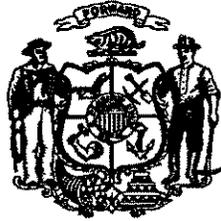


THE STATE OF WISCONSIN

H

SENATE CHAIR
BRIAN BURKE

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Phone: (608) 266-8535



ASSEMBLY CHAIR
JOHN GARD

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JOINT COMMITTEE ON FINANCE

May 16, 2002

Secretary George Lightbourn
Department of Administration
101 E. Wilson Street, 10th Floor
Madison, WI 53702

Dear Secretary Lightbourn:

We are writing to inform you that the Joint Committee on Finance has reviewed your request, received April 26, 2002, pursuant to s. 16.515/16.505(2), Stats., pertaining to a request from the University of Wisconsin System.

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

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of John G. Gard in black ink.

JOHN G. GARD
Assembly Chair

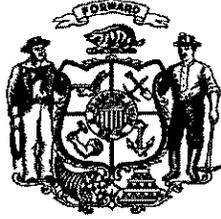
BB:JG:dh

cc: Members, Joint Committee on Finance
Doug Hendrix, Associate Vice President for Finance, UW System
Robert Lang, Legislative Fiscal Bureau
Vicky LaBelle, Department of Administration

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

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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

Re: s. 16.515/16.505, Stats. Request

Date: April 26, 2002

Attached is a copy of a request from the Department of Administration, received April 26, 2002, pursuant to s. 16.515/16.505(2), Stats., pertaining to a request from the University of Wisconsin System.

Please review the material and notify **Senator Burke** or **Representative Gard** no later than **Wednesday, May 15, 2002**, 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:dh



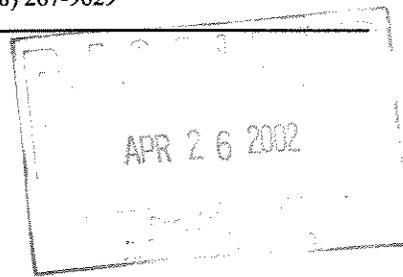
**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

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: April 26, 2002
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)



George Lightbourn

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:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>2001-02 FTE</u>	<u>AMOUNT</u>	<u>2002-03 FTE</u>
UWS 20.285(1)(kb)	Great Lakes studies	\$ 7,842 *			

* One-time expenditure authority.

As provided in s. 16.515, the request(s) will be approved on May 17, 2002, 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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TTY (608) 267-9629

Date: April 18, 2002

To: George Lightbourn, Secretary
Department of Administration

From: R.J. Binau *RJB*

Subject: Request under s. 16.515 Request from the University of Wisconsin System for Great Lakes Fisheries Study

REQUEST:

The University of Wisconsin (UW) System is requesting a spending authority increase for the program revenue appropriation under s.20.285(1)(kb) – Great Lakes Fisheries Study. The program is jointly run by the Department of Natural Resources (DNR) and UW – Milwaukee.

REVENUE SOURCES FOR APPROPRIATION(S):

The Great Lakes Fisheries Study is funded by UW- Milwaukee 60% and the Department of Natural Resources 40%. The DNR funding comes from appropriation 20.370 (4) (mu) General Program Operations – SEG. The UW- Milwaukee funding is contained in the Graduate School programs - GPO and auxiliary enterprises. Each participant reallocated funds from existing resources to provide the funding. Any amount incurred in excess of the amount agreed to by DNR and UW – Milwaukee will be the responsibility of the UW – Milwaukee.

BACKGROUND:

The Great Lakes Fisheries Study program was created in the 1997 – 99 biennial budget. 1997 Act 27. The program currently operates under a memorandum of understanding exists between the DNR and the UW – Milwaukee's Great Lakes Water Institute to jointly operate the Great Lakes Fisheries Study. The objectives of the study are: (1) to dedicate research and scientific staff to the project; (2) conduct research on the Great Lakes and their aquatic resources with focus on the needs of the State of Wisconsin; (3) to disseminate research findings; and (4) to provide technical and scientific training in the field of fisheries, aquatic science and natural

Members, Joint Committee on Finance
Page 2
April 18, 2002

resource research, management and education. The current memorandum runs though FY 04.

ANALYSIS:

The current FY02 appropriation reflecting DNR's contribution is \$33,100. The request is to increase the appropriation to \$40,942. The increase represents pay plan and fringe benefit increases that were processed by the University on behalf of the staff at the Institute. The revised budget of \$40,942 represents the amount agreed to by DNR. It is estimated that the UW-Milwaukee will incur costs above this budgeted amount. As stated, these costs will be covered within existing UW - Milwaukee resources. Based on the information provided by UW, the request is reasonable.

RECOMMENDATION:

Approve the Request.

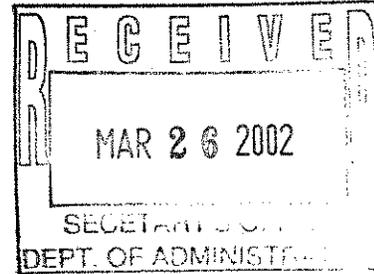


Financial Administration

780 Regent Street, Suite 221
Madison, Wisconsin 53715
(608) 262-1313
(608) 262-5316 Fax

email: finadmin@uwsa.edu
website: <http://www.uwsa.edu>

DS - SS - VLB
CC RW
RJB



Date: March 15, 2002

To: George Lightbourn
Secretary, Department of Administration

From: Doug Hendrix
Associate Vice President for Finance
UW System Administration

Subject: S.16.515 Request for Great Lakes Fisheries Study

The purpose of this memo is to request a spending authority increase for the program revenue appropriation under s.20.285(1)(kb). The DNR and UW Milwaukee jointly administer this appropriation for the purpose of studying the Great Lakes Fishery. UW Milwaukee provides 60% of the program costs and the DNR provides 40%.

The initial agreement between the UW and the DNR provided for funding not to exceed \$32,000 during fiscal year 1999, not to exceed \$36,000 during fiscal year 2000 and not to exceed \$40,000 during fiscal year 2001. By mutual agreement, the DNR and UW Milwaukee wish to increase the spending authority for this program to \$40,942 in fiscal year 2002. Increases to pay plan and fringe benefits are the primary factors driving the request.

Thank you for your consideration of this request.

Please direct all questions concerning this request to Jeff Arnold at 265-5792

Sincerely,

Doug Hendrix
Associate Vice President for Finance

Debbie Durcan
Mike Rupp
Donald Weill
Renee Stephenson

RJ Binau
Bill Horns
Jeff Arnold

STATE OF WISCONSIN

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JOINT COMMITTEE ON FINANCE

May 24, 2002

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

Dear Secretary Lightbourn:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your request, dated May 7, submitted pursuant to s. 16.505(2) Stats., and pertaining to a request from the Department of Natural Resources for 1.0 PR project position in the Bureau of Air Management.

A meeting of the Committee will be scheduled to act on this request. Therefore, the request is not approved at this time.

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
Secretary Darrell Bazzell, Department of Natural Resources
Vicky LaBelle, Department of Administration



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

December 17, 2002

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Natural Resources: Section 16.505 Request Related to Air Vapor Recovery Inspection
Project Position – Agenda Item XX

REQUEST

On May 7, 2002, the Department of Administration (DOA) forwarded a s. 16.505 request to the Joint Committee on Finance from the Department of Natural Resources (DNR) for 1.0 PR project position that would end on September 14, 2003, in the Bureau of Air Management general program operations – service funds appropriation [s.20.370(2)(mk)]. The position would inspect gas stations in southeast Wisconsin for compliance with stage II vapor recovery requirements. Stage II vapor recovery systems are intended to reduce the release of gasoline vapors into the air while vehicles refuel by collecting vapors at the gasoline pump nozzle and returning the vapors to an underground tank. On May 24, 2002, the Co-Chairs of the Joint Committee on Finance notified DOA that a meeting of the Committee would be scheduled to review the request.

BACKGROUND

The Wisconsin Department of Transportation (DOT) received a grant from the Congestion Mitigation and Air Quality (CMAQ) program of the U.S. Department of Transportation. The CMAQ program provides funds to help meet requirements of the federal Clean Air Act. It funds projects in nonattainment areas (areas that do not meet the National Ambient Air Quality Standards) and former nonattainment areas (areas that are now in compliance for ozone, carbon monoxide and small particulate matter standards but were formerly not in compliance with one or more of the standards). Projects funded by CMAQ must reduce transportation-related emissions. Southeastern Wisconsin is classified as a severe ozone air quality nonattainment area. The Clean

Air Act requires states to advise people of health hazards from air pollution and actions that people can take to prevent the exceedence of air quality standards.

DNR entered into an interagency agreement with the Wisconsin DOT to use \$104,000 in CMAQ funds to undertake a two-year project to increase compliance with stage II vapor recovery efforts in southeast Wisconsin. DNR will use \$26,100 from the stage II vapor recovery appropriation funded from the segregated petroleum inspection fund over two years to provide the required 20% state match to the federal funds. The grant period began September 14, 2001, and lasts until September 14, 2003.

ANALYSIS

The Wisconsin DOT grant agreement with DNR includes inspection of 500 motor vehicle fueling stations equipped with stage II vapor recovery systems, follow-up documentation, and enforcement. Motor vehicle fueling stations located in moderate or worse ozone nonattainment areas (including southeast Wisconsin) are required to install gasoline vapor recovery systems on dispensing equipment. The equipment, known as stage II vapor recovery systems, captures vapors emitted by the dispensing equipment, such as ozone-forming pollutants and toxic air pollutants, and returns the vapors to the station's underground fuel storage tank. In southeast Wisconsin, the required installation of stage II vapor recovery systems was phased in over the three years of 1993 to 1995. Wisconsin claims that, as part of the state's ozone state implementation plan and the 15% VOC (volatile organic compound) reduction plan approved by the U.S. Environmental Protection Agency in 1996 under provisions of the federal Clean Air Act, a 90% compliance rate with stage II vapor recovery requirements will provide a 6.42 tons per summer day reduction in VOCs in Wisconsin.

The goal of the grant project is to increase inspections of regulated motor vehicle fueling stations and increase compliance rates with stage II vapor recovery requirements from the currently estimated 15% to the target 90%. Prior to May, 2002, 40% of the 600 regulated stations in southeast Wisconsin had received an initial inspection of stage II vapor recovery systems. Of the inspected stations, less than 15% achieved full compliance with stage II vapor recovery requirements. Demonstration of 90% compliance will allow Wisconsin to continue to claim the 6.42 tons per summer day reduction in VOCs. Examples of noncompliance include: (a) no toll-free DNR telephone contact number on site; (b) the wrong pressure or vacuum valve on the underground storage tank vent; (c) loose spouts or flattened hoses; (d) the wrong nozzle type; (e) no documented attendance at approved training for stage 2 vapor recovery systems; (f) no weekly inspections or record sheet; (g) damaged caps for product fill or vapor valves; and (h) improper maintenance in the tank area.

The requested project position would be an air management specialist in the southeast region office in Milwaukee. Examples of activities performed under the grant are: (a) inspect gas stations for stage II vapor recovery compliance; (b) provide verbal instructions and written reports to each

station that is inspected to identify areas of noncompliance and defective equipment; (c) follow up with stations that are not in compliance to ensure that station operators take necessary action to come into compliance; (d) make informational presentations to gas station operators and to DNR staff; (e) establish and manage a database of information about gas stations that are required to use stage II vapor recovery systems; and (f) provide information to the public about vapor recovery issues. Site inspections are targeted to stations that have not been inspected, have not completed testing of their vapor recovery system, have been the subject of complaints to DNR, have missing documentation of testing of the vapor recovery system, or have completed work after an initial inspection. The DNR site inspector reviews the station's records to determine that required equipment has been installed and tested.

Although the source of the funding for the Stage II vapor recovery program is from the federal government, DNR receives the funds as program revenue through the Wisconsin DOT. While the appropriation is budgeted at \$100,000 PR annually, it is a continuing appropriation where all monies received from state agencies may be expended for activities performed by the DNR Air Management Bureau. Therefore, DOA has the authority to provide DNR with additional expenditure authority to utilize the DOT grant. However, the position can only be provided through the s. 16.505 process.

A limited-term employee worked on the project during the first six months of 2002. The LTE inspected 77 gas stations, prepared outreach materials, made informational presentations to DNR staff and the public, developed an information presentation about the vapor recovery program for the DNR Internet web site, and established a database of information about gas stations. The LTE left in June, 2002, and DNR has not hired another LTE. Department officials indicate hiring and training LTEs is time consuming and they are currently awaiting a decision on authorization of the project position. A total of 423 stations remain to be inspected under the grant. After inspections were made, DNR sent inspection reports to all inspected stations, identified issues of noncompliance and defective equipment such as hoses and nozzles, and worked with station operators to bring the station back into compliance. DNR has taken two enforcement actions, including issuing one letter of noncompliance related to equipment and holding one conference with a facility that did not perform the required tests on time.

A permanent DNR employee who is regularly responsible for stage 2 vapor recovery programs has inspected between 15 to 20 stations per month. These inspections are not part of the grant. Inspections performed under the grant would be considered supplemental to the regular workload. Other stage 2 vapor recovery activities performed by the permanent employee are to coordinate Stage II vapor recovery control of gasoline marketing facilities affected by state and federal regulations, to identify facilities affected by Stage II vapor recovery requirements, provide information on the requirements to the public and affected facilities, and coordinate activities with other agencies working with gasoline marketing facilities.

DNR has requested the project position to provide greater continuity in the administration and implementation of the program. DNR officials indicate that many of the program development

activities took place in year one of the grant contract, which will allow the Department to focus on inspections of gas stations in the second year of the contract. Authorization of a project position would allow DNR to focus the efforts of one individual on the program during the remaining period of the contract, and would allow DNR to maintain one point of program contact between DNR and gas station owners.

DNR indicates that it will not meet the September 14, 2003, grant agreement deadline because of the low rate of inspections completed by the Department. DNR also indicates that it will request a time extension from DOT, of up to two years beyond the original grant end date. Approval of the project position with the original expiration date of September 14, 2003, would allow for perhaps nine months of effort from one individual. Alternatively, the Committee could consider extending the expiration date to September 14, 2004. This would allow DNR one and three-fourths years to fulfill the contract.

If the requested project position is not approved, DNR could again hire limited-term employees to perform some of the duties of the requested position. DNR estimates that the rate of station inspections and follow-up is reduced by about 50% during the initial period every six months while an LTE is hired and trained. Alternatively, without a project position, DNR could reallocate a permanent staff person from other programs and hire limited-term employees to perform the activities of the reallocated staff person. If a permanent staff person would be reallocated, it could decrease the amount of time spent on air permit writing, compliance work, inspections or other work previously done by the permanent staff person.

ALTERNATIVES

1. Approve the request to provide DNR with 1.0 PR project position that expires on September 14, 2003, to increase compliance with Stage II vapor recovery efforts in southeast Wisconsin.

2. Provide DNR with 1.0 PR project position, with an expiration date of September 14, 2004.

3. Deny the request.

MO# B/G

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
COGGS	Y	N	A

Prepared by: Kendra Bonderud

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

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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
Joint Committee on Finance

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

Re: s. 16.515/16.505, Stats. Request

Date: May 7, 2002

Attached is a copy of a request from the Department of Administration, received May 7, 2002, pursuant to s. 16.515/16.505(2), Stats., pertaining to a request from the Department of Natural Resources.

Please review the material and notify **Senator Burke** or **Representative Gard** no later than **Friday, May 24, 2002**, 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:dh



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

SCOTT McCALLUM
GOVERNOR

GEORGE LIGHTBOURN
SECRETARY

Office of the Secretary
Post Office Box 7864
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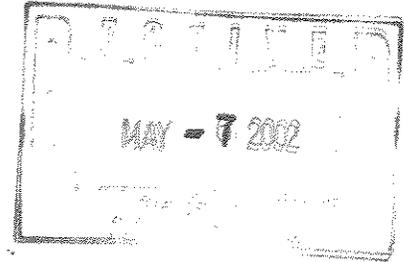
Date: May 7, 2002

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:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	2001-02	<u>AMOUNT</u>	2002-03
			<u>FTE</u>		<u>FTE</u>
DNR 20.370(2)(mk)	General program operations - service funds		1.00*		1.00*

* Project position ending 09/14/2003.

As provided in s. 16.515, the request(s) will be approved on May 29, 2002, 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
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GEORGE LIGHTBOURN
SECRETARY
Office of the Secretary
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Madison, WI 53707-7864
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Fax (608) 267-3842
TTY (608) 267-9629

Date: April 24, 2002

To: George Lightbourn
Secretary

From: Carole J. Schaeffer
Policy and Budget Analyst

Subject: Request Under s. 16.505 from the Department of Natural Resources for an Air Management Specialist Position.

REQUEST:

The Department of Natural Resources requests 1.0 FTE two-year PR-S project Air Management Specialist position for the Bureau of Air Management, Transportation Section to assist with Wisconsin's Stage II vapor recovery compliance. The grant funding is allocated for use from September 14, 2001, to September 14, 2003. The project position is intended to last up to two years. The requested position will be funded from the general program operations – service funds appropriation under s. 20.370(2)(mk), which is a continuing appropriation. Any necessary expenditure authority modifications can be approved through the allotment process.

REVENUE SOURCE:

The project will be fully funded from the federal Congestion Mitigation and Air Quality (CMAQ) grant. The Congestion Mitigation and Air Quality Improvement Program provides federal transportation funds to support state and local projects that reduce transportation related air pollution. The grant then passes through the Department of Transportation to the Department of Natural Resources. This grant was authorized to incur costs effective August 14, 2001. Grant money will fund one full-time inspector for two years.

BACKGROUND:

The 1.0 FTE Air Management Specialist position is requested to increase the Stage II vapor recovery compliance of gasoline stations. Stage II vapor recovery systems are used to control releases of gasoline vapors when vehicles are refueled. A specially designed nozzle is used at the gas pumps to collect vapors from the vehicle's gas tank and return these collected vapors to the service station underground storage tank. Gasoline vapor recovery systems are categorized under two stages. Stage I gasoline

George Lightbourn, Secretary
Page 2
April 24, 2002

vapor recovery systems capture the vapors expelled from the underground storage tanks of the gas station when being refilled by tank trucks. Stage II systems capture gasoline vapors, which would otherwise be vented during individual vehicle refueling at gas stations. The Environmental Protection Agency currently rates southeast Wisconsin as having very poor air quality. This grant provides funding for a position to regulate Stage II vapor recovery due to the area's severe ozone non-attainment classification.

ANALYSIS:

The requested position would be located in the Bureau of Air Management, Transportation Section. This project position would replace the LTE position currently funded by this grant and allow for more continuity in the administration and implementation of the program. If motor vehicle fueling stations are equipped with Stage II vapor recovery systems, and then inspected on an ongoing basis, compliance of gasoline stations is expected to increase from fifteen percent to ninety percent by reducing volatile organic compound emissions. This project position would increase efficiency by enabling the department to continue the compliance work that has been put into place since last August. A disruption in the workflow could undermine the progress of the project and, given the time constraints on the grant, interfere with Wisconsin's ability to continue working toward reducing volatile organic compound emissions by 6.42 tons per year.

This position would oversee the completion of annual testing procedures. The position would be responsible for the inspection of 500 motor vehicle fueling stations equipped with Stage II vapory recovery systems. This individual would identify facilities not in compliance with Stage II vapor recovery regulations and present findings to the department, in addition to forming a public outreach program in order to educate consumers on issues of vapor recovery. The vapor recovery systems are tested on a yearly basis and require field inspections by the department. According to EPA, properly installed and operating systems reduce refueling vapors by about 95%. This project position would help Wisconsin continue working towards reaching that level of reduction.

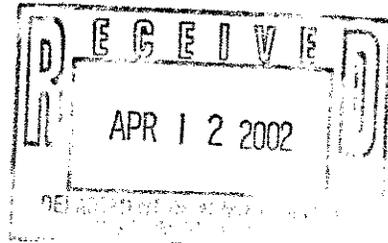
RECOMMENDATION:

Approve the requested position, under s.20.370(2)(mk) (general program operations – service funds) to assist with vapor recovery compliance.

CORRESPONDENCE/MEMORANDUM

CC 169
CS

DATE: April 11, 2002
TO: Dave Schmiedicke, State Budget Director
Department of Administration
FROM: Darrell Bazzell, Secretary
Department of Natural Resources



FILE REF:

SUBJECT: Request for 1.0 FTE Two Year PR-S Project Position, under 16.505 (2) Authority

Request

The Department of Natural Resources (DNR) requests the creation of a 1.0 FTE two year PR-S project position for the Bureau of Air Management, Transportation Section. This position will be classified as an Air Management Specialist. The primary focus of this project would be the inspection of 500 motor vehicle fueling stations equipped with stage 2 vapor recovery systems, along with follow up documentation and enforcement action for the nine counties in southeastern Wisconsin that require Stage II Vapor Recovery compliance. This position will be funded through a Federal (Department of Transportation Pass-Through) Congestion Mitigation & Air Quality (CMAQ) grant. The grant funding is allocated for use from September 14, 2001, to September 14, 2003. The DNR is requesting a project position to be funded from in appropriation 20.370 2(mk). The project position is intended to last up to two years.

Funding

The project position will be fully funded from the CMAQ grant. The grant award comes to the DNR from the Department of Transportation, and DOT supports this position request. This funding is to be allocated for salary, benefits and travel for a period of three years. A project position is requested for the use of this money due to the time constraints the grant has set. Currently an LTE position is being funded through the CMAQ grant, but the project position would allow for more continuity in the administration and implementation of the program.

History/Justification

Southeast Wisconsin is currently rated as having very poor air quality by the Environmental Protection Agency (EPA), which makes Stage II Vapor Recovery a pressing issue for the area. CMAQ is funding a position to regulate Stage II Vapor Recovery in Southeastern Wisconsin due to the area's severe ozone non-attainment classification. The nine counties in Wisconsin that require Stage II Vapor Recovery are Kenosha, Racine, Milwaukee, Waukesha, Ozaukee, Sheboygan, Manitowoc, Kewaunee, and Washington.

Stage II Vapor Recovery was designed to reduce mobile source air pollutants from escaping into the atmosphere while vehicles are refueling. This is done by requiring the installation of Vapor Recovery Systems at all gasoline stations in the nine southeastern counties mentioned above. These systems are then tested on a yearly basis, and require field inspections by the DNR. The objective of Stage II Vapor Recovery is to reduce mobile source air pollutants that cause ground-level ozone, by 95%.



Currently the DNR has 1.0 FTE in the southeast region to overlook Stage II Vapor Recovery. The new CMAQ-funded project position will allow us to:

- Increase the Stage II Vapor Recovery compliance of gasoline stations from 15% to 90%, which will reduce Volatile Organic Compound (VOC) emissions by 6.42 tons per year,
- Oversee the completion of annual testing procedures,
- Inspect stations on a regular basis and document all findings,
- Identify facilities not in compliance with Stage II Vapor Recovery regulations and take appropriate action to bring them into compliance,
- Make presentations to the Department regarding Stage II Vapor Recovery issues, and
- Form a public outreach program to educate consumers on issues of Vapor Recovery.

If you have any questions or concerns regarding this project position request, please contact: Lance Potter, Management and Budget at (608) 267-7418; Frank Schultz, acting Air Management - Transportation Section Supervisor at (414) 263-8694; or Sheri Stach, Management Section Chief at (608) 264-6292.

Thank you for your consideration of this request.

cc: Jay Hochmuth - AD/5
Mary Jo Kopecky - AD/5
Lloyd Eagan - AM/7
Sheri Stach - AM/7
Lakshmi Sridharan - SER AM
Frank Schultz - SER AM
Dan Derr - FN/1
Susan Felker-Donsing - MB/5
Lance Potter - MB/5
Sue Steinmitz - HR/5
Carol Schaeffer - DOA
Kirsten Grinde - DOA

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE



ASSEMBLY CHAIR
JOHN GARD

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308-E Capitol
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JOINT COMMITTEE ON FINANCE

June 4, 2002

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 14, 2002, pursuant to s. 16.515/16.505, Stats., pertaining to a request from the Department of Corrections.

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

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of John G. Gard in black ink.

JOHN G. GARD
Assembly Chair

BB:JG:dh

cc. Members, Joint Committee on Finance
Secretary Jon Litscher, Department of Corrections
Robert Lang, Legislative Fiscal Bureau
Vicky La Belle, Department of Administration

THE STATE OF WISCONSIN

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

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 15, 2002

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

Attached is a copy of a request from the Department of Administration, received on May 14, 2002, pursuant to s. 16.515/16.505(2), Stats., pertaining to a request from the Department of Corrections.

Please review the material and notify **Senator Burke** or **Representative Gard**, no later than **Monday June 3, 2002**, 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/ckm



**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 14, 2002
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	2001-02		2002-03	
		AMOUNT	FTE	AMOUNT	FTE
DOC 20.410(1)(gf)	Probation, parole and extended supervision	\$1,270,700*			

* One-time expenditure authority.

As provided in s. 16.515, the request(s) will be approved on June 5, 2002, 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

Division of Executive Budget and Finance
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1736
Fax (608) 267-0372
TTY (608) 267-9629

Date: May 1, 2002

To: George Lightbourn, Secretary
Department of Administration

From: Jana D. Steinmetz, Budget Analyst
Executive Budget Office

Subject: Request under s. 16.515 from the Department of Corrections for a one-time increase in expenditure authority for projected supplies and services deficits in the Division of Community Corrections.

REQUEST:

The Department of Corrections requests a one-time increase in expenditure authority of \$1,270,700 PR in fiscal year 2001-02 to address projected supplies and services deficits in the Division of Community Corrections.

REVENUE SOURCES FOR APPROPRIATION(S):

The revenue for appropriation s. 20.410(1)(gf), probation, parole and extended supervision, is derived from fees charged to probationers, parolees and persons on extended supervision under s. 304.074(2) to partially reimburse the department for the costs of providing supervision and services.

BACKGROUND:

1995 Wisconsin Act 27 created an annual program revenue appropriation under s. 20.410(1)(gf), for the receipt of revenues from charges to offenders to support probation and parole operations. 1995 Wisconsin Act 27 also created statutory language under s. 304.074(2) that requires the Department of Corrections (DOC) to charge a fee to probationers, parolees and persons on extended supervision to partially reimburse DOC for the costs of providing supervision and services. DOC is required to set varying rates for probationers, parolees and persons on extended supervision with the goal of receiving at least one dollar per day, if appropriate, from each offender on probation, parole or extended supervision.

Fiscal year 2001-02 expenditure authority in appropriation s. 20.410(1)(gf), probation, parole and extended supervision, is \$5,479,200. The department notes that GPR expenditure authority in appropriation s. 20.410(1)(b), services for community corrections) was reduced by \$4.0 million GPR in fiscal year 1996-97 when s. 20.410(1)(gf) was created and by an additional \$1,135,000 GPR in 1999 Act 9 when probation and parole supervision fee revenues were reestimated.

DOC collected \$5,556,300 in fiscal year 1998-2000 and \$5,884,800 in fiscal year 2000-01 from fees charged to probationers, parolees, and persons on extended supervision. As of April 25th, DOC has collected \$5,148,700 in fiscal year 2001-02.

ANALYSIS:

As shown below, the Department of Corrections anticipates projected revenues combined with the opening balance will be sufficient to fund current and additional expenditure authority requested in appropriation §20.410(1)(gf).

**FY02 Fund Condition
 §20.410(1)(gf), Probation, Parole and Extended Supervision**

Revenues	
Opening Balance	\$ 584,800
Actual Revenues (March 31, 2002)	\$4,648,700
<u>Projected Revenues (June 30, 2002)</u>	<u>\$1,549,300</u>
Total Available Funding	\$6,782,800
Expenditures	
Actual Expenditures (March 31, 2002)	\$4,125,100
Projected Expenditures (June 30, 2002)	\$1,354,100
<u>New Expenditure Authority Requested</u>	<u>\$1,270,700</u>
Total Expenditure Authority	\$6,749,900
Projected Balance	\$ 32,900

As the following table indicates, the projected supplies and services deficit is comprised of replacing 348 outdated staff computers, unfunded T-1 line charges, and costs associated with Transcor extradition returns.

DCC FY02 Supplies and Services Expenditures

S&S Expenditure Authority (187)	\$5,479,200
<u>Projected S&S Expenditures (187)</u>	<u>(\$6,749,900)</u>
Projected Deficit	(\$1,270,700)
<u>Deficit Components</u>	
T-1 Line Charges	(\$330,000)
Extradition Returns	(\$450,000)
<u>Replacement Computers</u>	<u>(\$490,700)</u>
Total Components	(\$1,270,700)

T-1 Lines

The Division of Community Corrections (DCC) has 94 T-1 lines located at correctional centers and field offices throughout the state. DCC's total T-1 line cost for fiscal year 2001-02 is \$1,134,000. The \$330,000 deficit is the result of T-1 lines that have not been fully funded.

Extradition Costs

DCC anticipates spending \$595,000 for extraditions in fiscal year 2001-02. Through April 25th, there were 564 extraditions in fiscal year 2001-02 at a cost of \$458,000. DCC spent \$398,000 for 735 extraditions in fiscal year 2000-01 and \$342,400 for 765 extraditions in fiscal year 1999-2000. The \$450,000 deficit is the result of the following:

- Extraditions have not been fully funded. \$145,000 is budgeted for extraditions in fiscal year 2001-02.
- Since fiscal year 1999-2000, all felony warrants have been issued with a request to extradite offenders to Wisconsin.
- Effective April 13, 2001, the minimum cost per transport increased from \$150 to \$300. Transports in fiscal year 2000-01 were \$540 each. Transports in fiscal year 2001-02 have increased to \$810 each.

Computer Replacement

According to the department, DCC has 607 computers that are not supported by the Bureau of Technology Management (BTM) because they are no longer covered by a warranty and unable to handle software run by BTM. DCC would like to replace 348

Page 4
May 1, 2002

computers with this request. Probation and parole agents, supervisors and program assistants throughout DCC use the computers.

SUMMARY:

The Department of Corrections requests a one-time increase in expenditure authority of \$1,270,700 PR in fiscal year 2001-02 in appropriation s. 20.410(1)(gf), probation, parole and extended supervision fees, to address projected year-end supplies and services deficits in the Division of Community Corrections.

RECOMMENDATION:

Approve the request.

route: DS — VLB —



cc: JS
08

Scott McCallum
Governor

Jon E. Litscher
Secretary

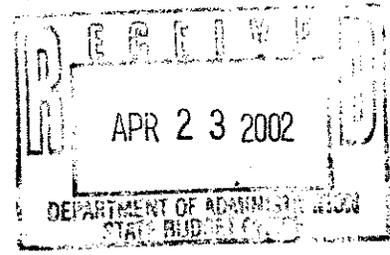
Mailing Address

3099 E. Washington Ave.
Post Office Box 7925
Madison, WI 53707-7925
Telephone (608) 240-5000
Fax (608) 240-3300

State of Wisconsin Department of Corrections

DATE: April 23, 2002

TO: David Schmiedicke, Director
Division of Executive Budget and Finance
Department of Administration



FROM: Jon E. Litscher, Secretary
Department of Corrections

SUBJECT: §16.515 Request – Additional Expenditure Authority for Supplies and Services in the Division of Community Corrections

Request:

The Department of Corrections (DOC) requests one-time additional supplies and services expenditure authority of \$1,270,700 PR in FY02 in appropriation §20.410(1)(gf), Probation, parole and extended supervision. The additional expenditure authority will be utilized to address projected supplies and services deficits in the Division of Community Corrections (DCC).

Revenue Sources for Appropriations:

Revenue for appropriation §20.410(1)(gf) is derived from supervision fees charged to probation, parole or extended supervision offenders under §304.074(2).

Background:

1995 Wisconsin Act 27 created an annual, program revenue appropriation, §20.410(1)(gf), for the receipt of revenues from charges to offenders to support probation and parole operations. 1995 Wisconsin Act 27 also created statutory language (§304.074) that requires DOC to charge a fee to probationers, parolees and persons on extended supervision to partially reimburse DOC for the costs of providing supervision and services. DOC is required to set varying rates for probationers, parolees or persons on extended supervision with the goal of receiving at least \$1 per day, if appropriate, from each probationer, parolee and person on extended supervision.

Current FY02 expenditure authority in appropriation §20.410(1)(gf) is \$5,479,200. It should be noted that the department's GPR expenditure authority in appropriation §20.410(1)(b) was reduced by \$4.0 million in FY97 when appropriation §20.410(1)(gf) was established, and by an additional \$1,135,000 in FY01 when probation and parole supervision fee revenues were reestimated.

Analysis:

As Table 1 below indicates, projected revenues combined with the opening balance will be sufficient to fund current and additional expenditure authority requested in appropriation §20.410(1)(gf).

Table 1
FY02 Fund Condition
§20.410(1)(gf), Probation, Parole and Extended Supervision

<u>Revenues</u>	
Opening Balance	\$584,800
Actual Revenues (March 31, 2002)	\$4,648,700
<u>Projected Revenues (June 30, 2002)</u>	<u>\$1,549,300</u>
Total Available Funding	\$6,782,800
<u>Expenditures</u>	
Actual Expenditures (March 31, 2002)	\$4,125,100
Projected Expenditures (June 30, 2002)	\$1,354,100
<u>New Expenditure Authority Requested</u>	<u>\$1,270,700</u>
Total Expenditure Authority	\$6,749,900
Projected Balance	\$32,900

As Table 2 below indicates, DCC's projected \$1,270,700 supplies and services deficit is comprised of replacing 348 outdated staff computers, unfunded T-1 line charges, and costs associated with Transcor extradition returns.

Table 2
DCC FY02 Supplies and Services Expenditures

S&S Expenditure Authority (187)	\$5,479,200
<u>Projected S&S Expenditures (187)</u>	<u>(\$6,749,900)</u>
Projected Deficit	(\$1,270,700)
<u>Deficit Components</u>	
Replacement Computers	(\$490,700)
T-1 Line Charges	(\$330,000)
<u>Extradition Returns</u>	<u>(\$450,000)</u>
Total Components	(\$1,270,700)

Summary

DOC requests one-time increased supplies and services expenditure authority of \$1,270,700 in FY02 in appropriation §20.410(1)(gf) to address projected year end supplies and services deficits in the Division of Community Corrections.

cc: Robert Lang, Legislative Fiscal Bureau
George Lightbourn, Department of Administration

Prepared By: Jason Gherke, Bureau of Budget and Facilities Development
240-5423

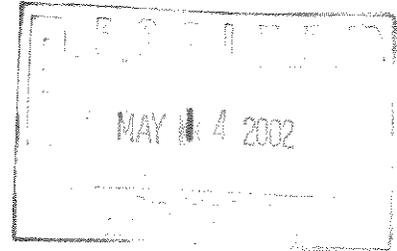


**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

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 14, 2002
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:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	2001-02		2002-03	
			<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>	
DOC 20.410(1)(gf)	Probation, parole and extended supervision	\$1,270,700*				

* One-time expenditure authority.

As provided in s. 16.515, the request(s) will be approved on June 5, 2002, 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

Division of Executive Budget and Finance
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1736
Fax (608) 267-0372
TTY (608) 267-9629

Date: May 1, 2002

To: George Lightbourn, Secretary
Department of Administration

From: Jana D. Steinmetz, Budget Analyst
Executive Budget Office

Subject: Request under s. 16.515 from the Department of Corrections for a one-time increase in expenditure authority for projected supplies and services deficits in the Division of Community Corrections.

REQUEST:

The Department of Corrections requests a one-time increase in expenditure authority of \$1,270,700 PR in fiscal year 2001-02 to address projected supplies and services deficits in the Division of Community Corrections.

REVENUE SOURCES FOR APPROPRIATION(S):

The revenue for appropriation s. 20.410(1)(gf), probation, parole and extended supervision, is derived from fees charged to probationers, parolees and persons on extended supervision under s. 304.074(2) to partially reimburse the department for the costs of providing supervision and services.

BACKGROUND:

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ANALYSIS:

As shown below, the Department of Corrections anticipates projected revenues combined with the opening balance will be sufficient to fund current and additional expenditure authority requested in appropriation §20.410(1)(gf).

**FY02 Fund Condition
 §20.410(1)(gf), Probation, Parole and Extended Supervision**

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- Extraditions have not been fully funded. \$145,000 is budgeted for extraditions in fiscal year 2001-02.
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- Effective April 13, 2001, the minimum cost per transport increased from \$150 to \$300. Transports in fiscal year 2000-01 were \$540 each. Transports in fiscal year 2001-02 have increased to \$810 each.

Computer Replacement

According to the department, DCC has 607 computers that are not supported by the Bureau of Technology Management (BTM) because they are no longer covered by a warranty and unable to handle software run by BTM. DCC would like to replace 348

Page 4
May 1, 2002

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SUMMARY:

The Department of Corrections requests a one-time increase in expenditure authority of \$1,270,700 PR in fiscal year 2001-02 in appropriation s. 20.410(1)(gf), probation, parole and extended supervision fees, to address projected year-end supplies and services deficits in the Division of Community Corrections.

RECOMMENDATION:

Approve the request.

route: DS — VLB —

cc: JS
JS

Scott McCallum
Governor

Jon E. Litscher
Secretary



Mailing Address

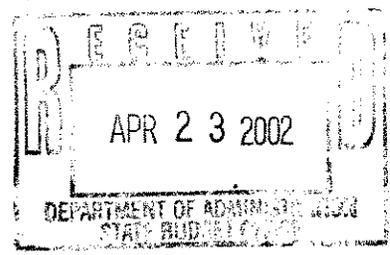
3099 E. Washington Ave.
Post Office Box 7925
Madison, WI 53707-7925
Telephone (608) 240-5000
Fax (608) 240-3300

State of Wisconsin Department of Corrections

DATE: April 23, 2002

TO: David Schmiedicke, Director
Division of Executive Budget and Finance
Department of Administration

FROM: Jon E. Litscher, Secretary
Department of Corrections



SUBJECT: §16.515 Request – Additional Expenditure Authority for Supplies and Services in the Division of Community Corrections

Request:

The Department of Corrections (DOC) requests one-time additional supplies and services expenditure authority of \$1,270,700 PR in FY02 in appropriation §20.410(1)(gf), Probation, parole and extended supervision. The additional expenditure authority will be utilized to address projected supplies and services deficits in the Division of Community Corrections (DCC).

Revenue Sources for Appropriations:

Revenue for appropriation §20.410(1)(gf) is derived from supervision fees charged to probation, parole or extended supervision offenders under §304.074(2).

Background:

1995 Wisconsin Act 27 created an annual, program revenue appropriation, §20.410(1)(gf), for the receipt of revenues from charges to offenders to support probation and parole operations. 1995 Wisconsin Act 27 also created statutory language (§304.074) that requires DOC to charge a fee to probationers, parolees and persons on extended supervision to partially reimburse DOC for the costs of providing supervision and services. DOC is required to set varying rates for probationers, parolees or persons on extended supervision with the goal of receiving at least \$1 per day, if appropriate, from each probationer, parolee and person on extended supervision.

Current FY02 expenditure authority in appropriation §20.410(1)(gf) is \$5,479,200. It should be noted that the department's GPR expenditure authority in appropriation §20.410(1)(b) was reduced by \$4.0 million in FY97 when appropriation §20.410(1)(gf) was established, and by an additional \$1,135,000 in FY01 when probation and parole supervision fee revenues were reestimated.

Analysis:

As Table 1 below indicates, projected revenues combined with the opening balance will be sufficient to fund current and additional expenditure authority requested in appropriation §20.410(1)(gf).

Table 1
FY02 Fund Condition
§20.410(1)(gf), Probation, Parole and Extended Supervision

<u>Revenues</u>	
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<u>New Expenditure Authority Requested</u>	<u>\$1,270,700</u>
Total Expenditure Authority	\$6,749,900
Projected Balance	\$32,900

As Table 2 below indicates, DCC's projected \$1,270,700 supplies and services deficit is comprised of replacing 348 outdated staff computers, unfunded T-1 line charges, and costs associated with Transcor extradition returns.

Table 2
DCC FY02 Supplies and Services Expenditures

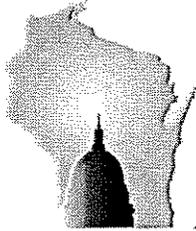
S&S Expenditure Authority (187)	\$5,479,200
<u>Projected S&S Expenditures (187)</u>	<u>(\$6,749,900)</u>
Projected Deficit	(\$1,270,700)
<u>Deficit Components</u>	
Replacement Computers	(\$490,700)
T-1 Line Charges	(\$330,000)
<u>Extradition Returns</u>	<u>(\$450,000)</u>
Total Components	(\$1,270,700)

Summary

DOC requests one-time increased supplies and services expenditure authority of \$1,270,700 in FY02 in appropriation §20.410(1)(gf) to address projected year end supplies and services deficits in the Division of Community Corrections.

cc: Robert Lang, Legislative Fiscal Bureau
George Lightbourn, Department of Administration

Prepared By: Jason Gherke, Bureau of Budget and Facilities Development
240-5423



**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

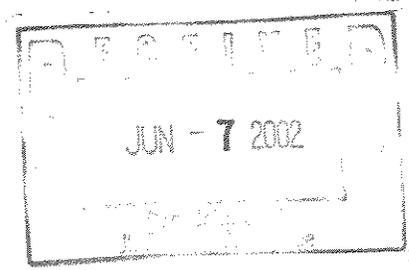
Date: June 7, 2002

To: The Honorable Brian Burke, Co-Chair
Joint Committee on Finance

The Honorable John Gard, Co-Chair
Joint Committee on Finance

From: David Schmiedicke, State Budget Director
Department of Administration

Subject: Withdrawal of Request Submitted on February 12, 2002 Under s.16.515
From the Department of Employment Relations for Increased PR
Expenditure Authority



DPS

The Department of Employment Relations has requested that the request for increased PR expenditure authority submitted under s. 16.515 on February 12, 2002 be withdrawn from consideration. Your approval of this request will be greatly appreciated.

Please contact Jon Kranz at 266-8777 if you desire any additional information.

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

March 1, 2002

Mr. George Lightbourn, Secretary
Department of Administration
101 E. Wilson Street, 10th Floor
Madison, WI 53703

Dear Secretary Lightbourn:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your request, dated February 12, 2002, submitted pursuant to s. 16.505/.515 Stats., and pertaining to a funding request from the Department of Employment Relations.

A meeting of the Committee will be scheduled to act on this request. Therefore, the request is not approved at this time.

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
Secretary Peter D. Fox, Department of Employment Relations
Vicky LaBelle, Department of Administration

THE STATE OF WISCONSIN

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

JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

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

Re: s. 16.515/16.505, Stats. Request

Date: February 12, 2002

Attached is a copy of a request from the Department of Administration, received February 12, 2002, pursuant to s. 16.515/16.505(2), Stats., pertaining to a request from the Department of Employment Relations.

Please review the material and notify **Senator Burke** or **Representative Gard** no later than **Friday, March 1, 2002**, if you have any concerns about the request or if you would like to meet formally to consider it.

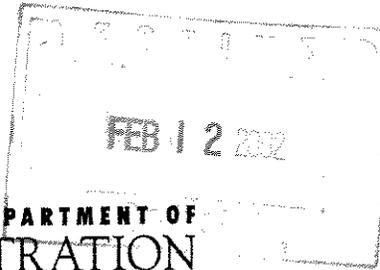
Also, please contact us if you need further information.

Attachment

BB:JG:dh



**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: February 12, 2002

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	2001-02		2002-03	
		AMOUNT	FTE	AMOUNT	FTE
DER 20.512(1)(jm)	Employee development and training services	\$ 75,000*		\$ 125,000*	

* One-time expenditure authority.

As provided in s. 16.515, the request(s) will be approved on March 5, 2002, 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

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SECRETARY

Office of the Secretary
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Date: January 16, 2002

To: George Lightbourn, Secretary
Department of Administration

From: Jon Kranz

Subject: Request Under 16.515 From the Department of Employee Relations for
Increased PR Expenditure Authority

REQUEST:

The Department of Employment Relations (DER) requests a one-time increase of \$75,000 PR-S in FY 2002 and \$125,000 PR-S in FY 2003 in its s. 20.512 (1) (jm) - Employee Development and Training appropriation.

The DER request states that this increase is required to continue development of the Labor Management Cooperation (LMC) program. The additional authority would be used to create permanent labor-management cooperation structures based on the previously developed "best practices" models.

REVENUE SOURCES FOR APPROPRIATION:

The funding source for 20.512 (1) (jm) is fees paid to DER by state agencies for employees who attend DER sponsored courses in supervision, personnel practices, and labor management.

BACKGROUND:

DER is requesting a one-time increase of \$75,000 PR for FY 2002 and \$125,000 PR FY 2003 to continue development of the Labor Management Cooperation program (LMC). Funds will be used for meetings, conferences and training. Proposed expenditures for the period through 6/30/03 are as follows:

	<u>FY 2002</u>	<u>FY 2003</u>	<u>Total</u>
Personnel costs for a program support LTE	10,300	40,100	50,400
Travel and Supplies (to present 10 forums, 25 training conferences, 34 steering committee planning meetings and 15 on-site visits)	4,600	70,500	75,100
Trainers/Facilitators/Consultant Fees	56,600	4,200	60,800
Meeting/Training Rooms and Equipment Rentals	<u>3,500</u>	<u>10,200</u>	<u>13,700</u>
	<u>75,000</u>	<u>125,000</u>	<u>200,000</u>

No fees will be charged to participants of the meetings, conferences or training. The conferences and forums are intended to offer participants a variety of LMC problem solving tools.

LMC began as a consensus bargaining approach that was utilized during the 1991-1993 contract negotiations with the Wisconsin State Employees Union (WSEU). Consensus bargaining, also known as win-win bargaining, is a negotiation process that utilizes group problem-solving tools to resolve issues on the table. Consensus bargaining emphasizes the team approach to resolving differences as opposed to the adversarial process used in the past. Consensus bargaining has been continued with WSEU and expanded to other unions. In September of 1998, DER and WSEU were awarded a \$90,000 grant from the Federal Mediation and Conciliation Service to identify, communicate, and replicate the "best practices" associated with this cooperative approach to bargaining. This 18 month training program involved 850 state employees (union and management) in 10 agencies. During this period, DER created a support structure consisting of a steering committee, project co-chairs, and trainers. This support structure facilitated the development of 40 two-person labor-management teams. These teams identified and created alternative solutions to resolve labor conflicts that would have consumed significant amounts of time and resources under the traditional bargaining paradigm.

According to DER, as a result of the LMC program there has been a reduction in the number of grievances filed as well as an expedited resolution of outstanding discharge arbitration cases. DER also claims that the LMC program has reduced costs associated with resolving grievances and by limiting the State's back-pay liability (due to the quicker adjudication of the discharge arbitration cases).

During the winter of 2001, WERC, via 16.515, requested increased expenditure authority from their annual PR collective bargaining training appropriation to contract with DER to continue the LMC program. The request was for \$50,000 to cover costs for FY01 and FY 02. The FY 01 amount of \$20,200 was approved. The Joint Committee on Finance (JCF) ordered that the FY 02 amount should be addressed via the biennial budget process.

JCF, in its biennial budget deliberations, approved on May 2, 2001 an increase in the annual PR expenditure authority in the amount of \$22,600 (two year total = \$45,200)

for Wisconsin Employment Relations Commission to contract with DER for the LMC program during the 2001-2003 biennium. The Conference Committee reversed the JFC action. As a result, no funds were appropriated in the 2001-2003 budget bill for the LMC program.

ANALYSIS:

The three primary issues related to this request are the appropriateness of utilizing the 20.512(j)(m) appropriation for the continued development of the LMC; the availability of funds; and whether the anticipated benefits of the LMC program warrant the infusion of additional resources.

Appropriateness of Utilizing 20.512(j)(m) Appropriation for the LMC Program

DER made no related request during the budget process for the current biennium. WERC's 2001-2003 request for increased expenditure authority to contract with DER for the LMC program was not approved as part of the current biennial budget. It is not clear if DER or WERC has sought additional grant funds (since the September 1998 FMCS grant) for this program.

Approval of the increased expenditure authority will allow DER to continue development of the LMC program. DER plans to utilize the increased authority to support the LMC program as follows:

- Personnel costs associated with web site maintenance, arranging meetings and training sessions, prepare and distribute materials, newsletter, and administrative support
- Travel/Supplies associated with 10 forums, 25 training conferences, 34 steering committee meetings, and 150 on-site visits
- Trainer/facilitator/consultant compensation
- Meeting and training equipment/facility rental

The intended use of the additional expenditure authority is consistent with the statutory definition of this appropriation. It will develop and disseminate knowledge to state employees related to alternative labor-management problem solving.

Availability of Funds

Based on a review of cash activity for FY 2000 and FY 2001, the free cash balance for the training program has been steadily rising. As of 6/30/01, the closing balance was \$222,619 representing an increase of \$19,317 from the 6/30/00 closing balance. DER projects \$473,794 in revenues and expenditures of \$441,339 (including \$50,000 requested for the LMC program) during FY 2002. For FY 2003, DER projects \$440,600 in revenues and \$541,339 in expenses (including \$150,000 requested for the LMC program). For the last few years, this program has generated revenues in excess of expenses.

The generation of revenues depends primarily on other state agencies procuring the training services provided by DER. The projections offered by DER appear to be based

on actual course offerings and paid enrollment from the last 2 years. This activity occurred during a period of expanded state employment. Due to the current budget situation facing the state, agencies may decide to cut back funding of employee training. If agencies procure less training services during the FY 2002/2003 biennium, it may result in a reduction of cash reserves.

Benefits of the LMC Program

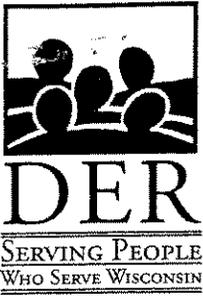
Benefits of the LMC program listed by DER include a reduction in grievance filings, expedited discharge arbitration adjudication, greater employee satisfaction, and increased worker productivity. Data submitted by DER shows a reduction of 45.3% in the number of grievance filings in Department of Corrections institutions having newly trained LMC teams compared to prior years. In addition, DER claims that by utilizing LMC principles, the number of outstanding discharge arbitration cases was reduced by 72% during calendar year 2000. Data supporting the claims of greater employee satisfaction and increased worker productivity were not supplied by DER. Objective measures of success for these benefits should be developed and implemented.

Data supplied by DER suggests that the LMC program has the potential to offer substantial benefits to the State. LMC teams are currently operating at over 60 work sites in seven agencies. Work units utilizing LMC teams include 20 correctional institutions, all 6 of the Health and Family Services institutions, and 3 University of Wisconsin campuses. DER hopes to increase the number of participating work sites during the current biennium.

The LMC program has been well received by external parties. Governing Magazine (February 2001) rated the Wisconsin Human Resources effort as an "A-" highlighting the LMC program. AFSCME International provided a grant of \$25,000 to the program during the summer of 2000.

RECOMMENDATION:

Approve the request. However, place FY 2003 funding in unallotted reserve for release by the Department of Administration pending demonstration by DER that actual revenues and expenditures in FY 2002 are consistent with expectations.



STATE OF WISCONSIN
Department of Employment Relations

345 West Washington Avenue
P.O. Box 7855
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Voice (608) 266-9820
FAX (608) 267-1020
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http://der.state.wi.us

Scott McCallum
Governor

Peter D. Fox
Secretary

DATE: January 15, 2002

TO: Jonathan Kranz, Executive Policy and Budget Analyst
Department of Administration

FROM: Elizabeth Reinwald, Budget Officer

SUBJECT: Fiscal Year Allocation of Funds for Labor Management Cooperation

Thank you for your detailed interest in the Labor Management Cooperation program. Since we submitted our request on December 3, we have gathered more detail on the tasks that will be required to update the "Working Together" web site. We want to start this effort now and expect to have a contractor selected in March. Therefore, we are revising our request by fiscal year. We need to expend \$75,000 in fiscal year 2002 and an additional \$125,000 in fiscal year 2003.

Here is the fiscal year detail you requested.

Table with 2 columns: Description and Amount. Rows include Personnel costs, Travel and supplies costs, Trainers/facilitators/consultants fees, Meeting/training rooms and equipment rentals, and a Total row for FY 02 and Total.

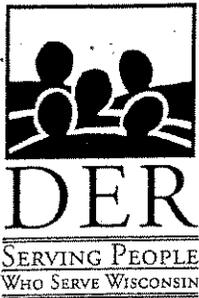
Jonathan Kranz
January 15, 2002
Page 2

You also requested additional detail about the number of work sites where LMC work teams are working on local labor management issues.

LMC work teams are operating in seven agencies and on three campuses or over 60 work sites. These sites include 20 correctional institutions and all six of the Health and Family Services institutions. Some institutions have multiple teams engaged on issues.

You also asked for comparative detail on numbers of discharge cases appealed to arbitration. In calendar year 2001, 41 discharges were appealed to arbitration; 37 of these cases are pending four have been settled.

DER thanks you for your attention to our request.



STATE OF WISCONSIN
Department of Employment Relations

Scott McCallum
Governor

Peter D. Fox
Secretary

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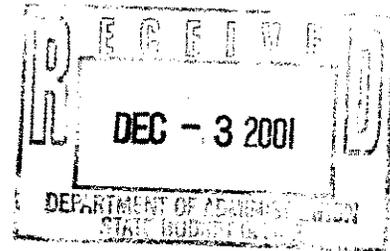
ccjk
DC

DATE: December 3, 2001

TO: David Schmiedicke, State Budget Director
Department of Administration

FROM: Peter D. Fox, Secretary

[Handwritten signature of Peter D. Fox]



SUBJECT: 16.515 Request for Labor Management Cooperation

REQUEST

The Department of Employment Relations (DER) requests a one-time increase of \$50,000 PR in FY 2002 and \$150,000 in FY 2003 in expenditure authority in s. 20.512(1)(jm), "Employee Development and Training." The increase is needed to continue developing the Labor Management Cooperation program to create permanent labor-management cooperation structures based on our continuously expanding inventory of successful "best practice" models.

REVENUE SOURCE FOR APPROPRIATION

Revenues to s.20.512(1)(jm), numeric appropriation 133, are paid as fees to DER by state agencies for their employees who attend courses in supervision, personnel practices, supervisory leadership, and labor management.

COMPLIANCE WITH CRITERIA IN S. 16.515

This request meets the criteria in s 16.515 as follows:

- I. The appropriation is insufficient to accomplish the purposes for which the appropriation was made.

Without additional spending authority, DER will not be able to fund the further development of this valuable program.

II. The appropriation must have sufficient revenues to support the increased funding.

As shown in the analysis, the Employee Development appropriation has sufficient revenue balance to support the increased spending authority.

III. Purpose of spending increase must have been authorized by law or directed by the Legislature.

Section 230.046 allows the Department to conduct training programs relating to its statutory responsibilities. A separate appropriation for training expenditures and revenues is established under s. 20.512(1)(jm).

Section 230.04 (4), Wis. Stats., requires the secretary to establish and maintain a collective bargaining capability under s. 111.815 (2). That subsection and s. 111.815 in general require the department to negotiate and administer collective bargaining agreements. It also requires the department to coordinate collective bargaining activities with state agencies. Section 111.80 (“Declaration of Policy”) states that orderly employment relations for employees and the efficient administration of state government are “largely dependent upon the maintenance of fair, friendly and mutually satisfactory employee management relations in state employment, and the availability of suitable machinery for fair and peaceful adjustment of whatever controversies may arise.”

BACKGROUND

Labor Management Cooperation Project

The Wisconsin Labor/Management Cooperation (LMC) project has grown from an experimental effort into a national model which now is being replicated in other states. In addition to evolving as a proven vehicle to improve labor-management cooperation – and hence improve employee morale and boost productivity – at work sites across Wisconsin state government, numerous local LMC enterprises have resulted in significant cost-avoidance and cost-reduction benefits which yield an exceptional return-on-investment.

The impetus for the LMC project began during negotiations of the 1991-93 Labor Agreement between the Wisconsin State Employees Union (SEU) and State of Wisconsin. For the first time, state and union negotiators used an approach called “consensus bargaining,” sometimes referred to as “win-win.” Joint composition sub-committees of labor and management used group problem-solving to resolve issues on the table. The bargaining parties had a more amicable bargaining experience, and it became one in which all members of the union and the management bargaining teams fully participated. This process has become the standard for negotiations with WSEU ever since, and has been expanded to negotiations with other state employee unions as a “best practice.”

In September 1998, WSEU and the Department of Employment Relations agreed to take the "best practice" model to a higher level, and expand the application of labor-management cooperation efforts. Jointly the two entities applied for and won a grant from the Federal Mediation and Conciliation Service (FMCS). The grant was used to underwrite costs of an 18-month training program, which involved more than 850 state employees, to identify, communicate and replicate "best practices" in Wisconsin state government operations. A joint labor-management steering committee, co-chaired by the WSEU executive director and DER secretary, directed the program. Wisconsin has been the only state to receive such a training grant.

The \$90,000 grant, matched with additional funds invested by WSEU and DER, was used to present several regional forums and to develop follow-on activities promoting "best practices" as identified by 40 self-nominated, two-person labor-management teams from various locals within more than 10 state agencies. Supporting the teams was a structure consisting of the project co-chairs, a steering committee comprised of labor officials and agency heads, a project coordinator, and a joint labor-management "faculty" group of facilitators/trainers. These teams identified issues and developed action plans to successfully resolve problems that otherwise would have consumed substantial time, effort and expense in traditional negotiations or grievances.

This cooperative, problem-solving approach to labor/management relations was a welcome change from what had become at some state labor sites the customary "table banging" and "in your face" confrontations. A more satisfying and productive work environment is one of the side effects of improved employee and management morale that follows the introduction of the team approach to labor issues. Additionally, problems that were in the past brought to the costly and time consuming grievance procedure are now being discussed and resolved in a cooperative, joint problem-solving mode.

Through the partnership efforts of DER and WSEU, the nature of the labor-management relationship is changing dramatically. Through working together, a labor-management partnership is changing the way employees conduct state business and is creating a government that works better and costs less. The Governor and leadership at several state agencies, as well as DER and the WSEU, made a major commitment to the new cooperative approach. The results are dramatically improved labor-management relationships, reduced bargaining time, and stimulated best labor practices and processes.

The FMCS grant and efforts of the state LMC Steering Committee have produced a "toe hold" in the process of changing labor-management relationships in Wisconsin state government. An infrastructure and framework has been created to form a cooperative environment for labor and management at all levels of the work place to drive beneficial change in the way business is conducted. Perhaps most importantly, the project has gained the support and confidence of hundreds of state employees who have been introduced to LMC principals and goals.

The LMC partnership is able to document extraordinary results in reducing the number and seriousness of grievances because the training emphasizes early dispute resolution at the lowest appropriate levels. There was, for example, a reduction of 45.3% in the number of grievances filed in Department of Corrections institutions having newly trained LMC teams compared to the number at those institutions in prior years. DER has seen a 58% drop in grievances filed at the larger state agencies now using LMC-trained teams over previous years; this reduction in the number of grievances filed equates to cost-avoidance estimated near \$300,000.

Further, until recently, DER had a back-log of 46 outstanding discharge arbitration cases filed by WSEU members dating back from 1992 to the present. Cases of employee discharges filed for arbitration at DER comprise the greatest potential for significant back-pay liability for state agencies. Arbitrators may award reinstated employees full back-pay. In 2000, DER and WSEU intensified efforts applying LMC principles to cut the number of outstanding discharge cases by 72 %. Further reduction of cases is anticipated. DER and WSEU are also working together to devise a system that will resolve these cases within one year of discharge in order to set a permanent limit on the state's potential liability and to address the union's concern of timely adjudication of appeals. Based on costs incurred in similar cases, DER estimates the reduction of discharge arbitrations avoids costs to state agencies of nearly \$150,000.

The Labor/Management Cooperation program has produced successful returns on the state's and union's mutual investment. An expansion of LMC to participants of other state employee unions and other state agencies will expand the productivity and efficiency benefits of expanded labor peace.

ANALYSIS

The labor-management initiatives successfully undertaken through the initial FMCS grant have helped make this collaborative partnership ready to take significant next steps in driving these efforts toward more permanency.

The initial 18-month FMCS-supported project achieved breakthrough success in raising the visibility and enhancing the acceptance of consensus bargaining precepts as they can be applied to labor-management problem-solving at individual work sites. The project has been widely reported in the Wisconsin press and numerous invitations to present the Wisconsin project to national audiences were accepted. Further, the identification and communication of best practices – most of which were unknown outside of the immediate localities – served as both verification and rationale for pursuing the joint DER-WSEU LMC program. In retrospect, that project phase unleashed a pent-up demand for more in-depth, expansive training and follow-up in the creation and nurturing of LMC efforts.

The initial grant provided the means to strengthen relationships begun in fledgling consensus bargaining efforts, and to use then-current best practices in labor-management cooperation as a springboard to expand interest and activity in this vital area. To a degree the LMC steering committee could not have expected, successes achieved have led to widespread requests from individual work sites and agencies for even greater LMC training and guidance.

The Wisconsin state government LMC experience, while still rooted in principles of consensus bargaining and greatly benefiting from widespread communication of LMC best practices, evolved from a pilot project into an acclaimed and proven mechanism for achieving greater employee job satisfaction, improving productivity and increasing efficiencies. Simply put, the demand for LMC training and follow-up support is outstripping the ability of the LMC steering committee and its resources to provide these services. The challenge now is transition from the pilot where goals were substantially exceeded, into intensive work-site team training and support, and train-the-trainer expansions.

Since the initial FMCS grant period ended, other state agencies, DER and WSEU have been bridging the funding gap to continue and expand training opportunities, but the means have been insufficient to take the training and follow-up support to new levels. The LMC effort is continuing only its most basic activities funded by several sources: a \$20,000 grant from the Wisconsin Employment Relations Commission; a loaned coordinator funded by the Department of Corrections to serve in the assistant director staff role; and a \$25,000 grant from AFSCME International. In addition, DER and WSEU provide administrative and operations support, office space, furniture and equipment. Agencies continue to provide compensation and expenses for all employees attending forums and other sessions, labor and management alike.

In order to achieve significant results the program must be "institutionalized" in the culture of state government labor-management work place. Labor-management cooperation as developed by LMC is a significant culture change for many work-sites. To continue to affect state labor relations, it must become the accepted way to conduct business at state work-sites.

For this next phase of the effort, adequate financial support, leadership and training commitments are crucial. State agencies will make significant contributions by contributing employee time and salaries. To help leverage the agencies' resources, DER intends to use the Labor Management training funds to provide leadership, support services, training and follow-up activities to assure maximum results.

DER is committed to expanding the benefits of Labor/Management Cooperation program to state employee unions other than WSEU and to more state agencies. In addition, there may be an opportunity to include local government work units in this unique consensus approach to labor relations. Based on increasing agency involvement in the project and willingness to provide base resources to achieve demonstrable results, we do expect agencies to fully incorporate the LMC culture change into their ongoing operations over the long term.

These are the guiding principles of the Labor/Management Cooperation project:

- ◆ Labor and management can and will cooperate in a supportive environment to achieve mutually agreed upon results.

- ◆ Joint training, assistance, support and follow-up will create cooperation, change and improved service to the public.
- ◆ People want to cooperate and work better together; therefore, productivity, performance, and effectiveness will improve as a result of better cooperation.

Proposed expenditures:

◆ Personnel costs for a program support LTE.	\$ 50,400
◆ Travel and supplies costs to present 10 forums, 25 training conferences, 34 steering committee planning meetings and 150 on site visits	\$ 75,100
◆ Trainers/facilitators/consultants fees	\$ 60,800
◆ Meeting/training rooms and equipment rentals	\$ 13,700
Total	\$200,000

The meetings, conferences and forums offer a variety of facilitated problem solving training.

Meetings:

There is a formally appointed Steering Committee for the program consisting of four labor and management representatives and one neutral; co-chaired by the DER Secretary and AFSCME Council 24-WSEU Executive Director; and staffed by a project coordinator (Administrative Policy Advisor). The primary sub-committee involves the Training Team of labor and management personnel.

The steering committee members hold strategic development, planning, research and evaluation meetings related to the overall program, as well as functional activity, performance and results effectiveness.

Facilitators hold agency meetings with labor leaders and management in targeted agencies to enable strategic planning for LMC initiatives.

The program coordinator and other facilitators make follow-up contacts: calling partnership teams who have participated in the training workshops or visiting them on the work site. On work site visits, facilitators consult, intervene, train, assess progress and generally support the efforts of the team members.

Conferences:

LMC holds inter-agency, one-day conferences designed as three, six and twelve month follow-up for participants of the Training Workshops. At these conferences, participants are engaged in sharing of experiences, problem solving and issues discussions, receiving work site team project support and future planning.

Forums and Workshops:

Forums are one-day intra-agency conferences for labor and management representatives. Trainers give an overview of best practices in labor-management cooperation and discuss agency specific issues. Facilitators present opportunities for solving agency problems and facilitate the development of more effective labor-management relationships and communications.

Workshops are inter-agency, two-day training, each planned for eight two-person labor-management partnership teams from local work sites. The training is an intensive, interactive experience focusing on team communications, relationships, problem solving, conflict resolution, proactive change strategies and project planning.

The program coordinator serves as a facilitator as well providing program policy guidance, analysis and assessment.

DER plans to use the funding requested to add a limited term program assistant to maintain the program web site, to make meeting and training arrangements, to prepare and distribute planning and assessment documents, prepare and distribute the program newsletter and provide general administrative support. This program support will free the program coordinator for more critical facilitation and strategic planning.

The intended end result is a program of labor management cooperation that is incorporated into existing union and management structures to communicate the benefits to all phases of the participants' employment operations.

DER fully expects continued dramatic results for participating state agencies. DER expects to add agencies and more unions to this program.

The \$200,000 expenditure authority would be used for costs incurred from January 2002, through July 2003.

The chart below of the revenue collected and expended by the DER Office of Employee Development and Training (OEDT) shows that revenues are available in this appropriation for the planned expenditure for LMC. A significant balance developed when positions were cut from OEDT. Certain courses taught by outside vendors were eliminated but the Basic Supervisory

Development course remains in high demand. In the 2001-2003 Biennial Budget, DER requested and received expenditure authority to pay the UW Extension for an additional "Leadership" module for supervisors, so the ongoing costs for OEDT are greater than expenditures in the prior biennium. On-going funding for LMC is not available from OEDT revenues.

DER intends to continue to explore possibilities for funding for LMC beyond this biennium. We will be presenting a continuing funding proposal in our 2003-2005 biennial budget request.

REVENUE	SFY 2001 Actuals	SFY 2002 EST	SFY 2002 EST
Opening Balance	225,600	249,000	223,900
Program Revenue from Training Fees	119,900	120,000	120,000
Total Revenue	119,900	120,000	120,000
Total Available	345,500	369,000	343,900
EXPENDITURES			
Supervisors training	96,500	95,100	95,100
DER Labor/Management Cooperation		50,000	150,000
Total Expenditures	96,500	145,100	245,100
Closing Balance	249,000	223,900	98,800

RECOMMENDATION

Approve a \$200,000 biennial increase in expenditure authority for s.20.512(1)(j) for fiscal years 2002 and 2003.

STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

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P.O. Box 7882
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Phone: 266-8535



ASSEMBLY CHAIR
JOHN GARD

308-E Capitol
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Phone: 266-2343

JOINT COMMITTEE ON FINANCE

June 12, 2002

Mr. Darrell Bazzell, Secretary
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 received your request, dated May 24, 2002 (received May 28), regarding the proposed 912.39 acre land purchase in Oneida County from the Conservation Fund for \$1,772,000 and additional stewardship funding of \$149,000 for miscellaneous costs.

A meeting will be scheduled to further review this purchase. Therefore, the request is not approved at this time.

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



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

December 17, 2002

TO: Members
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: Natural Resources: Willow Flowage Scenic Waterway Stewardship Purchase --
Agenda Item XXIII-D

REQUEST

The Department of Natural Resources (DNR) requests approval to provide \$1,921,000 from the land acquisition subprogram of the Warren Knowles-Gaylord Nelson Stewardship 2000 program to purchase 912 acres of land from the Conservation Fund for the Willow Flowage Scenic Waterway in Oneida County.

Notification of the proposed purchase of the Conservation Fund parcel was received by the Committee's Co-chairs on May 24, 2002. On June 12, 2002, the Co-chairs notified DNR that a meeting would be scheduled to consider the proposed purchase.

ANALYSIS

The 912.39 acres proposed for purchase from the Conservation Fund adjoins 8,720 acres of land within and around the Willow Flowage purchased by the state in 1997 from Four States Timber Venture/Tenneco at a cost of \$9.8 million (or approximately \$1,120 per acre). At the time of the purchase, the west end of the flowage was retained by the owner. The Department indicates that the owner was seeking approximately \$6 million for the parcel at that time. Should this purchase be approved, the action would complete the acquisition of the majority of the flowage, including greater than 95% of the water frontage (this purchase would include about ten miles of water frontage). Approximately 3.6 of the 77 miles of frontage would remain in private ownership. Current private uses include several resorts and campgrounds, a few private cabins, a boat tour company, and a general store.

The flowage itself is a roughly 5,000-acre impoundment created in 1926 when a dam was constructed on the Tomahawk River downstream of its confluence with the Willow River, and provides water flow to power production facilities downstream. The flowage has a maximum depth of 22 feet, but water levels may vary substantially based on annual rainfall and hydroelectric needs. The area contains populations of eagles, osprey, and loons. Fish species present in the flowage include northern pike, muskellunge, walleye, smallmouth bass, and perch. There are six boat landings on the property, as well as a number of primitive campsites.

The parcel contains approximately 575 acres of upland and 337 acres of lowland, 82% of which is forested. Forest cover includes a mix of aspen, hardwoods, and scattered large pines in the upland areas, with swamp hardwoods and conifers covering low-lying areas. The subject has been managed for timber production, and is currently enrolled in the Managed Forest Law (MFL) program, allowing for public access and recreation.

The parcel is subject to both deed restrictions and a scenic easement. The deed restriction was placed on the parcel in 1957 by the Wisconsin Valley Improvement Company, and prohibits the construction of any buildings or permanent structures on the property except those needed for forestry purposes. Approximately 80 acres in the northeastern section of the parcel are exempt from this restriction. The exempted parcel lacks water access. In 1997, the Four States Timber Venture/Tenneco Packaging Corporation granted a scenic easement to DNR on the parcel as part of a larger negotiated sale (mentioned previously). This easement prohibits any permanent or moveable structures (except for certain piers or docks) on the property within 100 feet of the ordinary high water mark.

The parcel is zoned forestry district #1-A, which would allow all forestry and recreational uses including seasonal residences. Existing deed restrictions would prohibit the construction of any buildings or structures on most of the property except those needed for forestry purposes. The property is assessed at approximately \$559,600, with an equalized value of \$641,800, and is enrolled in the Managed Forest Law program as open for public recreation. Approximately \$940 in acreage payments to local governments were made under MFL on the parcel in 2001. In addition, local governments benefit from yield taxes assessed for any timber harvested on the property. If the transaction is approved, the state would be responsible for the payment of aids in lieu of taxes to the Town of Lynne in an amount equal to the tax that would be due on the estimated value of the property at the time it was purchased (generally the purchase price), adjusted annually to reflect changes in the equalized valuation of all land, excluding improvements, in the taxation district. The town would then pay each taxing jurisdiction (including the county and school district) a proportionate share of the payment, based on its levy. Aids in lieu of taxes are made from a sum sufficient GPR appropriation. Payments for this property would be approximately \$30,230.

The Conservation Fund purchased the property from the Packaging Corporation of America (PCA) in January, 2002, at the request of DNR. PCA had an offer from a third party and was seeking a January closing. The Department indicated that the purchase was a high priority (the last large private holding on the flowage) and that it would not have been able to close the transaction

with PCA in the time required by the company. Therefore, DNR sought the assistance of the Conservation Fund in the parcel's acquisition. The Conservation Fund has indicated that it does not intend to maintain long-term ownership or management of the parcel. Should DNR fail to purchase the property from the organization, it would be parceled off and resold to recoup costs.

Two appraisals were commissioned for the property, one in January, 2002, the other in March, 2002. The appraisals established valuations of \$1,825,000 and \$1,830,000, respectively. Both appraisers arrived at a final valuation of \$2,000 per acre. However, there was some question over the exact acreage of the property, leading one appraiser to use an estimate of 912.39 acres and the other to use 915 acres. Final parcel size was determined to be 912.39 acres.

The first appraisal established the highest and best use of the property as recreational. In addition to the deed restrictions in place on the property, current zoning would preclude residential development. The appraiser estimated the value of the property using the sales comparison approach. This method considers properties recently sold in comparison to the property being appraised, with adjustments made to the sale prices of the comparison properties to reflect differences that may effect the per acre value (including size, topography, location, access, etc.). Due to the size and nature of the subject property, the appraiser noted some difficulties in selecting appropriate comparable sales. One such sale selected was the 1997 purchase of most of the Willow Flowage (8,720 acres) by DNR. Additional comparable sales ranged from 439.3 to 1,485 acres, and were more recent in nature (1999-2001). The range of sales considered varied from \$1,300 per acre to \$3,940 per acre in value. In determining adjustments, the appraiser relied on a qualitative (rather than quantitative) technique. For each factor, the difference from the subject property was indicated by a whole number between one and five. This provided a means to rank the priority of differences in amenities, but as the affects were considered cumulative, it may be argued that certain differences within categories were given uneven weight. For example, it would equate a one point superior/inferior adjustment for determining the quality of geographical location with a one point adjustment for water features or development potential, factors which may have a higher impact on sale price. Finally, comparable prices were adjusted based on net totals ranging from "-1" to "+5", with no basis given to translate these qualitative assessments to quantitative, per acre dollar values. Instead, ranges of "some what above \$1,600 per acre" to "much below \$3,940 per acre" were listed. The appraiser interpreted these assessments to mean a range of \$1,600 to \$2,200 per acre. After considering size, potential use, and location of the parcel as it related to comparable sales, a final value of \$2,000 per acre was selected, for a total estimated value of \$1,825,000. While reviewing the appraiser's report, DNR staff indicated that this means of estimating per acre value was not acceptable in a primary appraisal to determine value, but could be used in this case as a secondary, supporting appraisal.

The second appraisal also established the highest and best use of the property to be recreation. This appraiser also used the sales comparison approach to value the property. Seven sales were selected for comparison, ranging from 160 acres to 1,203 acres. Cost per acre for these parcels ranged from \$1,000 to \$2,000 per acre. It should be noted that the January sale of the subject by PCA to the Conservation Fund was included as a comparable sale. While including this

sale is acceptable under standard appraisal practices, it may be argued that an appropriate determination of value may have been better obtained prior to the directed sale (given that the Conservation Fund was purchasing the property on the Department's behalf). When adjusted for comparable attributes to the subject property, a range of \$1,600 to \$2,600 per acre was established. After weighting the values of the most comparable properties, a final valuation of \$2,000 per acre was selected. As the appraiser calculated the final value using an estimated 915-acre parcel, his total value was \$1,830,000. The Department indicates that a comprehensive survey of the parcel would cost in excess of \$50,000 due to its size and geography, and used the lower estimate of total acreage in its value calculations (912.39 acres), with the agreement of the Conservation Fund.

The Conservation Fund purchased the property in January, 2002, at a cost of \$1,772,000 (or \$1,942 per acre) with the understanding that DNR would attempt to purchase the property from them at a later time for the amount paid, plus a 3% administrative fee, closing costs, and holding costs. The Committee has not previously reviewed a purchase that includes an administrative fee. The assessment of an administrative fee covers overhead costs associated with the organization's operations (including the cost of legal counsel and real estate staff). As the Conservation Fund does not charge membership dues, the 3% fee provides a basis of support for their ongoing operation. The administrative fee for this transaction totals \$53,160. Department officials note that the total of the purchase price plus the administrative fee is almost equal to the appraised value of the property (within \$160). It may be argued that the assessment of an administrative fee is appropriate to assist the organization in recouping a portion of its overhead costs from others who benefit from their services. As such, the payment of this fee with stewardship funds may be appropriate.

On the other hand, under DNR administrative rule legal and administrative costs generally are not reimbursable to local governments or nonprofit conservation organizations seeking matching grants under the stewardship program. It may also be argued that DNR could have avoided the assessment of such a fee either by purchasing the property directly from the sellers, or by using an intermediary that did not assess administrative fees. The Department contends that it would not have been able to complete the transaction within the timeframe specified by the original sellers, and therefore entered into an agreement with the Conservation Fund in order to accommodate both the seller's desire for a rapid closing as well as the Department's process for acquisition. DNR officials indicate that they selected the Conservation Fund over another NCO with higher administrative costs (5%) in an effort to reduce costs. Further, officials indicated that while there are NCOs that do not charge fees to cover overhead, the Conservation Fund appeared to be in the best position to quickly handle an acquisition of this cost and magnitude.

As part of the transaction, closing costs of \$20,440 were incurred (including transfer tax, title insurance, and appraisals). In addition, DNR agreed to pay interest costs associated with the purchase of the property. The Conservation Fund secured a loan to purchase the property with a 6% annual interest rate. The appraisers note that property values for recreational lands have generally been rising at a rate of 9% to 10% annually. Assuming a closing date of November 15, 2002, interest costs would increase the cost of the purchase by \$88,700, for a total cost of \$1,934,300 (or

\$13,300 more than DNR originally requested in May). While DNR notified this office of the increased costs associated with the request, they have not revised their request to the Committee.

ALTERNATIVES

1. Approve the DNR request to expend up to \$1,921,000 of stewardship funds from the land acquisition subprogram of the stewardship program to purchase 912 acres from the Conservation Fund for the Willow Flowage Scenic Waterway in Oneida County
2. Provide up to \$1,934,300 from the stewardship program to reflect additional interest costs incurred since the request was originally submitted.
3. Provide up to \$1,881,100 from the stewardship program for the purchase. This would include additional interest costs incurred since the request was originally submitted. However, it would exclude the administrative fee assessed by the Conservation Fund.
4. Deny the request.

Met 5/17

Prepared by: Rebecca Hotynski

MO#			
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
COGGS	Y	N	A
BURKE	Y	N	A
DECKER	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
WIRCH	Y	N	A
DARLING	Y	N	A
ROSENZWEIG	Y	N	A
AYE	NO	ABS	

NATURAL RESOURCES

Agenda Item XXIII-D – Willow-Flowage Scenic Waterway Stewardship Purchase

Motion:

Move to provide \$1,792,400 from the land acquisition subprogram of stewardship to purchase 912 acres from the Conservation Fund for the Willow Flowage Scenic Waterway in Oneida County.

Note:

The amount provided reflects the purchase price of the property plus closing costs. Holding costs and the administrative fee requested by DNR would not be provided.

A - Moose Lake
D - Willow Flowage
G - Catherine Wolter

MO# Albers/Gard

GARD	<input checked="" type="radio"/>	N	A
KAUFERT	<input checked="" type="radio"/>	N	A
ALBERS	<input checked="" type="radio"/>	N	A
DUFF	<input checked="" type="radio"/>	N	A
WARD	<input checked="" type="radio"/>	N	A
HUEBSCH	<input checked="" type="radio"/>	N	A
HUBER	<input checked="" type="radio"/>	N	A
COGGS	<input checked="" type="radio"/>	<input checked="" type="radio"/> N	A

BURKE	<input checked="" type="radio"/>	<input checked="" type="radio"/> N	A
DECKER	<input checked="" type="radio"/>	<input checked="" type="radio"/> N	A
MOORE	<input checked="" type="radio"/>	<input checked="" type="radio"/> N	A
SHIBILSKI	<input checked="" type="radio"/>	<input checked="" type="radio"/> N	A
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WIRCH	<input checked="" type="radio"/>	<input checked="" type="radio"/> N	A
DARLING	<input checked="" type="radio"/>	N	A
ROSENZWEIG	<input checked="" type="radio"/>	N	A

AYE 9 NO 7 ABS

THE STATE OF WISCONSIN

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

JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Brian Burke
Representative John Gard

Re: 14-Day Passive Review/Land Purchase

Date: May 28, 2002

Attached is a copy of a letter from the Department of Natural Resources, received May 24, 2002, concerning a proposed 912.39 acre land purchase in Oneida County from The Conservation Fund for \$1,772,000. In addition, the department requests \$149,000 of stewardship funding for miscellaneous costs associated with the transaction.

The notice is pursuant to s. 23.0915(4), Stats., which requires the Department to notify the Joint Finance Committee of all stewardship projects of \$250,000 or more in cost.

Please review the material and notify **Senator Burke** or **Representative Gard** no later than **Wednesday, June 12, 2002**, if you have any concerns about the request or if you would like the Committee to meet formally to discuss it.

Also, please contact us if you need further information.

Attachment

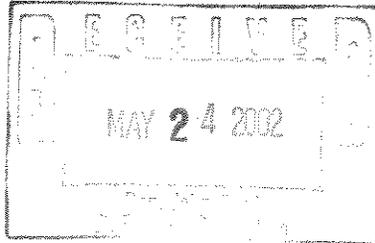
BB:JG:dh



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
TTY 608-267-6897



IN REPLY REFER TO: WR-527

MAY 24 2002

Honorable Brian Burke
Member State Senate
Room 317E
CAPITOL

Honorable John Gard
Member State Assembly
Room 308E
CAPITOL

Dear Senator *Brian* Burke and Representative *John* Gard:

The Department is notifying you as co-chairs of the Joint Committee on Finance of a proposed 912.39 acre land purchase from The Conservation Fund for \$1,772,000. In addition, the Department requests \$149,000 of Stewardship funding for miscellaneous costs associated with the transaction. 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 June meeting. The land is required for shoreline protection, public recreation and natural resources management for the Willow Flowage Scenic Waters Area.

The file number is WR-527 and the land is located in Oneida 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.

Sincerely,

Darrell
Darrell Bazzell
Secretary

Attachments

cc: Legislative Fiscal Bureau
Department of Administration

6-B-9

Form 1100-1
Rev. 5-91

NATURAL RESOURCES BOARD AGENDA ITEM

Item No. _____

SUBJECT: Willow Flowage Scenic Waterway - Oneida County.

FOR: MAY 2001 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department has obtained an option to purchase 912.39 acres of land from The Conservation Fund for \$1,772,000 for the Willow Flowage Scenic Waters Area in Oneida County. The item is being submitted because the purchase price exceeds \$150,000. The parcel has 10 miles of water frontage, is the last large portion of privately owned water frontage on the Flowage, and as such, is a very high priority for state purchase. The Conservation Fund bought the parcel in January to secure the land for the Department because the land was being marketed by the owner.

In 1997, the Department negotiated the Willow Flowage purchase from Four States Timber Venture / Tenneco. That transaction included 8,720 acres and most of the water frontage. The west end of the Willow Flowage was retained by the owner, as the state was unwilling to pay a price of \$6,000,000 for that part. Most of that parcel, including its entire water frontage is now available for \$1,772,000. Other than a few miles of privately owned water frontage, this completes the state purchases on the Flowage itself.

RECOMMENDATION: That the Board approve the purchase of 912.39 acres of land for \$1,772,000 for the Willow Flowage Scenic Waters Area.

LIST OF ATTACHED MATERIALS:

No Fiscal Estimate Required
No Environmental Assessment of Impact Statement Required
No Background Memo

Yes Attached
Yes Attached
Yes Attached

APPROVED:

R E Steffes
Real Estate Director, Richard E. Steffes - LF/4

Steven W Miller (SSM)
Administrator, Steven W. Miller - AD/5

Darrell Bazzell
Secretary, Darrell Bazzell - AD/5

4-26-02
Date

4/29/02
Date

5/14/02
Date

cc: R. Steffes - LF/4
L. Jahns - AD/5
R. Roden - LF/4
W. Smith - Spooner

CORRESPONDENCE/MEMORANDUM

DATE: April 26, 2002 FILE REF: WR-527

TO: Governor McCallum

FROM: Darrell Bazzel *DB*

SUBJECT: Proposed Land Acquisition, The Conservation Fund Tract, File # WR-527,
Approval is Requested by July 1, 2002

1. PARCEL DESCRIPTION:

Willow Flowage Scenic Waters Area
Oneida County

Grantor:

The Conservation Fund
c/o Renay Leone
6459 Smithtown Rd
Excelsior, MN 55331

Acres: 912.39Price: \$1,772,000Appraised Value: \$1,825,000; \$1,830,000Interest: Purchase in fee.Improvements: None

Location: The tract is located fifteen miles southwest of Minocqua, in western Oneida County. The parcel has about 10 miles of water frontage, including the entire west end of the Willow Flowage.

Land Description: The subject area varies from level to rolling, with some scenic overlooks of Flowage.

<u>Covertypes Breakdown:</u>	<u>Type</u>	<u>Acreage</u>
	Woodland	912.39

Zoning: ForestryPresent Use: ForestryProposed Use: Scenic Area Protection and Public RecreationTenure: The Conservation Fund purchased the parcel in January 2002 for \$1,772,000Property Taxes: N/A Forest Crop LawAgreement Date: April 26, 20022. JUSTIFICATION:

The Department proposes to purchase a 912.39-acre parcel from The Conservation Fund to provide opportunities for public recreation, to protect and maintain scenic land, and to prevent incompatible development for the Willow Flowage.

The intent of the project is to perpetuate the undeveloped character of the Willow Flowage and to preserve the scenic beauty, natural resources, and heritage for future generations. The parcel proposed for purchase includes about 10 miles of water frontage, being the entire west end of the Flowage. A 1997 state purchase secured the majority of the Flowage. Since the current purchase included the last large portion of privately owned water frontage on the Flowage, it is a very high priority for state purchase.

In 1997, the Department negotiated the Willow Flowage purchase from Four States Timber Venture / Tenneco. That transaction included 8,720 acres and most of the water frontage. The west end of the Willow Flowage was retained by the owner, as the state was unwilling to pay a price of \$6,000,000 for that part. Most of that parcel, including all of its water frontage is now available for \$1,772,000. Other than a few miles of privately owned water frontage, this completes the state purchases on the Flowage itself. The Flowage is nearly undeveloped and has a wilderness character over much of its area. It is famous for its scenic qualities, natural character, wilderness setting and fishing opportunities. The Willow Flowage has status as an Outstanding Resource Water.

Purchase is recommended to provide public use of and access to the land for outdoor recreation and protect the area to preserve its scenic beauty. Improvements included in the purchase are limited to three boat landings and woods roads. With this transaction, 95% of the shoreline will be kept in a natural state.

The Flowage was created in 1926 when a dam was constructed on the Tomahawk River downstream of its confluence with the Willow River. The Flowage is used to provide a constant flow of water for the power production downstream. Of the 77 miles of total frontage, about 3.6 miles are in private ownership that includes 3 resorts, 2 campgrounds, a few private cabins, a boat tour company and a general store. The vast majority of the Flowage is undeveloped. The Flowage has a maximum depth of 22 feet. While depth and surface areas vary seasonally, wildlife and the fishery flourish.

The fishery is primarily northern pike, muskellunge, and walleye. There are smaller populations of smallmouth bass and perch. The Flowage has significant populations of eagles, osprey and common loons. There are six existing boat landings located on the Flowage and a number of primitive campsites.

The Willow Flowage Scenic Waters Area is being managed as it has been in the past with little manmade development. The project will feature management to enhance the musky and walleye fishery, protect the water quality of the Flowage and provide natural type public recreational and educational uses such as fishing, hunting, hiking and trapping.

It is the Department's goal to perpetuate the character of the undeveloped shoreline of the Willow Flowage and to preserve this natural heritage for future generations. While a majority of the land has some protection from development via a 100-foot wide state scenic easement and deed restrictions, a state purchase will open the land to the public and protect its natural values in perpetuity.

Approval of this purchase is recommended to preserve this outstanding resource, permit resource management and provide area for outdoor recreation. The Conservation Fund stepped in and purchased this critical parcel when the owner, Packaging Corporation of America, was commencing to market the land. The Department desires to purchase the land from The Conservation Fund for their purchase price of \$1,772,000, plus holding costs. Purchase will secure more than 900 acres and 10 miles of water frontage for the public on one of the premier water bodies of the state.

3. FINANCING:

State Stewardship bond funds are anticipated:
(FY01 Carry-over funds)

Funds allotted to program:	Balance after proposed transaction:
\$2,500,000	\$728,000

4. ACQUISITION STATUS OF THE WILLOW FLOWAGE SCENIC WATERS AREA:

Established: 1997
Acres Purchased to Date: 16,324.74
Acquisition Goal: 34,804.0 Acres
Percent Complete: 46.9%
Cost to Date: \$15,733,251

5a. APPRAISAL:

Appraiser: Norman Mesun (Private Appraiser)
Valuation Date: March 1, 2002
Appraised Value: \$1,830,000
Highest and Best Use: Public Recreation

Allocation of Values:

- a. land: 912.39 acres @ \$2,005 per acre: \$1,830,000
- b. market data approach used, six comparable sales cited
- c. adjusted value range: \$1,596 to \$2,592 per acre

Appraisal Review: Phil Lepinski

5b. APPRAISAL:

Appraiser: William Steigerwaldt (Private Appraiser)
Valuation Date: January 11, 2002
Appraised Value: \$1,825,000
Highest and Best Use: Public Recreation

Allocation of Values:

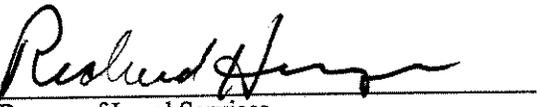
- a. land: 912.39 acres @ \$2,000 per acre: \$1,825,000
- b. market data approach used, six comparable sales cited
- c. adjusted value range: \$1,315 to \$3,940 per acre

Appraisal Review: Phil Lepinski

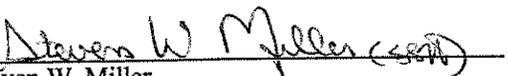
RECOMMENDED:


Richard E. Steffes

4-26-02
Date

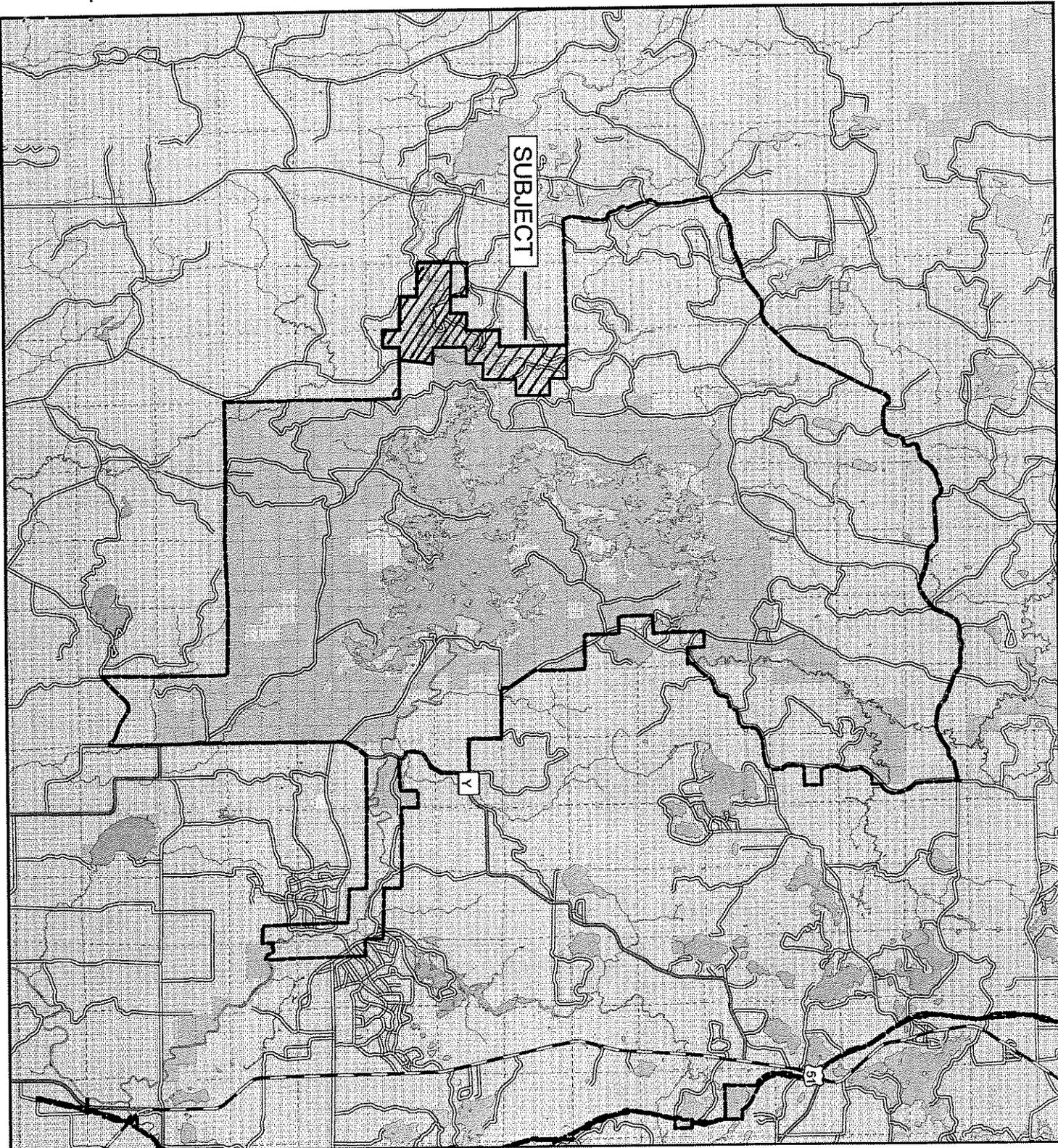

Bureau of Legal Services

4/26/02
Date

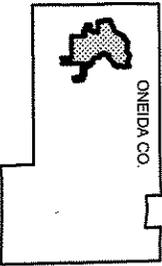

Steven W. Miller

4/29/02
Date

RES:jr



- Project Boundary
- ▨ DNR Managed Land
- ▩ State Owned
- ▤ State Easement
- ▧ Leased Private



Boundary
Last Modified October 25, 2000

Acreeage Goal 34,804

Area within
Boundary 16,324.74

STATE OF WISCONSIN
DEPT. OF NAT. RESOURCES

**Willow Flowage Scenic
Waters Area**

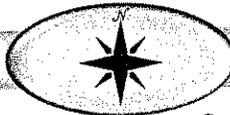
Map Creator:
Bureau of Facilities and Land Date: April 26, 2002



Project No. 9527	Approved Real Estate	
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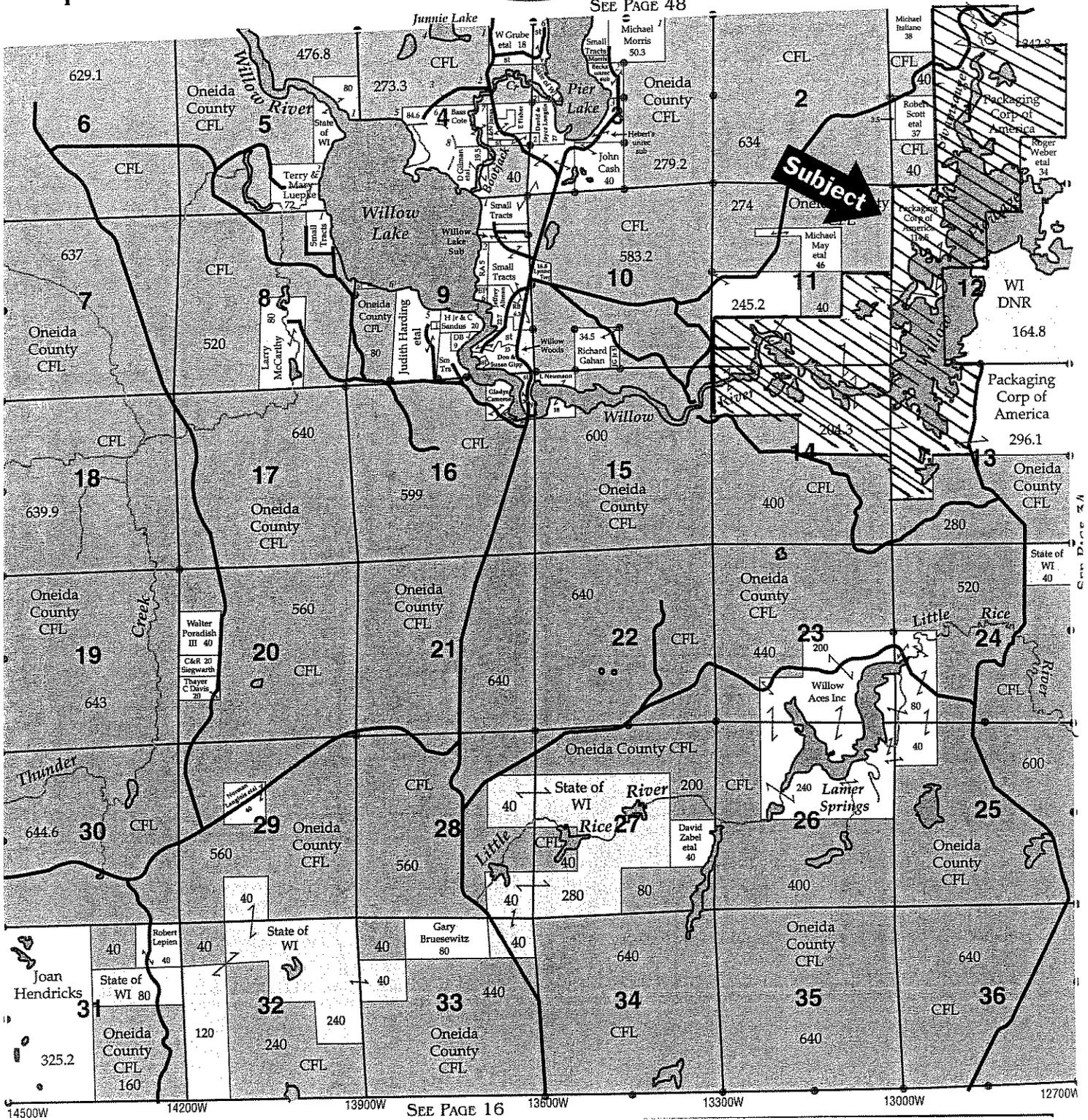
Lynne (N)



T.37N. - R.4E.

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SEE PAGE 48



SEE PAGE 16

