

SUBJECT: Capital Development Budget Update

FOR: APRIL 2011 BOARD MEETING

TO BE PRESENTED BY / TITLE: Steve Miller, Facilities & Lands Bureau Director and
Jason Stringer, Facilities Management Section Chief

SUMMARY:

The Natural Resources Board approved DNR's proposed 2011-13 Capital Budget Request in September 2010 at a level of \$73.2 million. In January 2011 the Department was requested to reduce its proposed budget to a level more comensurate with the approved 2009-11 budget of \$45 million and submit a revised budget to the Department of Administration by the end of January.

To achieve this budget reduction, program bureaus were requested to review and further prioritize their 2011-13 requests. The key criteria used in this process for prioritization were: 1) Projects that repair and maintain existing infrastructure - including compliance, health and safety, and 2) New developments that enhance public access to DNR lands, increase DNR revenue, and/or boost local economies.

The result was a revised capital development budget for 2011-13 of \$49.4 million, which was submitted to DOA in early February. Subsequent to this submission, DOA requested DNR reduce Stewardship bonding levels from \$20.0 million to \$18.0 million, a 10% reduction.

To account for these changes, the Department further reviewed program priorities and further revised the 2011-13 Capital Budget Request to \$47.96 million. This budget has been approved by the State Building Commission and is now under review by the Joint Finance Committee of the Legislature.

RECOMMENDATION: For information only

LIST OF ATTACHED MATERIALS:

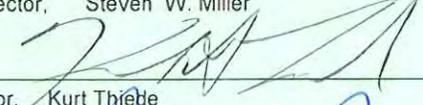
- No Fiscal Estimate Required
- No Environmental Assessment or Impact Statement Required
- No Background Memo

- Yes Attached
- Yes Attached
- Yes Attached

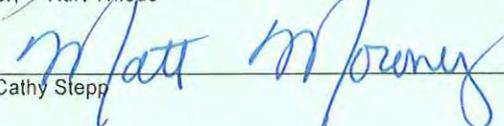
APPROVED:


Bureau Director, Steven W. Miller

4-7-11
Date


Administrator, Kurt Thiede

4/7/11
Date


Secretary, Cathy Stepp

4/8/11
Date

cc: NRB Liaison
DNR Rules Coordinator

DATE: April 6, 2011
TO: Natural Resources Board Members
FROM: Cathy Stepp
SUBJECT: 2011-13 Biennium Capital Development Budget Update

The Natural Resources Board approved DNR's proposed 2011-13 Capital Budget Request in September 2010 at a level of \$73.2 million. In January 2011 the Department was requested to reduce its proposed budget to a level more commensurate with the approved 2009-11 budget of \$45 million and submit a revised budget to the Department of Administration by the end of January.

To achieve this budget reduction, program bureaus were requested to review and further prioritize their 2011-13 requests. The key criteria used in this process for prioritization were: 1) Projects that repair and maintain existing infrastructure - including compliance, health and safety, and 2) New developments that enhance public access to DNR lands, increase DNR revenue and/or boost local economies.

The result was a revised capital development budget for 2011-13 of \$49.4 million, which was submitted to DOA in early February. Subsequent to this submission, DOA requested DNR reduce Stewardship bonding levels from \$20.0 million to \$18.0 million, a 10% reduction overall.

To account for these changes DNR reviewed its program capital development priorities and further revised the 2011-13 Capital Budget Request to \$47.96 million. This revised budget has been approved by the State Building Commission and is now under review by the Joint Finance Committee of the Legislature.

The table on page 2, "Proposed Budget By Fund," shows how the majority of the budget reduction is attributed to the \$22.66 million dollar reduction in bonding authority. The majority of the reduction in bonding authority is in Conservation Seg. funds. Overall the revised 2011-13 budget request is in line with the bonding authority and levels awarded in previous 2009-11 biennium budget.

The table on page 3, "Proposed Budget By Program", shows how budget reductions were generally equitably distributed between the programs. The one exception is the significant reduction to Administrative Facilities & Pending Amounts, which occurred because these facilities were outside of the criteria for prioritization.

The majority of the budget reduction was achieved by deferring major projects (those greater than \$500,000) and minor projects (those between \$150,000 and \$500,000). The Table on page 4, "Proposed Budget by # of Projects", shows that of the 29 projects that were deferred, 9 were major projects, 10 were minor projects, and 10 were small projects (less than \$150,000). Also attached is an itemized listing of all Major and Minor projects that are included in the 2011-13 budget as well as those deferred (pages 5-8).

Also, although the Southeast Region Headquarters was not approved in this budget for major remodeling or reconstruction, a project to install a new roof on the facility is included and this action will help protect the facility until further studies are done to decide the future of this facility.

2011-2013 Revised Capital Development Budget

PROPOSED BUDGET BY FUND

Source	2011-13 Original Amount (\$Millions)	2011-13 RVSD Amount (\$Millions)	Difference (\$Millions)
Stewardship	21.14	18.00	(3.14)
Conservation Seg.	18.51	9.35	(9.16)
Environmental Seg.	6.34	0.65	(5.69)
GFSB	5.37	0.69	(4.68)
(Rounded)	51.35	28.69	(22.66)
Program Revenue (Cash)	12.23	12.15	(0.07)
FED	8.86	6.34	(2.52)
Gifts & Grants	0.78	0.78	0.00
TOTAL CASH	21.86	19.27	(2.60)
TOTAL (Rounded)	\$73.22	\$47.96	(\$25.26)

Funding Source	2009-11 Final	2011-13 (\$Millions)	(\$Millions)
Stewardship	18.50	18.00	(0.50)
Conservation Seg.	7.48	9.35	1.87
Environmental Seg.	0.75	0.69	(0.06)
GFSB	0.50	0.65	0.15
TOTAL BONDING	\$27.23	\$28.69	\$1.46
Program Revenue (Cash)	11.96	12.15	0.19
FED	3.92	6.34	2.42
Gifts & Grants	2.26	0.78	(1.48)
TOTAL CASH	\$18.14	\$19.27	\$1.13
TOTAL	\$45.37	\$47.96	\$2.59

2011-2013 Revised Capital Development Budget
PROPOSED BUDGET BY PROGRAM

PROGRAM	Original Amount (\$Millions)	RVSD Amount (\$Millions)	Difference (\$Millions)
FISHERIES/WATERSHED	4.52	1.42	(3.10)
WILDLIFE	7.61	5.92	(1.69)
FORESTRY	11.02	7.23	(3.79)
PARKS & RECREATION	17.19	12.54	(4.64)
LAW ENFORCEMENT / SCIENCE SERVICES	0.59	0.59	0.00
ENDANGERED RESOURCES	0.09	0.09	0.00
LANDS	0.48	9.48	9.00
ADMINISTRATIVE FACILITIES & PENDING AMOUNTS	31.71	10.67	(21.03)
TOTAL (Rounded)	\$73.22	\$47.96	(\$25.26)

2011-2013 Revised Capital Development Budget

PROPOSED BUDGET BY # of PROJECTS

SIZE	Original # of Projects	RVSD # of Projects	Difference
Major Projects (> \$500k, Enumerated)	21	12	(9)
Minor Projects (< \$500k, >150k)	30	20	(10)
Small Projects (<150k)	247	237	(10)
Contingency			
Operations			
Total	298	269	(29)

2011-2013 Revised Capital Development Budget

Revised Major Project List

1) Montello / Fox River Locks (Reconstruct Montello Dam, Road, Landing)	\$9,000,000
2) Horicon Marsh International Education Center (Interpretive Displays for Exhibit Hall)	\$3,236,300
3) Flambeau River State Forest (Replace Headquarters Building)	\$2,513,700
4) Buckhorn State Park (Construct Family Campground, 30 to 40 Sites)	\$2,199,400
5) Oconto Falls Ranger Station (Replace Ranger Station, Construct Drive-Thru Storage Building)	\$1,476,600
6) Straight Lake State Park (Park Developments)	\$1,258,100
7) Bowler Ranger Station (Renovate Ranger Station and Construct Drive-Thru Vehicle Storage Facility)	\$1,049,300
8) Poynette Game Farm (Construct Pheasant Hatchery Building)	\$1,023,400
9) Statewide (Fish Hatchery Groundwater Study / Model)	\$1,000,000
10) Old Abe Trail (Resurface Trail – Jim Falls to Cornell)	\$850,000
11) Rib Mountain State Park (Convert Campsites to Day Use – Phase II)	\$686,100
12) Replace Public Entrance Visitor Station, Amnicon Falls State Park	\$643,600

2011-2013 Revised Capital Development Budget

DEFERRED Major Project List

1) Southeast Region Headquarters / Service Center	\$14,750,800
2) Replace Public Entrance Visitor Station, Lake Wissota State Park	\$1,033,200
3) Hartman Creek State Park / Waupaca Ranger Station (Construct Fire Control 3-Bay Heavy Unit Drive-Thru Storage Building)	\$822,000
4) Necedah Ranger Station (Construct Drive-Thru Vehicle Storage Facility)	\$756,700
5) Peshtigo River State Forest (Construct Equestrians Trail, Trailhead, Facilities)	\$606,200
6) Poynette Game Farm (Construct Unheated Storage Building)	\$599,100
7) Brule River State Forest (Construct Brackets Picnic Area Facility)	\$595,600
8) Asylum Bay (Construct New Storage Facility at Boat Launch)	\$572,700
9) Chippewa Moraine (Construct Shop / Service Building)	\$502,400
10) Sheboygan Marsh Wildlife Area (Construct Unheated Storage Building)	\$500,700

2011-2013 Revised Capital Development Budget

Revised Minor Project List

1) Statewide Facilities, Repair, Renovation and Preventive Maintenance	\$1,000,000
2) Willow River State Park Beach Restroom and Shelter Building Demolition and Construction	\$454,500
3) Southeast Region Headquarters / Service Center Roof Replacement	\$450,000
4) Pattison State Park - Construct Bike Lane on County Rd B	\$400,500
5) Governor Thompson State Park Caldron Falls Beach Area Improvements	\$384,000
6) Whitefish Dunes State Park - Resurface County Road WD	\$359,400
7) Jefferson Wildlife Area - Grade / Gravel Existing Parking Lots - Also Koshkonong	\$317,200
8) Langlade Ranger Station – Unheated Storage Facility	\$312,400
9) Peshtigo River State Forest - Resurface Parkway Road	\$303,800
10) Peninsula State Park Nicolet Beach Retaining Wall Replacement	\$266,700
11) Rib Mountain State Park (Shop Project)	\$266,600
12) Black River State Forest - Resurface 12.5 Miles N.Settlement Rd.	\$243,100
13) State Park Campsite Electrification: Kohler-Andrae, Interstate, Big Foot Beach & Willow River	\$243,000
14) Besadny Anadromous Fisheries Facility (BAFF) Retaining Wall, Viewing Window and Sidewalk	\$211,000
15) Kohler-Andrae State Park - Road Bridge	\$200,000
16) Statewide Road Maintenance and Renovation	\$199,800
17) Rocky Arbor State Park & Dells of Wisconsin River SNA Heated Storage/Shop Facility	\$187,000
18) Hayward State Nursery Seed Extractory Repairs and Renovations	\$181,000
19) Grand River Marsh Wildlife Area - Renovate Facilities for Accessibility	\$180,100
20) Governor Thompson State Park - Crivitz LE Boat Shed	\$180,000

2011-2013 Revised Capital Development Budget

DEFERRED Minor Project List

1) DOT/DNR Service Center, Superior: Construct 3000 gsf Heated Storage Facility	\$486,900
2) DOT/DNR Service Center, Superior: Construct 5400 gsf Unheated Storage Facility	\$453,000
3) Harrington Beach - Construct Bike Trail	\$344,900
4) Grantsburg Ranger Station – Unheated Storage Facility (Forestry and Law Enforcement)	\$323,100
5) Kettle Moraine State Forest – Lapham Peak Unit: Evergreen Recreation Area Development	\$309,500
6) Pattison Department Communications Tower	\$280,000
7) Sandhill Wildlife Area – Unheated Storage Facility	\$259,000
8) Peshtigo River State Forest - Construct Facilities at Spring Rapids Trailhead	\$252,000
9) Kettle Moraine State Forest – Ottawa Dog Trial Area	\$228,500
10) Crex Meadows Wildlife Area – Unheated Storage Facility	\$216,000