
Condemnation

Dear Mr. Selk:

This confirms our various discussions pending the enactment of the 1995-97 DOT biennial budget. Our budget from which general legal services are paid was cut from \$350,000 to \$315,000. We reconciled this cut and expenditures for renewal of the \$120,000 DOT grant¹ to DOJ for legal services with these general estimates.

In light of these considerations, and as required by paragraph III. F. of the DOT grant agreement, we reevaluated the grant and determined the agreement should be continued and the amount of funding should be increased to reflect the inflation and the attorneys collective bargaining agreement. We agreed to amend paragraph III. E. 5) of the DOT grant agreement to read as follows:

"5) Total annual payment under this supplementary agreement shall not exceed ~~\$120,000~~ \$140,000."

Please acknowledge your acceptance of this amendment by endorsing and returning a copy of this letter to me. I will process the necessary paperwork for the next payment due at the end of this fiscal year.

Sincerely,

James S. Thiel
General Counsel

Amendment accepted: ; Date: 18 December 1995

¹ "Agreement - Wisconsin Department of Transportation and Wisconsin Department of Justice - Supplementary Funding for Legal Services" dated 12/4/91; extension and \$120,000 amendment by letter dated January 18, 1994.