SNOWMOBILE RECREATION COUNCIL AGENDA & RECORD **December 7, 2012**

Conference Room, Iron County Courthouse Building, Hurley, WI

Presenter/ Time	Agenda Item	Key Points	Outcomes, Next Steps, Assignments
	1. Call to Order	**Members Present:** Karen Carlson, Andy Malecki, Larry Erickson, Sam Landes, Bob Lang, Mike Willman, Patrick Schmutzer, Jon Schweitzer, Rick Steimel, Dale Mayo, Dave Newman, Tom Chwala, Mike Cerny – Chair Absent: Bev Dittmar and Jerry Green **Others Present:** Diane Conklin, Ed Slaminski, Jillian Steffes – DNR, members of the public and other county coordinators	
	2. Acceptance of Minutes of Previous Meeting	Minutes of August 13, 2012	Motion by Andy Malecki, second by Rick Steimel, to approve the minutes of 8/13/12. Motion carried.
	3. Comments	Mike Cerny - Active period for the council. Probably the most active and a lot of hard work. Mike introduced the new members to the Council. There was much discussion about the seating of new council members. Diane Conklin noted that, after several discussions with the Governor's office, it was noted that the statutes require a letter of resignation even if someone's term has expired and they are not renewed. The process explained to me is when there is a new appointee, they can be seated on the council if their predecessor has resigned and are able to vote; even though they have yet to be confirmed. If no resignation is received, upon confirmation by the Senate, the new appointee can be seated in place of the person that they replace and be a voting member. The replacement that	

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		has not submitted their resignation cannot vote at that time. The same option was given to both people that received the notification from the Governor. Both have now submitted their resignations (as of the time of the publication of these minutes). Therefore, there are two new members on the SRC; Lee VanZeeland of Appleton, and Dale Mayo of Vilas County. Committees will be appointed for these new members soon.	
	4. Citizen Participation	AWSC – Morris Nelson Similar to past discussions. The legislation that AWSC is moving forward with the CAP/Step legislation again and is supported by the 600+/- clubs and their members. First time we have addressed the clubs and try to make them healthy. We have heard no fees or increases but we are waiting for confirmation in that. If the climate is different, we'll go forward. AWSC is the "mother ship" and they and their members have been carrying the load since the "beginning of time". Lee Van Zeeland – noted his excitement at being on the council. "However, after hearing everything, I'm a bit hesitant. Will one of these proposals be easier to sell to the legislature? Will dealers have to include additional stickers? Will there be a limit to how many AWSC rated stickers a member can buy? Morris: We would hope people would be honest but you could purchase a large quantity potentially. What will the cost of a membership be? I am a big advocate of user fees."	

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	5. Reports	Chair – we were charged with going out and seeking comments about the proposal the council developed. Mike continued to present the comparison of the current state of funding, the Council Proposal and the CAP/Step as was determined by the Fiscal Estimate of 2012. There was a lengthy discussion regarding this Tom Chwala - provided feedback that most people were supportive of the CAP/Step. Dave Newman – most folks support the CAP/Step. A lot of folks gave feedback about the fact that the word PROPOSAL should not have been used and it is contrary to what the document was. How does the council propose to get the idea through? Dale Mayo – Haven't heard from anyone that is interested in the CAP/Step. The Vilas County alliance is in favor of the new idea. Jim Holperin indicated that a fee increase would be the best way to move forward. Rick Steimel: Compared the neighboring states. Wisconsin has the cheapest of the "big three". Let's do this and get it done. Jon – confused as to why we aren't looking at a registration increase. Not opposed to CAP/Step but are confused about the process. The 5 clubs voted to pursue a registration increase or a simple process for the user. Mike Willman – I am impressed by the passion that AWSC has and also the council members for their idea. Mike Cerny –I had the opportunity to meet with Matt Moroney to discuss the council proposal. He picked up on it immediately – so smart that it's scary! The DNR will maintain neutrality on <u>all</u> proposals. Also spent time talking with Sen. Neal Kedzie and he understands the	Motion by Jon Schweitzer that we check into the cost, what programing would need to be done and answer some of the questions we have brought up. Any questions anyone would have would be sent to Jon for an automated Groomer log. Second by Mike Willman. <u>Motion carried.</u> Motion by Jon to investigate what our protection/position is regarding multiuse trails, as it relates to surfacing, and if none, move ahead in developing something. Second by Larry Erickson. Sam gave an overview of the MOU with Parks regarding this. Motion by Mike Willman, second by Jon Schweitzer to send a letter to DNR to request a face-to-face meeting with DNR staff to discuss issues with the GDT. <u>Motion carried</u>. Motion by Andy to include the Blue Mounds discussion in the letter as well. Second by Tom Chwala. Motion by Jon Schweitzer, second by Larry to move the groomer Expense Worksheet along. <u>Motion carried.</u> Meeting minutes should be sent out 3-4

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		issue. Otherwise, general comments from snowmobilers of all different sources. The hesitation to pay a higher rate just want to see a program. Patrick Schmutzer – Presented to his club. One member who was also a member of Vilas club had no idea of the CAP/Step. Talked to Robin Vos who expressed some concerns with the CAP/Step and the variable rates. His suggestion was just seek a rate increase. Landowners are very confused. Some were concerned about clubs that are not AWSC members should be recognized or they may pull their easements. Bob Lang – attended a few club and alliance meetings. Had a really good discussion with Doug Johnson last night. There has been a lot of discussion in the magazine but there are still members that don't know about it. Most people want it easy. I agree that the burden is on the club but I don't necessarily see this helping even with more members. I believe we need a long term infusion in this program. Last comment, was the concern about the way this council has a line drawn. This council has clear lines and no compromise on either side and it is disappointing. Sam Landes – Everyone knows how I feel. I did have a conversation with folks and it was identified as a double registration. Received a lot of flack on the CPI. Don't understand it. Regarding the Council Proposal, a lot of folks are concerned about the cost of and it might be at a point where we lose some. Regarding the CAP/Step, it will be a bit more difficult to get the stickers, but the clubs in my area are solidly behind the CAP/Step. It takes two things to make these trails. Money and volunteers. You will never get 100% membership. I don't blame the DNR, but I think they could help us more.	days after meetings and agendas should be sent in no later than 30 days prior to a meeting.

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		Larry Erickson – We would not be able to survive here with 4 years of pro-rates without our volunteers. There is concern about the doubling of the fee. Iron County voted unanimously to go to the CAP/Step. The more you have volunteers, the better contact with the landowners. Andy Malecki – the majority are in favor of the CAP/Step. We have 1 of 2 that are very opposed to it. One member that has now moved into a very important role in the legislature is opposed to it (CAP/Step). There was a meeting between the SRC Chair and President of AWSC and Morris but was not privy to what transpired, but it was good that they were talking. Bottom line is that the program has to have something done to it. Whichever way we go, we need an infux of support. Karen Carlson – We work with two different groups, and most would support the CAP/Step but there are some that don't want it too. However, it would appear that the majority would support the CAP/Step. They just want something done! We didn't discuss the CAP/Step in previous years but now we discuss the new proposal. Why didn't we discuss the CAP/Step? Very frustrating to work with this. The proposal looks like we are padding the big snow belt areas. Mike Cerny: Thank you to all, these are excellent comments.	
	6. Reports of Standing Committees	Finance – Bob Lang We agreed that we all need money and we need to come up with a solution. There was a lengthy discussion regarding the current funding status, the Council's proposal, and the CAP/Step proposal as identified in the Fiscal Estimate. It was noted that there was a deficit when it came to County Law Enforcement grant reimbursements too.	

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		Infrastructure – Jon explained the discussion about blacktop and it was later pointed out that we have a MOU that came out of previous meetings. Sam brought up several issues that he is aware of. These included the Blue Mound State Park and there have been questions about re-opening the trail. The Committee decided to draft a letter to DNR to have a face-to-face meeting with DNR to discuss these and other issues where snowmobile money was used. We then talked about groomer efficiency. We discussed an automated system that can be installed in a groomer that could develop an automated log that would show funded and unfunded trails and separate them for documentation. This isn't about catching fraudulent behavior but could help capture accurate information. Other states have this already and we hope to hear about this elsewhere. Verizon is a vendor of something like this. We are interested in what the cost is and whether we can look at a pilot process. There are also different levels of data for different needs. Bridge inventory discussion included that status and help us develop data that would allow us to project projects that may come in and make the data available for the public. There was discussion on the chevron. The language was read out of the new signing handbook. Lastly, we discussed a groomer expense sheet.	
	7.Action Arising from Reports		Motion by Bob Lang to poll the members of the council to see which proposal they support. Second by Patrick Schmutzer.

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			Jon Schweitzer moved to suspend the above motion indefinitely. Second by Mike Cerny. Motion carried. Motion by Bob Lang to, as a council, support the Council proposal put together by the Finance Committee. Second by Rick Steimel. Dave Newman asked what would be the next step. This was clarified. Dave didn't feel that we have a chance to get the council proposal through as last year they were not looking favorably at any increases. Motion by Dave Newman, second by Sam to table the motion until we have a hard copy of the proposals to look at at a future meeting. Roll Call Vote: Karen Carlson – Yes Andy Malecki - Yes Larry Erickson – No Sam Landes – Yes Bob Lang – No Patrick Schmutzer – No Mike Willman – No Jon Schweitzer - No Rick Steimel – No Dale Mayo – No Dave Newman – Yes Tom Chwala – Yes Motion to table defeated 7 No – 5 Yes Bob Lang's motion is back on the table.

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			Bob stated that we have been asked what the council is doing and, until now, we have waited to see what would happen to the CAP/Step. I'd like to be able to say we did something. Sam indicated that it is going to be difficult to see any increase. WATVA successfully got a trail increase but not a fee increase and it went in with the UTV's. We would be better to go in united. Mike Willman indicated that we have continued to see increases in requests. However, he hasn't seen what the total need is and the plan for the next several years. How can a legislator agree with any proposal if you don't find the rest of the data. Dale – agrees with Sam. We need to be united. Karen also has a good point as this is only a $300,000 difference. With the CAP/Step, we are going to be hurting with a low snow year. However, with the Council proposal, you will have a bit easier time. Sam – both programs have peaks and valleys. Rick Steimel – I can't imagine a snowmobiler not supporting this proposal. Mike Willman – every member should have a chance to speak. Mike Tom Chwala called for a vote:

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			Roll Call: Karen Carlson – Yes Andy Malecki – No Larry Erickson – No Sam Landes – No Bob Lang – Yes Patrick Schmutzer – Yes Mile Wilman – Yes Jon Schweitzer– Yes Rick Steimel – Yes Dale Mayo – Yes Dave Newman – No Tom Chwala - No No = 5, Yes – 7 Motion carried.
	8. Trail Matters	There were several amendment requests for cost overruns or increases. All were approved. • Project S-4069 Monroe Co Increase • Project S-4212 Lincoln Co. increase • Project S-4195 Wood County cost increase	Motion by Larry Erickson, second by Sam Landes to approve the overrun for $1,502.00. Motion carried. Motion by Andy Malecki, second by Tom Chwala to approve the cost increase of $1,206.17. Motion carried. Motion by Sam Landes, second by Tom Chwala to approve the cost increase of $12,500. Motion carried.
	9. Member Items	Dale Mayo – updated the council on the status of Hwy 155 project. December 18th is the first date after the temporary restraining order. We also have another lawsuit in Vilas County regarding a tax delinquent property. Because of the bid acceptance, the unsuccessful bidder wants the trail off his land	

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		immediately. There is another landowner that is willing to allow a relocation. Pat Schmutzer – can we send a letter to the Governor's office regarding the cut to law enforcement regarding the cut in LE funding? Mike asked what the Council thought and the concensus was that to hold off right now. Also, can the finance committee talk about the Antique Registration? Mike directed Bob Lang to address this. Rick Steimel – Rick has identified that he has not been reappointed and introduced his replacement. He asks that we all work together for ALL of the snowmobilers. Rick finished with a statement from Wisconsin Snowmobile News showing that the snowmobilers are ready to pay their way.	
	10. Next Meeting		Undetermined.
	11. Adjournment		Motion to adjourn by Andy Malecki, second by Larry Erickson. Motion carried at 1:42 PM.

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WORKING DRAFT

Currently:

	Year 1*
based on Start of 215,000 snowmobiles per year	215,000
Ch 20 Appropriation in Budget = $2,475,400	
Registration ($30/2 yrs) Calculating this at $15/yr	$3,225,000
Gas Tax Calulation 215,000 x 50 gal x .309	$3,321,750
Total of Available Funds	**$6,546,750**
.4 Multiplier for Supplemental	$1,328,700
Non-Resident Trail Pass ($32/yr) 27,099	$867,168
	$2,195,868
	$8,742,618

*Only one year is shown because any additional years would have the same totals as there would be no changes.

Council Proposal

	Year 1	Year 2	Year 3
based on Start of 215,000 snowmobiles per year	215,000	215,000	215,000
Ch 20 Appropriation in Budget = $2,475,400			
Registration ($30/2 yrs) Calculating this at $15/yr	$3,225,000	$3,225,000	$3,225,000
*Resident Trail Pass ($30/2 yrs) Calculating this at $15/yr	$3,225,000	$3,225,000	$3,225,000
CPI for Trail pass causes increase from $15/yr to 15.38/yr			
Calculate Gas tax registration 215,000 x 50 gal x $.309	$3,321,750	$3,321,750	$3,321,750
Total of Available Funds	**$9,771,750**	**$9,771,750**	**$9,771,750**
Adjusted Total Funds	**$9,771,750**	**$9,771,750**	**$9,771,750**
.4 Multiplier for Supplemental	$1,328,700	$1,328,700	$1,328,700
Non-Resident Trail Pass ($50yr) 27,099	$1,354,950	$1,354,950	$1,354,950
	$2,683,650	**$2,683,650**	**$2,683,650**
	$12,455,400	**$12,455,400**	**$12,455,400**
adjust by CPI estimated at 5%/2 yrs = 2.5%/yr	$0	$0	$311,385
Grand Total	**$12,455,400**	**$12,455,400**	**$12,766,785**
3 Year Average		$12,559,195	

Because we are proposing a 2 year trail pass, we are less susceptible to extreme highs and lows because of snow fall

Proposed Uses for the extra funds:

Increase volunteer payment from $6.50 - $8.00/hr
Increase high end groomer rate by approximately $15/hr
Potential to add approximately $187,500 for new miles (750 miles of trail)
Increase LE by approximately $200,000.

Raise supplemental threshold by:

increasing the per mile rate from $250/mi to $300/mi.
maximum threshold from $750/mile (3x$250) to $900/mile (3x$300)
increase the minimum grooming threshold from $150/mi to $180/mi

*dedicate $10 from each trail pass yearly to Supplemental ($2,150,000 est.)

OTHER STATES COMPARISONS

Michigan Rates: $30/3 yrs Registration and $45/yr trail pass = $55.00/yr
Minnesota Rates: $78.50/3 years = $26.15/yr

CAP/Step

	Year 1	Year 2	Year 3
15,000 New/200,000 renewals	215,000	215,000	215,000
Ch 20 Appropriation in Budget = $2,475,400			
Registration of $15/life of machine for new only	$225,000	$225,000	$225,000
*AWSC Member trail pass @ $14.25 w/1st yr free	$0	$783,750	$783,750
Non AWSC trail pass @$34.25 w/1st yr @$19.25	$3,118,500	$5,548,500	$5,548,500
Calculate Gas tax registration 215,000 x 50 gal x $.309	$3,321,750	$3,321,750	$3,321,750
Total of Available Funds	**$6,665,250**	**$9,879,000**	**$9,879,000**
Adjusted Total Funds	**$6,665,250**	**$9,879,000**	**$9,879,000**
.4 Multiplier for Supplemental	$1,328,700	$1,328,700	$1,328,700
Non-Resident Trail Pass ($35/yr) 27,099	$948,465	$948,465	$948,465
	$2,277,165	**$2,277,165**	**$2,277,165**
	$8,942,415	**$12,156,165**	**$12,156,165**
3 Year Average		$11,084,915	

in a low snow year, past history of non-resident trail passes showed approximately 50% reduction.

*= based upon 55,000 trail passes sold (2.25/member)

Membership Increase
# of Trail Passes