

Agenda Item	Key Points	Outcomes, Next Steps, Assignments
<p>1. Call to Order</p>	<p>Members Present: Bev Dittmar-Acting Chair, Bob Lang, Lee Van Zeeland, Dale Mayo, Matt Harter, Dave Newman, Sam Landes, Jerry Green, Larry Erickson, Andy Malecki, Karen Carlson, Tom Chwala, Pat Schmutzer, Jon Schweitzer</p> <p>Absent: Mike Willman</p> <p>Others Present: Cathy Burrow, Shelly Young, Mike Bruhn, Pat Kirsop,-DNR; Representative Mary Czaja and members of the public.</p>	
<p>2. Comments</p>	<p>Bev – We all need to keep an open mind. We all know what we’re here for discussion and hopefully deciding something that will be better for the program.</p>	
<p>3. Citizen Participation</p>	<p>AWSC – Morris Nelson: History on where we’re at. AWSC worked on Capstep for years. There was great concern about no 2 year registration and low funding in low snow years. Rep. Czaja told us that we needed to work on a compromise with the Gov. Council. With those instructions we came up with a compromise with Mike Cerny & Dale Mayo. Mike said he supported the compromise. The day after the council meeting 9/24 I saw LRB 2943 no one had seen it before.</p> <p>Both the compromise and LRB 2943 have excellent items, mainly to address getting more volunteers in the clubs to work on grooming the trails.</p> <p>The atmosphere in the capitol is they are ready to help us. I believe it would be a disservice to the program if the Council chooses sides and only goes with one program or the other and has a split vote. I hope that you will consider looking at both proposals and look at what’s beneficial to the program and come out of the meeting today of what’s best.</p>	

Dale Mayo: Clarified for the Council that he wasn't involved in any meetings involving the compromise. He got involved when Rep. Czaja contacted him after she spoke with Rep. Swearingen about supporting the bill. Rep. Swearingen said he wouldn't support it because Vilas County did not support Capstep. Rep. Czaja is an avid snowmobiler, she invited him to a meeting at the capitol to discuss why we didn't support the bill. Dale asked if Mike Cerny could attend. That meeting was on July 1, on July 12 they were called to the meeting that Morris spoke of. At that meeting Rep. Czaja said the compromise would continue the 2 year registration and include a 2-tier trail pass system for club and non-club members. Dale said he would personally support that and Mike said the same thing. But said that both said they could not vote for the entire Council.

Mike did not agree to anything. What was presented at the last meeting that said Features at the top, was talking points for a meeting that did not happen.

Pat Schmutzer: Spoke with Mike and confirmed Dale's comments.

Rep. Czaja – Agreed with what Dale said. What was said at the July meeting was it was agreed the Gov. Council could support the compromise as long as the 2 year registration was retained along with trail sticker. She said she hadn't seen this proposed modification before until Dale forwarded her the AWSC update.

LRB 2943 has been circulated around the capital keeping the 2 year registration and the Capstep legislation. It has gotten very good support and it has been submitted with the co-authors on it. After she received the AWSC update she contacted Sen. Gudex, he is the co-author on the senate side. They agree they will not move forward with the compromise, that it is not on the table.

There was some discussion on who knew what when.

She said she has a meeting with Gov. Walker on Oct. 9 because this is a new fee with the trail sticker to see if he'll be on board with it and not oppose it. In addition they've met with the Tavern

	<p>League and hospitality group and they have signed on in support of this bill. She will be meeting with WMC next week. She hopes that AWSC, will get behind this because she feels that this is the last chance for Capstep. They've gotten Rep. Crawford who has not been on-board to not oppose it and she's gotten Rep. Nygren who was opposed and spoke against it last time to agree to not speak against it and to look at it with an open mind.</p> <p>More discussion about who knew what when.</p> <p>Options are: go with the current program and do nothing or vote to support LRB 2943.</p> <p>Discussion regarding if LRB 2943 is on the agenda and can be voted on.</p> <p>Discussion regarding closing the meeting to public comment at this point. It was decided to keep the meeting open to public comments during the discussion of the joint funding proposal.</p>	
<p>4. Snowmobile Recreation Council & Association of Wisconsin Snowmobile Clubs (AWSC) Joint Funding Proposal discussion</p>	<p>More discussion on who knew what when.</p> <p>Discussion regarding which proposal the AWSC sent out as presented to the council and the actual proposal that was presented. AWSC sent out a modified proposal the next day that was the same as was presented to the council.</p> <p>Lee: Question for Rep. Czaja, is there room to make changes to LRB 2943 for the good things that are in the proposal but not in the proposed bill.</p> <p>Rep Czaja: A proposal can be drafted for any bill. Currently from a funding standpoint under the current program the estimated funding is \$9.4 million for the next year. If we implement the bill as proposed and 25% are club members, the proposed funding moves to about \$16 million for next year. If 50% are club members it's about \$15 million and if it's a low snow year and only 50% of registered numbers by a trail pass that drops about \$2-2.5 million each year. Also spent quite a bit of time this summer trying to get to the bottom of where the snowmobile account sits. One of the items Mike Cerny brought to her was the proposal of no funding</p>	

this year 13-14 and next year 14-15 for project grants because of miscalculations in the program by the DNR. So she sat down with the DNR to get some numbers and then it was suggested to her by leadership to go to the Fiscal Bureau (LFB) who is the keeper of the money to get to the bottom of it. She met with LFB the day before and they said the program is not in as bad of shape as originally thought. So there could potentially be project aids of \$800,000 in 13-14 and about \$650,000 in 14-15 but she feel a serious look at the future of the program is needed. It is seriously underfunded. If you want to give an increase of a minimum of \$100 go from \$250 to \$350 per mile for grooming you're talking \$1 million. The funding of this program for the future has to be looked at. You can look at the modified proposal and ask for less money but you'll be back looking for more money in the future. She stated that was her opinion.

Andy Malecki: asked Rep. Czaja if she felt the increased fees vs. the compromise would be accepted by the legislature seeing their opposition to increasing fees.

Rep. Czaja: they know the program is severely underfunded. The opposition is to the Capstep program. They feel this penalizes people for not being in a club and that this is basically a membership drive for the AWSC. She agree that is it, but she explains that we're not only looking for funding but we're looking for worker bees for the program and it's the only program of its type where volunteers do all the work. And she goes on to tell them if they had to hire DNR employees to do all the work, what would the expense be? In addition to that they're afraid if we start the Capstep program giving a discount to a group that other groups will want a similar discount. She explains that this program is the only one where volunteers are doing 100% of the work.

She explained the fee increase is what she needs to get Gov. Walker to agree to next week when she meets with him. In her mind, it's not a tax but a user fee.

She went on to say again that if the AWCS and the Gov. Council don't agree on something, there will be no movement.

It was asked if committees can veto portions of the bill.
Answer: No, amendments can be made to modify the bill.

If the 2 tier system is the problem, the bill will die.

She spoke about the amount of time that has been spent on this by other legislators as well and some have taken it to their clubs and gotten good feedback there. Other legislators, who have been opposed to it in the past, are willing to look at it now.

Discussion of other organizations that are also volunteer-based.

Concerns: What does the public think about this? AWSC has about 25,000 family memberships and that's about 10-12% of the whole snowmobile community. What does the other 85-90% think of it? And some clubs are not associated with AWSC but still do everything that a regular club does.

Rep. Czaja: Said she understands the concerns and agrees that ATV will likely follow suit on this. People should remember that this program actually pays for DNR administration costs to administer the program. There are zero GPR dollars that go into the program. Also agreed that not all clubs are AWSC affiliated but stated that it's the one mechanism that would allow this participation to happen as far as the discount for clubs.

Discussion regarding incentive programs for other things the DNR does, like bringing in a new hunter. True but it doesn't make a preferred class, it for anyone who brings in new hunters or a hunter/fisher who hasn't purchase a license for some number of years.

The question was asked of AWSC, what are the objections to LRB 2943.

One concern was the vintage proposal, they feel that 25 years isn't long enough that soon there will be many.
35 years and older is about 6,100 sleds
25 years and older is about 18,000
20 years and older is about 47,000

So in 5 years or so we'd be looking at 1/5 of the total snowmobiles that wouldn't have to purchase a trail pass. We're concerned if 25 years is old enough.

Also in our proposal we said vintage snowmobiles wouldn't be required to display a trail pass. LRB 2943 says they'd get a free trail pass. That is an unnecessary expense in our opinion.

Dale spoke of the spreadsheet he sent out, it looks at the options on the table. The proposal that we received doesn't generate enough money. To raise the basic maintenance from \$250-350 per mile that's \$1 million without even talking about projects. We've also talked about raising the supplemental from \$750-900 per mile. This year alone we had \$3.4 million in requests to supplemental, there is only \$2.1 million available and that's after the gas tax multiplier was increased. That puts us at a 62% pro-rate which is unacceptable.

If we're going to raise the groomer rates to \$15/hour as we discussed that's going to raise supplemental by 25% That would raise the request last year to \$4.3 million which would put us at a 48% pro-rate. The modified proposal doesn't provide enough money for that.

Why wasn't this discussed at the Sept. 23rd meeting? Needed time to do the math.

The proposal as it stands reduces registration revenue by \$1.1 million when moving to a 3 year registration. Also by decreasing the trail passes by \$5 each that reduces the bill by another \$1 million. So the proposal reduces the bill by over \$2 million before we even discuss the armed forces or safety instructor discounts.

Most of the money won't happen till 2015 and we'll have a big backlog of projects by then.

Question regarding supplemental and the difference between the two. The Council can look at holding back project money to use for Supplemental. In general more money is better for the program whether it goes for supplemental or overall.

Larry Erickson: clubs are distressed, we need more money. It's going to take several years to get caught up with this and he feels they must go with the program that generates the most money.

Lee: Agree completely 100%, why wouldn't AWSC go with the LRB proposal that gives you everything you asked for.

Rep. Czaja: The question of requiring a trail pass was an issue raised by law enforcement.

Discussion regarding vintage vs. antique and the requirement of trail passes.

Dave: AWSC likes LRB 2943 but feels that it can be made better.

Discussion regarding the two different and what might or might not pass. Deferred to Rep. Czaja on what might or might not be passed.

Discussion that council should vote for LRB 2943, it's in front of us and gives more funding to the snowmobile account.

AWSC membership will ultimately vote to support the compromise or not, it's good to have discussion.

More discussion regarding the AWSC's perceived reluctance to support LRB2943.

Rep. Czaja made some final comments because she needed to leave for another meeting. She expressed disappointment that proposed modifications would be coming so late after the July 11 meeting when these ideas were presented in her office at a meeting with Gov. Council members and AWSC executive board members. This bill has been worked on all summer and it being presented for consideration this fall.

She went on to say that in her opinion LRB 2943 would not move forward without unified support from AWSC and the Gov. Council. She felt that by choosing to pick it apart at this point, it would kill

the bill. She also stated that she would understand if the Gov. Council decided not to support it because of the 2 tier system. If the AWSC comes forward without supporting the 2 tier system from the original and brings additional proposals and amendments, she feels it's being nit-picked apart and will fall apart.

Andy asked if Rep. Czaja would be acceptable to modifications as far as the vintage and this whole thing.

Rep. Czaja: spoke with Sen. Gudex's office and they will not be making amendments to the bill.

Bob Lang: One concern that might merit consideration is that with the bill as proposed it makes it cheaper for out of state people to buy a trail pass rather than registering here and then we lose the gas tax and that is one concern that I do have.

Rep. Czaja amended her statement to say that if an amendment really makes sense and is not nit-picking about little things, and validation of that amendment is brought forth, that Senator Gudex is a reasonable man and we will consider it.

She went on to say if an amendment could be brought forth with numbers and it makes sense, then they would consider it.

Discussion regarding what can and cannot be addressed at this meeting regarding the agenda item.

Clarification: the agenda item is: "Snowmobile Recreation Council & Association of Wisconsin Snowmobile Clubs (AWSC) Joint Funding Proposal discussion" any parts of the funding proposal can be discussed and acted on at this meeting.

Discussion regarding by-laws and whether or not we have any. And if items can be acted on without going to committee first.

Clarification: the Snowmobile Council doesn't have by-laws. They do have Articles of Incorporation and unofficial rules of conduct that Cathy will be sending out. Past practice has been that all items come up through committee but because Bev as Acting

	<p>Chair at the last council meeting directed that this item would go on the agenda as a discussion item for the full council that it is acceptable to do so and then take action. In fact, there was talk of simply having it on the agenda as an action item and Bob Lang as Parliamentarian stated it couldn't be done that way, that there must be a discussion period first.</p> <p>At this point we moved into the taking action section.</p>	
<p>5. Action on Funding Proposal</p>		<p>Final Motion (as amended 3 times):</p> <p>Motion that the Governor's Snowmobile Council support LRB 2943 and that the AWSC take it back as a compromise with the Council's recommendation to be voted on by their membership. Amended to add as suggestions of possible additions to LRB 2943 the following:</p> <ul style="list-style-type: none"> • Implementing a \$5 late fee for trail pass requests and/or purchased made after December 1st annually • Implementing vintage sleds be exempt from displaying a trail pass and vintage be defined as 30 years or older • Implementing raising the non-resident trail pass fee to \$50 annually <p>Motion passed on a divided vote. 12 aye, 1 no</p> <p>++++</p> <p>Below is how the council got to the amended motion.</p> <p>Motion by Dale Mayo that the Governor's Council support LRB 2943 and that the AWCS take it back as a compromise with the Council's recommendation to be voted on by their membership. Second by Lee Van Zeeland.</p> <p>Motion by Dave Newman to amend the original motion as follows: to add some of the items</p>

		<p>from the compromise proposal to the LRB 2943 to improve it. Second by Andy Malecki. Matt moved to call the roll on the amended motion. Dale Mayo seconded.</p> <p>Roll: Matt Harter-No, Sam Landes-Yes, Bev Dittmar-No, Dale Mayo-No, Larry Erickson-No, Karen Carlson-No, Pat Schmutzer-No, Andy Malecki-Yes, Jon Schweitzer-No, Lee Van Zeeland-No, Dave Newman-Yes, Bob Lang-No, Tom Chwala-Yes.</p> <p>Motion failed: 4 aye, 9 no</p> <p>Motion by Dave Newman to amend the original motion to make a suggestion of an addition to LRB 2943 to implement a \$5 late fee for trail pass requests and/or purchases made after December 1st. Second by Andy Malecki.</p> <p>Motion passed: unanimously</p> <p>Motion by Dave Newman to amend the original motion to make a suggestion of an addition to LRB 2943 to exempt vintage sleds from displaying a trail pass and that vintage sleds be designated as 30 years old or older. Second by Andy Malecki.</p> <p>Roll: Matt Harter-Yes, Sam Landes-Yes, Bev Dittmar-No, Dale Mayo-No, Larry Erickson-Yes, Karen Carlson-Yes, Pat Schmutzer-No, Andy Malecki-Yes, Jon Schweitzer-No, Lee Van Zeeland-No, Dave Newman-Yes, Bob Lang-No, Tom Chwala-Yes.</p> <p>Motion passed: 7 aye, 6 no</p> <p>Motion by Dave Newman to amend the motion to make a suggestion of an addition to LRB 2943 to move the current registration cycle from \$30 for 2 years to \$30 for 3 years.</p> <p>Motion failed due to lack of a second.</p> <p>Motion by Dave Newman to amend the motion</p>
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		<p>to make a suggestion of an addition to LRB 2943 to change the trail pass to \$30/year for non-members; \$10 for members. Second by Andy Malecki. Roll: Matt Harter-Yes, Sam Landes-Yes, Bev Dittmar-No, Dale Mayo-No, Larry Erickson-No, Karen Carlson-No, Pat Schmutzer-No, Andy Malecki-Yes, Jon Schweitzer-No, Lee Van Zeeland-No, Dave Newman-Yes, Bob Lang-No, Tom Chwala-Yes. Motion failed: 5 aye, 8 no</p> <p>Motion by Lee Van Zeeland to amend the motion to make a suggestion of an addition to LRB 2943 to make the cost of a non-resident trail pass \$50 annually. Second by Andy Malecki. Motion passed: unanimously</p>
<p>6. DNR Report</p>	<p>Supplemental money – in FY13 after paying out everything the snowmobile account was in the hole \$14,000 and then \$937,000 in grants were issued in July. So to close the books the remaining revenue on the supplemental side was used for approved trail grants. Now that we’re in a new fiscal year, we’re looking to see if we can replace any of that surplus money and put it back on the supplemental side. We’re hoping to be able to put \$100,000-\$200,000 in there to increase the pro-rate.</p> <p>What was the exact amount that was leftover? \$815,000</p> <p>Q: Why can’t we get more of that money back, if it was taken out? A: It wasn’t taken out, it was spent on previously approved projects that had been authorized.</p> <p>Discussion on why the money the projects were approved without the correct fiscal numbers. Cathy explained that the snowmobile program has been run this way since day one of the program. This deficit has happened several times before. When Larry was the Grant Manager, this program was bailed out by another fund. Previous administrations did not want to take the hard step of going a year without awarding grant projects so the problem wasn’t</p>	

corrected. Now, the problem is being corrected and it is painful as we all know.

Q: Will a 1310 transfer be needed?

A: Not likely because we're not looking to increase our spending authority, just attempting to use some of the other revenue not specifically directed at supplemental for supplemental payments.

Mike explained that we have committed to looking at the fund when we have better numbers and we will do this. Because supplemental is problematic at 62%, giving out additional funds to increase the supplemental pro-rate seems to be the most equitable way of distributing them.

There is no guarantee that this will happen, but if the numbers bear out, it will happen.

The money will be available by the December 1st deadline.

Andy: So basically, by the program biting the bullet this year it will fix the problem for the future.

A: It will fix the problem of awarding money that the fund doesn't have. It will not fix the problem of revenue being directly related to the snow fall in the state.

Discussion regarding the trail pass process that is preventing the supplemental amount from being known for so long. The process to fix this is actively being worked on and we hope to have it in place by the end of October. Everything will be done electronically so numbers will be known right away.

For events where trail passes would be sold directly, the organizers will have to work with our Bureau of Customer Service and Licensing to make that happen.

For chambers that have held these events in the past, we expect to be able to provide portable ALIS machines to make the passes available directly at the event.

	<p>Council members expressed thanks for working on these issues.</p> <p>Shelly asked if anyone had comments or additional requests on the detailed financial statements that were handed out at the 9/23 meeting. People were generally happy with the report but want to see the fiscal year 2013 report as soon as possible.</p> <p>More thanks.</p>	
7. Adjournment		<p>Motion to adjourn by Andy Malecki, second by Larry Erickson. Motion passed.</p>