

# Ninetieth Regular Session

WEDNESDAY, November 11, 1992

The chief clerk makes the following entries under the above date.

## PETITIONS AND COMMUNICATIONS

State of Wisconsin  
Claims Board

November 3, 1992

To the Honorable the Senate

Enclosed is the report of the State Claims Board covering claims heard on October 20, 1992.

The amounts recommended for payment under \$2000 on claims included in this report have, under the provisions of s. 16.007, Wisconsin Statutes, been paid directly by the Board.

The Board is preparing the bill(s) on the recommended award(s) over \$2,000, if any, and will submit such to the Joint Finance Committee for legislative introduction.

This report is for the information of the Legislature. The Board would appreciate your acceptance and spreading of it upon the Journal to inform the members of the Legislature.

Sincerely,  
EDWARD D. MAIN  
Secretary

## STATE OF WISCONSIN CLAIMS BOARD

The State Claims Board conducted hearings at the State Capitol Building, Madison, Wisconsin on October 20, 1992, upon the following claims:

Claimant	Amount
David Blair	100.00
Molzahn Printing, Inc.	100,000.00
Irvin Gruden	2,732,000.00
Paul Stenseth	4,108.71
Dow Johnson	12,406.92
William & Nancy Van Valkenberg	752.50
Ronald Lemons	4,500.00
Capitol Air Systems, Inc.	2,523.24
Kate Wagle	800.00
Lovegreen Turbine Services	92,275.00
Dorothea Haug	6,300.00
Michael & Susan LeClair	233,544.85
Northern Wis. Commercial Fishermen	2,512.90

In addition, the following claims were considered and decided without hearings:

Michael Ripp	2,437.00
Angel Heart Private Investigations	924.00
Albert Wee	3,360.00
General Casualty Company	320.45
Florence Willie	790.00
Raymond Schiesser	140.63
Loretta Kurkiewicz	960.00
Fadia Hamdan	160.00
Judith Krueger	8,482.26
Ronald McCready	517.88
Carol Hoag	232.25
Charles Welter	11.41
Town of Sanborn	1,911.00
St. John Forest Products	395.84
Lester Lambries	26.00
Lance Lambries	30.00
Sandy Lambries	15.71
Laura Maxwell	45.00
Judith Gottlieb	82.27

## THE BOARD FINDS:

1. David Blair of Madison, Wisconsin, claims \$100.00 for loss of money allegedly stolen on August 17, 1991 from the Capitol Heat & Power Plant, where he is employed. Claimant discovered his wallet and money missing after another employee at the Plant observed three juveniles running out of the building. The wallet and \$5 were later returned to claimant. The Board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employees and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

2. Molzahn Printing, Inc. of La Crosse, Wisconsin, claims \$100,000.00 for damages allegedly resulting from the Department of Administration's breach of contract in 1990. In December 1988, claimant was awarded a state contract for printing business cards. In December 1989, the Department of Administration sent a letter to claimant indicating the printing contract may be extended from January 1, 1990 through December 31, 1991 and requested claimant's intention regarding extension of the contract. Claimant accepted the extension and the Department of Administration issued a State Purchasing Operational Bulletin dated January 1, 1990, extending the contract through December 31, 1990. Claimant alleges the contract was orally extended through 1991 by a telephone call between Department of Administration and claimant in November, 1990. The Department of Administration subsequently determined that changing agency needs and new statutory requirements regarding recycled paper necessitated rebidding the contract with new specifications. As a result of the bid process, the 1991 contract for printing business cards was awarded to International Business

Cards. The Board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles. (Member Main not participating).

3. Irvin Grudem of Jim Falls, Wisconsin, claims \$2,732,000.00 for damages to his ethanol production plant in Chippewa County allegedly caused by inspections performed by John Anderson, a Department of Industry, Labor & Human Relations safety inspector. In response to complaints filed with that department, Mr. Anderson conducted an inspection of claimant's plant in early 1992 and observed numerous safety hazards and violations of the Wisconsin statutes and administrative codes. Mr. Anderson wrote corrective orders and "red tagged" certain equipment. After receiving reports that claimant had placed the plant back in operation, Mr. Anderson also appeared at claimant's home in March 1992, at 11:00 p.m., with a search warrant for the plant. The Board concludes the claim is not one for which the state is legally liable, however, the Department could have executed the warrant in a more considerate manner and, the Board concludes the claim should be paid in the reduced amount of \$2,000.00 based on equitable principles. The Board further concludes, under authority of s. 16.007(6m), Stats., payment should be made from the Department of Industry, Labor & Human Relations appropriation s. 20.445(1)(j), Stats.

4. Paul Stenseth of Madison, Wisconsin, claims \$4,108.71 for uninsured damages to his vehicle allegedly incurred on December 16, 1990 when the vehicle was stolen by an inmate on escape status from the Oregon Correctional Institution. The inmate was captured at approximately 9:10 p.m. after police chased him in claimant's van. The Board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

5. Dow Johnson of Channahon, Illinois, claims \$12,406.92 as the amount he paid for child support payments and other aids. On August 9, 1977, a Judgment of Divorce was issued terminating the marriage of Nancy and Dow Johnson, finding claimant to be the father of Christine Johnson and assessing child support payments. Claimant challenged his paternity of the child, Christine, and on June 20, 1991, Outagamie County Circuit Court Judge Dennis Luebke issued an Order excluding Dow Johnson as the father. Claimant subsequently filed a motion before the court seeking reimbursement of support payments made to the Outagamie County Department of Social Services. The Court denied claimant's motion for failure to exhaust his administrative remedies. The Board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which

the state should assume and pay based on equitable principles.

6. William & Nancy Van Valkenberg of Cambridge, Wisconsin, claim \$752.50 for taxes and penalties assessed by the Department of Revenue for failure to return their seller's permit within 10 days after the sale of their shoe repair business. Claimant's sold the business in March, 1991, and filed their last sales and use tax return with the Department of Revenue in April 1991. In October 1991, claimants received a notice from the Department of Revenue informing them they owed an additional \$700 in sales tax and \$52 in interest and penalties because they did not return their seller's permit after the sale of the business. Claimants were not aware of the obligation to return the seller's permit in order to be exempt from taxation for the sale of the business. Claimants paid the \$752 but challenged the Department of Revenue's decision by filing a petition for redetermination. In January, 1992, claimants received notice that the petition was denied. The Board concludes the claim should be paid based on equitable principles. The Board further concludes, under authority of s. 16.007(6m), Stats., payment should be made from the Claims Board appropriation s. 20.505(4)(d), Stats.

7. Ronald Lemons of Milwaukee, Wisconsin, claims \$4,500.00 for tax refunds withheld and amounts garnished from his wages for an estimated assessment issued by the Department of Revenue for his failure to file income tax returns for 1985, 1986 and 1987. In May 1990, claimant filed his 1987 return. In January, 1992, the Department of Revenue received claimant's statement of unemployment for 1986 and his 1985 return, indicating a refund due. Because of the two-year statute of limitations, s. 71.75(5), Stats., the Department of Revenue is without authority to return any of the amount collected on the estimated assessments. The Board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

8. Capitol Air Systems, Inc. of Sun Prairie, Wisconsin, claims \$2,523.24 for furnace maintenance services performed at Arlington Research Station pursuant to an agreement with the University of Wisconsin dated April 1, 1990. Claimant alleges the services performed were specifically authorized by the agreement; however, the University has denied payment. The Board concludes the claim should be paid in the reduced amount of \$1,600.00 based on equitable principles. The Board further concludes, under authority of s. 16.007(6m), Stats., payment should be made from the University of Wisconsin appropriation s. 20.285(1)(a), Stats.

9. Kate Wagle of Milwaukee, Wisconsin, claims \$800.00 for two copper sheet metal artworks allegedly damaged by the University of Wisconsin-Milwaukee Photographic Services Department in June, 1989.

Claimant submitted the pieces to be photographed and when the pieces were returned to claimant, they were dented and scratched. At the time she submitted the artwork, claimant signed a work order which stated: "property is received only at customer risk and Photo Services accepts no liability for damage or loss to same from any cause whatsoever." The Board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

10. Lovegreen Turbine Services, Inc. of Blaine, Minnesota, claims \$92,275.00 for services provided under a contract with the University of Wisconsin from December 1, 1989 through November 30, 1990. Claimant entered into a contract with the University of Wisconsin-Madison for the inspection and repair of a steam turbine and rotating equipment. Claimant subcontracted with Power Generation Services to provide part of the services under its contract with the University of Wisconsin. The University of Wisconsin withheld payment from claimant due to problems with the rotor. In June, 1990, the University of Wisconsin hired the original equipment manufacturer to complete work on the rotor and turbine. The Board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

11. Dorothea Haug of Madison, Wisconsin, claims \$6,300.00 for damages to her farm and related expenses allegedly resulting from the USH 151 construction project between Sun Prairie and Columbus, Wisconsin. Claimant alleges the loss of 3 acres of her property and loss of income when she was unable to rent the property because of damages allegedly caused by the USH 151 relocation project. Claimant also incurred expenses for cutting weeds on her property as result of a fine she received from the USDA Agricultural Stabilization and Conservation Service. Approximately 1.6 acres of land in highway easement was included in the property mowed. The Board concludes the claim should be paid in the reduced amount of \$48.00, for the cost of mowing weeds. The Board further concludes, under authority of s. 16.007(6m), Stats., payment should be made from the Department of Transportation appropriation s. 20.395(3)(cq), Stats.

12. Susan & Michael LeClair of Baileys Harbor, Wisconsin, claim \$233,544.85 for attorney fees and loss of revenue allegedly resulting from the Department of Natural Resources' administrative rule reducing commercial fishing quotas. Claimants are commercial fishers in Wisconsin. Effective July 1989, Wisconsin Administrative Code Chapter NR 25 divided the Wisconsin waters of Lake Michigan into three zones and set the total catch for yellow perch and whitefish in each zone. Quotas for catching perch and whitefish in each

zone were then assigned to commercial fishing licenses based on the licensees' recorded catches of species over a specified period of years. Claimants assert they are effectively precluded from operating under the rules because their past fishing practices leave them with extraordinarily low quotas or prevent them from operating in a particular zone. The Board concludes there is equitable grounds for relief; however, the Claims Board is not the appropriate forum and, therefore, denies payment of this claim.

13. Northern Wisconsin Commercial Fishermen of Bayfield, Wisconsin, claim \$2,512.90 for the cost of hiring a lobbyist to oppose the Department of Natural Resources' administrative rule reducing the commercial harvest of lake trout from Lake Superior in 1990. Claimant is a group of commercial fishers. The Board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

14. Michael Ripp of Bagley, Wisconsin, claims \$2,437.00 for a relocation incentive award allegedly promised by the Department of Natural Resources when he accepted the position of assistant superintendent at the Wyalusing State Park in 1992. Claimant was formerly the Park Naturalist at Bong State Recreational Area. Claimant accepted the new position with the understanding that he would receive a relocation incentive award as well as moving expenses. After claimant accepted the new job, the Department of Natural Resources determined he was not eligible for the relocation award because the job change involved a voluntary demotion, rather than a transfer or promotion. The Board concludes the claim should be paid in the reduced amount of \$2,000.00 based on equitable principles. The Board further concludes, under authority of s. 16.007(6m), Stats., payment should be made from the Department of Natural Resources appropriation s. 20.370(1)(mu), Stats.

15. Angel Heart Private Investigations of Milwaukee, Wisconsin, claims \$924.00 for loss of income allegedly resulting from erroneous recordkeeping by the Department of Regulation & Licensing. That Department regulates private detectives and private detective agencies and maintains lists of each on a computer for its internal use. In the fall of 1991, the Department of Health & Social Services requested the Department of Regulation & Licensing's list of private detective agencies with five or more licensed detectives. The Department of Regulation & Licensing did not include claimant on the list because their records at that time were not updated, indicating claimant had only four licensed detectives. The Department of Health & Social Services subsequently sent Requests for Proposals for investigative services to agencies having five or more employees, and claimant was not included. The listing prepared by the Department of Regulation & Licensing is a public record but is not the register of names and

addresses of licensees which must be compiled and kept current by examining boards under s. 440.035, Stats. The Board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

16. Albert Wee of Soldiers Grove, Wisconsin, claims \$3,360.00 for loss of cattle allegedly due to inspection requirements by the Department of Agriculture, Trade & Consumer Protection (DATCP). On April 15, 1992, several of claimant's steers were bloated and dying. Claimant wanted to slaughter the steers which had not yet died; however, Dr. Gene Killam, a veterinarian employed in the DATCP Meat and Safety Inspection Bureau, advised claimant the steers were "suspect diseased" and required inspection prior to slaughter. The Board concludes there has been an insufficient showing of negligence on the part of the state, its officer, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

17. General Casualty Insurance Company of Eau Claire, Wisconsin, claims \$320.45 subrogation damages. Claimant's insured, Barbara Marek, filed a claim with the insurance company for damages incurred to her vehicle on April 22, 1991, while parked at the Northern Wisconsin Center, where she is employed. The damage was allegedly caused by a resident of the Center. The insurance company reimbursed its insured \$320.45 for the damages. Consistent with the long-standing policy of this Board concerning subrogation claims, the Board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

18. Florence Willie of Saint Francis, Wisconsin, claims \$790.00 for reissuance of a check dated February 21, 1980. Section 16.007(6)(b) 1, Stats., provides the Department of Administration, acting for the Claims Board, authority for reissuing outdated checks. To reissue a check, the Department requests verification from the State Treasury that the money is still in the cancelled draft fund. Recently, the State Treasury amended its retention period for checks to six years. Therefore, the State Treasury can no longer verify the status of checks over six years old. As a result, the Department of Administration initially denied this claim since there is a possibility that this check could have been previously reissued and cashed. The Board concludes, as an advisory opinion, there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

19. Raymond Schiesser of Hortonville, Wisconsin, claims \$140.63 for reissuance of a check dated July 12,

1982. Section 16.007(6)(b) 1, Stats., provides the Department of Administration, acting for the Claims Board, authority for reissuing outdated checks. To reissue a check, the Department requests verification from the State Treasury that the money is still in the cancelled draft fund. Recently, the State Treasury amended its retention period for checks to six years. Therefore, the State Treasury can no longer verify the status of checks over six years old. As a result, the Department of Administration initially denied this claim since there is a possibility that this check could have been previously reissued and cashed. The Board concludes, as an advisory opinion, there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

20. Loretta Kurkiewicz of Milwaukee, Wisconsin, claims \$960.00 for reissuance of a check dated January 30, 1986. Section 16.007(6)(b) 1, Stats., provides the Department of Administration, acting for the Claims Board, authority for reissuing outdated checks. To reissue a check, the Department requests verification from the State Treasury that the money is still in the cancelled draft fund. Recently, the State Treasury amended its retention period for checks to six years. Therefore, the State Treasury can no longer verify the status of checks over six years old. As a result, the Department of Administration initially denied this claim since there is a possibility that this check could have been previously reissued and cashed. The Board concludes, as an advisory opinion, there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

21. Fadia Hamdan of Milwaukee, Wisconsin, claims \$160.00 for a 1991 tax refund withheld by the department of Revenue for an estimated assessment issued for failure to file a July 1985 sales tax return. In March, 1992, claimant provided the required documentation requested in 1986. Because of the two-year statute of limitations, s. 71.75(5), Stats., the Department of Revenue is without authority to return any of the amount collected on the estimated assessment. The board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

22. Judith Krueger of Milwaukee, Wisconsin, claims \$8,482.26 for overpayment of income taxes assessed by the Department of Revenue in June 1988, for failure to file a 1986 income tax return. Claimant did not appeal the assessment and the Department of Revenue subsequently collected \$8,415.91 which included the tax plus interest. In October, 1991, claimant filed the 1986 income tax return claiming a refund of \$8,482.26. Because of the two-year statute of limitations, s. 71.75(5),

Stats., the Department of Revenue is without authority to return any of the amount collected on the estimated assessment. Claimant alleges she was unable to comply with the two-year statute of limitations due to illness. The Board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

23. Ronald McCready of Amery, Wisconsin, claims \$517.88 for refund of transfer fees assessed by the Department of Revenue on Declaration of Trusts. On August 13, 1984, Declarations of Trusts and Real Estate Transfer forms were filed in error. At that time, no deeds were filed transferring any real property into the trusts. Having received the real estate transfer form, the state generated transfer fees. Claimant appealed the transfer fee assessments and the appeals were denied by the Department of Revenue. When the denial had not been paid nor further appealed to the Wisconsin Tax Appeals Commission by the due date, the Department of Revenue intercepted a refund of another tax on April 6, 1992. Claimant has now filed a "correction" deed indicating that at no time was real property placed into the two trusts. The Claims board concludes the claim should be paid based on equitable principles. The Board further concludes, under authority of s. 16.007(6m), Stats., payment should be made for the Claims Board appropriation s. 20.505(4)(d), Stats.

24. Carol Hoag of Neenah, Wisconsin, claims \$232.25 for medical expenses allegedly resulting from an injury her grandson sustained at the Oshkosh Correctional Institution on November 29, 1991. While in the prison's visiting room, claimant's grandson allegedly tripped on a rug and fell into a soda machine, injuring his lip. A nurse provided medical care to the boy at the prison and recommended that he be taken to a hospital for stitches to his lip. The Board concludes there has been an insufficient showing of negligence on the part of his state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

25. Charles Welter of Suring, Wisconsin, claims \$11.41 for replacement of his thermos which broke when he slipped on snow and fell on his thermos as he was leaving the Green Bay Correctional Institution on March 10, 1992. The Institution's drive was being plowed at the time claimant left work but the plowing had not been completed. The Board concludes there has been an insufficient showing of negligence on the part of the state, its officers, agents or employes and this claim is not one for which the state is legally liable nor one which the state should assume and pay based on equitable principles.

26. Town of Sanborn, Ashland, Wisconsin, claims \$1,911.00 for its 1992 municipal recycling grant pursuant to s. 159.23, Stats. The Town did not file the grant

application because both the Town and the Bad River Tribe thought the Town could designate the Tribe as its "responsible unit" for purposes of recycling grant eligibility under s. 159.23, Stats. An agreement was entered into between them for that purpose and the Tribe applied for cost-sharing grant funding for their joint recycling program. This was done with the knowledge and acquiescence of the Department of Natural Resources staff, who were under the impression that the Town could designate the Tribe as its responsible unit for purposes of grant eligibility. After the September 1, 1981, grant application deadline passed, the Town was notified by the Department of Natural Resources that it could not legally designate an Indian tribe as its responsible unit. therefore, a cost-sharing grant was awarded to the Tribe for the Tribe's portion of the recycling costs but was denied for the portion of the costs which are attributable to the Town. The Board concludes the claim should be paid based on equitable principles. The Board further concludes, under authority of s. 16.007(6m), Stats., payment should be made from the Department of Natural Resources appropriation s. 20.370(8)(iw), Stats.

27. St. John Forest Products of Spalding, Michigan, claims \$395.84 for partial refund of a Wisconsin oversize/overload permit purchased in April 1992. Claimant is a logging company. As a result of Wisconsin Act 258, new permit fees were implemented on May 13, 1992, and logging companies were able to purchase the permit at the reduced fee. The Board concludes the claim should be paid based on equitable principles. The board further concludes , under authority of s. 16.007(6m), Stats., payment should be made from the Department of Transportation fund, unappropriated revenue.

28. Lester Lambries of Two Rivers, Wisconsin, claims \$26.00 for replacement of clothing allegedly damaged by paint from a picnic table at the Point Beach State Forest on June 9, 1992. The table had been stained by a Department of Natural Resources maintenance crew on the day of the incident; however, no "wet paint" signs were placed on the table to alert users of the campsite situation. The Board concludes the claim should be paid based on equitable principles. The Board further concludes, under authority of s. 16.007(6m), Stats., payment should be made from the Department of Natural Resources appropriation s. 20.370(8)(1)(mu), Stats.

29. Lance Lambries of Two Rivers, Wisconsin, claims \$30.00 for replacement of clothing allegedly damaged by paint from a picnic table at the Point Beach State Forest on June 9, 1992. The table had been stained by a Department of Natural Resources maintenance crew on the day of the incident; however, no "wet paint" signs were placed on the table to alert users of the campsite situation. The Board concludes the claim should be paid based on equitable principles. The Board further concludes, under authority of s. 16.007(6m), Stats., payment should be made from the Department of

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Natural Resources appropriation s. 20.370(8)(1)(mu), Stats.

30. Sandy Lambries of Manitowoc, Wisconsin, claims \$15.71 for replacement of clothing allegedly damaged by paint from a picnic table at the Point Beach State Forest on June 9, 1992. The table had been stained by a Department of Natural Resources maintenance crew on the day of the incident; however, no "wet paint" signs were placed on the table to alert users of the campsite situation. The Board concludes the claim should be paid based on equitable principles. The Board further concludes, under authority of s. 16.007(6m), Stats., payment should be made from the Department of Natural Resources appropriation s. 20.370(8)(1)(mu), Stats.

31. Laura Maxwell of Phoenix, Arizona, claims \$45.00 for replacement of clothing allegedly damaged by paint from a picnic table at the Point Beach State Forest on June 9, 1992. The table had been stained by a Department of Natural Resources maintenance crew on the day of the incident; however, no "wet paint" signs were placed on the table to alert users of the campsite to the situation. The Board concludes the claim should be paid based on equitable principles. The Board Further concludes, under authority of s. 16.007(6m), Stats., payment should be made from the Department of Natural Resources appropriation s. 20.370(1)(mu), Stats.

32. Judith Gottlieb of Milwaukee, Wisconsin, claims \$82.27 for repairs to her personal vehicle allegedly damaged by vandalism while it was parked in the fenced lot at the Department of Natural Resources Southeast District Headquarters in Milwaukee on February 25-26, 1992. Claimant parked her vehicle in the secured lot while she was traveling overnight on Department business in a state-owned vehicle. An unknown person gained access to the area during the time that a security alarm system was not activated. The Board concludes the claim should be paid based on equitable principles. The Board Further concludes, under authority of s. 16.007(6m), Stats., payment should be made from the Department of Natural Resources appropriation s. 20.370(8)(mu), Stats.

**THE BOARD CONCLUDES:**

1. The claims of the following claimants should be denied:

David Blair  
Molzahn Printing, Inc.  
Paul Stenseth  
Dow Johnson  
Ronald Lemons  
Kate Wagle  
Lovegreen Turbine Services  
Michael and Susan LeClair  
Northern Wisconsin Commercial Fishermen  
Angel Heart Private Investigations  
Albert Wee  
General Casualty Company  
Florence Willie

Raymond Schiesser  
Loretta Kurkiewicz  
Fadia Hamdan  
Judith Krueger  
Carol Hoag  
Charles Welter

2. Payment of the following amounts to the following claimants is justified under s. 16.007, Stats.

Irvin Grudem	\$2000.00
William & Nancy Van Valkenberg	\$752.50
Capitol Air Systems, Inc.	\$1,600.00
Dorothea Haug	\$48.00
Michael Ripp	\$2,000.00
Ronald McCready	\$517.88
Town of Sanborn	\$1,911.00
St. John Forest Products	\$395.84
Lester Lambries	\$26.00
Lance Lambries	\$30.00
Sandy Lambries	\$15.71
Laura Maxwell	\$45.00
Judith Gottlieb	\$82.27

Dated at Madison, Wisconsin this 29th day of October, 1992.

GARY R. GEORGE  
Senate Finance Committee

BARBARA J. LINTON  
Assembly Finance Committee

Jeffrey J. Bartzan  
Representative of Governor

EDWARD D. MAIN  
Representative of Secretary of Administration

WILLIAM H. WILKER  
Representative of Attorney General

State of Wisconsin  
Legislative Audit Bureau

November 5, 1992

To the Honorable the Legislature:

We have completed a review of the Village of Muscoda's solid waste incinerator project, as requested by the Joint Legislative Audit Committee. The incinerator, which was to burn the Village's solid waste as well as waste from communities in Grant, Iowa, and Richland counties, was closed November 1990 after less than 14 months of operation.

Whether the problems leading to the incinerator's closure were caused by design flaws or by improper construction and operating procedures is in dispute and is currently being litigated. However, we identified several steps the Village and others involved in the incinerator's development, including the counties that guaranteed its financing, could have taken to avoid or limit these problems. These include obtaining an

independent analysis of the technical and economic feasibility of the incinerator.

Dale Cattnach  
State Auditor

The incinerator project's construction costs were \$11.3 million, including \$815,350 in state grants. In reviewing the Village's oversight of expenditures funded with bond proceeds and state grants, we identified \$139,100 in bond proceeds spent on unallowable costs and \$92,650 in grant funds not fully expended. We have included recommendations to ensure the bond fund is reimbursed and grant funds are returned to the State.

Grant, Iowa, and Richland counties, which guaranteed repayment of incinerator bond principal and interest payments totaling \$14.7 million, are funding annual debt service payments with property tax revenue, although no added services are provided. However, even if the incinerator were operating today, revenues adequate to cover construction and operating costs would not be generated.

To date, little action has been taken to determine the incinerator project's future. We have included a recommendation to the Solid Waste Commission, which is currently responsible for the incinerator's operations, to complete an appraisal of the incinerator's value and to develop a decision-making structure and timetable for reaching a final decision regarding the incinerator project's future.

We appreciate the courtesy and cooperation extended to us by staff and officials of Muscoda Solid Waste Commission and the Village of Muscoda.

Sincerely,

SENATE CLEARINGHOUSE ORDERS

The committee on Urban Affairs, Environmental Resources and Elections reports and recommends:

**Senate Clearinghouse Rule 91-163**

Relating to the extension of compliance deadlines for chloroform emissions for members of the pulp and paper industry.

No action taken.

**Senate Clearinghouse Rule 92-73**

Relating to the recreational boating facilities program.

No action taken.

**Senate Clearinghouse Rule 92-74**

Relating to lake sturgeon.

No action taken.

**Senate Clearinghouse Rule 92-96**

Relating to the environmental fee program.

Objection:

Ayes, 4 -- Senators Burke, Chvala, Adelman and Decker;

Noes, 0 -- None.

Brian Burke  
Chair

Read and referred to joint committee for Review of Administrative Rules.