

State of Wisconsin

SENATE CHAIR
Alberta Darling

317 East, State Capitol
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ASSEMBLY CHAIR
John Nygren

309 East, State Capitol
P.O. Box 8593
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Phone: (608) 266-2343

Joint Committee on Finance

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: May 11, 2018

Re: 14-Day Passive Review Approval – DNR

Pursuant to s. 23.0917(6m), Stats., attached is a 14-day passive review request from the Department of Natural Resources, received on May 11, 2018.

Please review the material and notify **Senator Darling** or **Representative Nygren** no later than **Wednesday, May 30, 2018**, if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

Attachments

AD:JN:jm

State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
101 S. Webster Street
Box 7921
Madison WI 53707-7921

Scott Walker, Governor
Daniel L. Meyer, Secretary
Telephone 608-266-2621
Toll Free 1-888-936-7463
TTY Access via relay - 711



May 10, 2018

The Honorable Alberta Darling, Co-Chair
Committee on Joint Finance
Room 317 East
State Capitol
PO Box 7882
Madison WI 53707-7882

The Honorable John Nygren, Co-Chair
Committee on Joint Finance
Room 309 East
State Capitol
PO Box 8953
Madison, WI 53708-8953

MAY 11 2018

J. Finance

Dear Senator Darling and Representative Nygren:

Pursuant to s. 23.0917(6m), Wis. Stats., the Department is notifying you as co-chairs of the Joint Committee on Finance of a proposed increase to two earlier Recreational Boating Facility (RBF) grants awarded to Iron County for storm damage repairs in Saxon Harbor. Three different grants were originally awarded because each has different cost-share percentage and different target area; one award has no change to the grant amount at this time. Project designs have changed since 2017 and the cost estimates have increased as a result. The additional RBF grant amount is now \$336,548.

Background. On March 16, 2017, the Joint Committee on Finance approved an RBF grant amount of \$326,500 for reconstruction of boat launch ramps, parking areas, removal and replacement of pilings, and bathroom facilities. The amount of the 2017 RBF grant awards was \$326,453 and based on preliminary cost estimates received from the Federal Emergency Management Agency (FEMA). The original grant request was recommended by the WI Waterways Commission at its meeting on January 10, 2017.

In the same approximate timeframe, Wisconsin Department of Transportation (WisDOT) was actively working on the redesign of County Trunk Highway (CTH) A, the main road into and out of the harbor area, and the bridge over Oronto Creek. In late 2017, WisDOT completed the design and engineering for CTH A. The initial harbor rebuild plans and cost estimates from January 2017 were not compatible with the final design of CTH A. Iron County now has actual contract pricing from WisDOT, US Army Corps of Engineers (USACE), Iron County, and their engineering firm.

In 2018, Iron County revised its harbor design and applied for additional RBF grant funds to accommodate the increased project costs. The WI Waterways Commission recommended approval of the increased grant amount at their meeting on April 10, 2018.

As provided in s. 23.0917(6m)(a), Wis. Stats., if the Department does not receive notification of the scheduling of a hearing from either of the Joint Committee on Finance co-chairpersons within 14 working days from today, the Department will award this grant.

Thank you for your consideration.

Sincerely,

Daniel L. Meyer
Secretary

CORRESPONDENCE/MEMORANDUM

DATE: May 10, 2018

TO: Members of the Joint Committee on Finance

FROM: Daniel Meyer, Secretary

SUBJECT: REQUEST FOR APPROVAL OF INCREASE TO RECREATIONAL BOATING FACILITY GRANTS USING STEWARDSHIP PROGRAM FUNDS GREATER THAN \$250,000

Pursuant to s. 23.0917(6m)(a) and (c), Wis. Stats., the Department is notifying you of a \$336,548 proposed increase to the Recreational Boating Facility (RBF) grants originally approved by Joint Committee on Finance (JFC) on March 16, 2017, for Iron County's Saxon Harbor Storm Repair Project. Saxon Harbor sustained severe damage following a 1500-year flood event on July 11 and 12, 2016. Effective October 27, 2007, RBF grants are funded with Stewardship Program moneys. The Knowles-Nelson Stewardship program is funded under s. 20.866(2)(ta), Wis. Stats.

I. PROJECT DETAILS:

Project Sponsor: Iron County
Grant sub-program: Recreational Boating Facilities (RBF)
Location: Saxon Harbor, Saxon, WI

Following the March 16, 2017, approval by JFC for RBF grant funding for Saxon Harbor repairs, the DNR awarded three separate RBF grants to Iron County, each with a different cost-share percentage and target area. Project designs have changed since 2017 and the cost estimates have increased as a result. Paragraphs below describe the proposed increases for each of the 3 grant awards:

RBF-1590: Harbor Facilities. This project will re-establish damaged and/or destroyed facilities in the west launch area, specifically, boat launch ramps, parking areas, removal and replacement of pilings, and bathroom facilities. The total project cost is now estimated at \$644,767. The original RBF grant amount was \$187,543. The amendment request submitted by Iron County adds \$325,871 to the original grant, resulting in a total amount for this grant of \$513,414 (80% of the new total cost for this project segment).

RBF-1591: Dredging of Channel and Harbor of Safe Refuge. The DNR issued a grant in the amount of \$66,942 for this project segment. No grant increase has been requested by Iron County at this time.

RBF-1592: Dredging of Harbor and Transient Docking Wall. Iron County originally asked for RBF grant funding in the amount of \$71,968 to assist with this dredging project because the County didn't know if the US Army Corps of Engineers (USACE) would be able to assist with this work given USACE's budgetary constraints. The County has since determined that the USACE will pay for and oversee a significant portion of the dredging, so the County has requested to use the original grant amount and additional funds to complete reconstruction of the north peninsula areas. This new project segment will include construction of a boat launch ramp, concrete work throughout the north harbor peninsula, and engineering and design costs. Total cost estimate for the north peninsula project segment is \$103,306. In addition to the original 2017 RBF grant amount of \$71,968, the County has requested an additional \$10,677, resulting in a total grant award for this project segment of \$82,645. The new grant award amount represents approximately 80% of the total costs for this project segment.

Project Goals: The overall goal is to restore Saxon Harbor to a usable facility as soon as possible. This will benefit boaters seeking a Harbor of Safe Refuge in inclement weather, transient boaters traveling through the Great Lakes, and the general public wishing to access Lake Superior.

Public Uses: Prior to the storm, Saxon Harbor was well-used by the public for fishing, camping, swimming, boating, and as a destination for ATV enthusiasts. Saxon Harbor provided public access to Lake Superior, a marina, and a Harbor of Safe Refuge for boaters to use during inclement weather.

Property Management: Iron County Forestry and Parks Department is responsible for the operation and maintenance of the Saxon Harbor facility.

Timetable: These projects were postponed for a year due to WisDOT having to approve a new design and location for County Trunk Highway (CTH) A and the bridge over Oronto Creek. WisDOT engineering and construction has progressed, allowing Saxon Harbor boating facility work to begin in early summer 2018.

Partnerships:

- Iron County Forestry & Parks Dept.: Responsible for renovation, operation and maintenance.
- Department of Natural Resources: Provides financial grant assistance.
- Federal Emergency Management Agency (FEMA): Provides financial grant assistance.
- WI Emergency Management (WEM): Provides financial grant assistance.
- DOA Coastal Zone Management (CZM) Program: Provides financial grant assistance.
- U.S. Army Corps of Engineers (USACE): Provides engineering and construction assistance.

II. PROJECT FINANCES

The table below shows project contributions, by partner, originally in January 2017 and the revised amounts this month (May 2018).

<u>Project Partners</u>	<u>January 2017</u>	<u>May 2018</u>
Iron County	\$ 999,418	\$ 1,118,838.56
Insurance Payment	\$1,100,000	\$ 1,500,000.00
FEMA	\$4,439,443	\$ 5,682,272.23
WEM	\$ 739,907	\$ 947,045.37
DOA CZM	\$ 26,450	\$ 26,450.00
DNR RBF Grants (#1590, #1591, and \$1592)	\$ 326,453	\$ 663,001.00 (5% of total)
Federal Boating Infrastructure Grant		\$ 181,439.00
Knowles-Nelson Stewardship grant enumeration*		\$ 1,000,000.00
Federal Highways Administration		\$ 1,152,570.01
Total Project Costs	\$7,631,671	\$12,271,616.17

*The 2017-2019 Biennial Budget included an enumeration of \$1 million from the Knowles-Nelson Stewardship Program to Iron County to help offset the county's share of the rehabilitation costs.

III. RECOMMENDED:



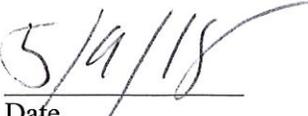
 Mary Rose Teves, Director
 Bureau of Community Financial Assistance



 Date



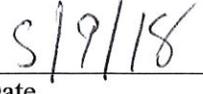
 Paul Hammer, Deputy Administrator
 External Services Division



 Date



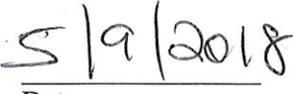
 Joe Liebau, Administrator
 External Services Division



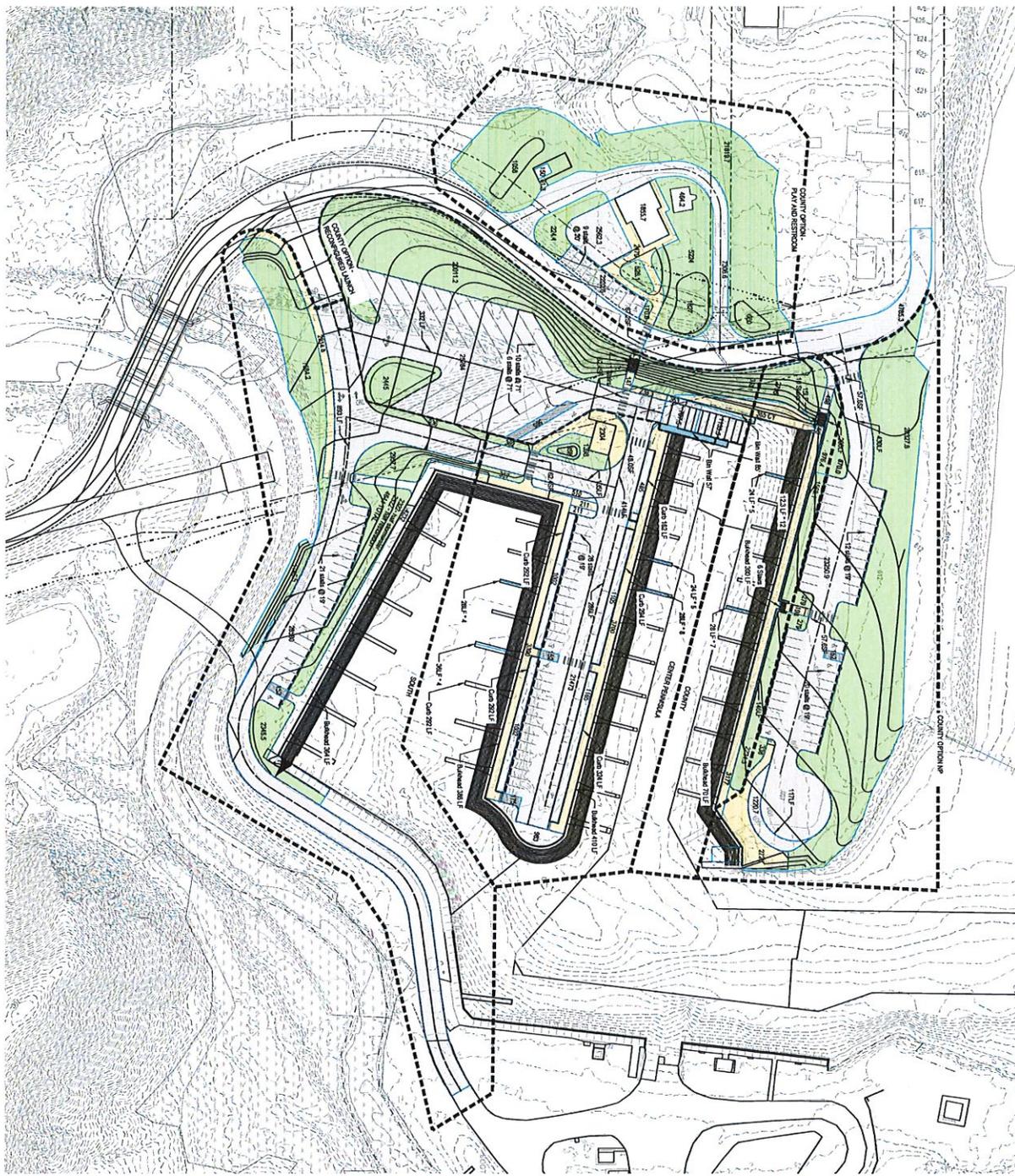
 Date



 Doug Haag, Administrator
 Internal Services Division



 Date



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HORIZONTAL SCALE

0 50 100

PROJECT ID: T1004-00

AREA TAKEOFFS

DATE OF PREPARATION	BY	DATE
ISSUED		
REVISION		
RECORDED		
CHECKED		

REVISIONS	
NO.	DESCRIPTION

RECORD DRAWINGS OF COMPLETED CONSTRUCTION BY _____ DATE _____

RECORD DRAWINGS OF COMPLETED CONSTRUCTION CONFORMING TO CONTRACTOR AND/OR OWNER'S RECORDS BY _____ DATE _____

65% REVIEW DRAWINGS
 HARBOR DREDGE AND BASIN EDGE
 MARINA RECONSTRUCTION
 SAXON HARBOR RECONSTRUCTION,
 FEMA DISASTER #4276
 IRON COUNTY FORESTRY DEPARTMENT
 IRON COUNTY, WISCONSIN

IRON COUNTY WISCONSIN

Foth
 SMITHGROUP JJR

UPEA
 URBAN PLANNERS & ARCHITECTS

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