

ORGANIZATIONAL OPTIONS FOR THE WINNEBAGO WATERWAYS REGION

Submitted to Winnebago Waterways Steering Team and Bluestem Communications



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I. Background and Executive Summary

Since the fall of 2012, The Winnebago Lakes Council has participated on the Winnebago Waterways Steering Team (the Steering Team). The Steering Team assembled in late 2012, upon receipt of a Lake Planning Grant from the Wisconsin Department of Natural Resources, to begin to determine a more cohesive approach to managing the Lake Winnebago waterways system. The Steering Team began gathering data, partners and public input on what issues need better cooperative management, and generating ideas on how that might be accomplished. The effort's results showed a significant need for better coordination among the agency, municipal and other partners who currently manage the various issues facing the Winnebago Waterways. The Steering Team, made up of representatives from five counties (Calumet, Fond du Lac, Outagamie, Waushara and Winnebago), Winnebago Lakes Council, Wisconsin Department of Natural Resources, University of Wisconsin-Extension, Fox-Wolf Watershed Alliance and the East Central Wisconsin Regional Planning Commission, continues to work together to determine the best options to address the needs of the Winnebago region in terms of managing the water resources. The overall goal of their effort is to ensure the Winnebago waterways system is managed in such a way as to protect and enhance the health of the water resources, economy and quality of life in the region.

This white paper contains an analysis of the options facing the stewards for the Winnebago region in northeastern Wisconsin. In response to public input gathered in the spring of 2013 regarding the need for a better coordinated management of the Lake Winnebago system, the Winnebago Lakes Council sought and obtained a Lake Planning Grant from the Wisconsin Department of Natural Resources to define "cooperative management" for the Lake Winnebago system. As part of that grant, and through a contract with Bluestem Communications, Environmental Consulting & Technology, Inc. (ECT) was retained to investigate potential management options that consider the following:

- Identify policy and program areas where cooperation among local and county governments in the Winnebago system might be beneficial for the region and the governments.
- Research existing inter-governmental organizational structures that might be applicable to the Winnebago region.
- Identify and analyze the applicability of several alternatives that could be employed or adapted for the Winnebago system based upon the current needs and goals.
- Recommend an organizational structure that allows governmental and non-governmental stewards to work more effectively together to meet their common regional goals and responsibilities.

Currently, a lack of consistent leadership or methods for addressing the critical issues leads to confusion among stakeholders and the public, and can exacerbate problems if they are not addressed properly and in a timely manner. This is due to many factors, with the most important that there is no single entity that coordinates among the five counties and many municipalities located within the watershed when it comes to issues that they each are responsible for; when dealing with water resource management, the current changes frequently – both literally and figuratively – so it is important that each party manages to the same standards.

The purpose of this study is to research options and recommend an organization type that might foster the cooperation needed in the region. The goal is not necessarily to recommend a new layer of government, but, rather to identify a structure where the agencies and organizations can cooperate to improve effectiveness and efficiency to benefit the health of the waterway system, regional economy and quality of life for residents and visitors.

The current approach is a quasi-voluntary association that serves the needs of the counties and other interest groups, but is always at risk of losing interest and support. The current approach uses the governmental entities as the customers where they can coordinate existing legal authorities with the goal of achieving greater efficiencies. In the long-term, it is not a sustainable structure.

The effort involved ECT reviewing models currently used in other regions of the State and country, and assessing whether the Winnebago regional partners need a new organization to coordinate its efforts. To meet this goal, ECT performed the following tasks:

- Interviewed key regional project participants by phone to better understand their perception of the policies and programs where cooperation is needed, as well as other purposes in pursuing a regional effort.
- Reviewed literature of the regional issues involved in the effort, and identified the types of organizations that best address those issues. The issues include environmental (non-point source planning and algae sightings), recreational (ice fishing and noise ordinances), economic and other governmental issues.
- Presented initial findings outlining the options for a regional approach to the Winnebago Waterways Steering Team to obtain feedback on the options and understand potential pitfalls.
- Prepared this final report with options and recommendations for an organizational structure that meets the needs and requirements for the partners in the effort.



ECT examined five organizational types in this analysis. These included:

1. **Ad-hoc Committee (No Change).** This option assumes the Winnebago Waterways Steering Team continues to meet as an informal group, though with regular meetings to address some of the common issues.
2. **East Central Wisconsin Regional Planning Commission.** This option would call for East Central to play the role of a regional coordinator for five counties and the 20-plus local municipalities they serve.
3. **Lake Districts and Commissions.** This option is available to the region under a more formal process. Commissions, for example, require statutory authority, approval by the legislature and signature by the Governor. The Lake District or Watershed Commission would be responsible for watershed planning as required by the state statutes.
4. **Nonprofit Organization.** This option assumes a coordinated effort could be managed through the structure of a nonprofit organization. This could be a new entity, or could build upon the efforts of an existing entity.
5. **Formalized Facilitated Cooperation.** This option assumes a coordinated effort could be managed through the structure of a volunteer, nonprofit organization, a county employee, or the East Central Wisconsin Regional Planning Commission. This could be a new entity, or could build upon the efforts of an existing entity.

While presenting the results of this report to Town and Municipality representatives, a sixth option was proposed:

Dissolving All Cooperation. While not recommended by this consultant or the counties that are currently working together, a participant at a Town Meeting suggested this option. If selected, all current collaboration between the counties on Lake Winnebago system issues would dissolve and any ideas of formalizing future collaboration or embarking on a cooperative management system would be abandoned.

The options were reviewed using the following criteria:

- *Political leadership and support.* Any management structure requires political support from elected and appointed officials to ensure that the group has authority to work together on issues of common concern. Without this higher level support, the allocation of time, financial and other staffing resources remains fluid, making the efforts of the team highly situational.
- *Participation by counties and municipalities.* Any policies affecting the Lake Winnebago system are made and/or implemented by these levels of government. Cooperation and impact become difficult without participation from government entities and more effective when they work together.
- *Winnebago Waterways focus.* Any structure should have a Winnebago Waterways focus because the waterways are a common component and the focus of cooperation economically and environmentally.
- *Agency staff level coordination.* Agency and government staff must be allowed to participate in a meaningful way that uses their time efficiently and effectively in order to achieve a greater level of cooperation. This cooperation is intended to improve management of the waterways by all responsible parties.
- *Organizational staff support.* An organization needs staffing in order to maintain the work and goals of the structure/organization.
- *Organizational robustness.* A goal of cooperation is to sustain itself over a longer period of time in order to meet shorter and long term goals. A strong organization with solid resources is needed in order to support these goals.
- *Fiduciary authority.* An organization must be able to submit proposals, enter in to contracts and manage projects in a way that is predictable. Inability to maintain fiscal authority makes an organization less able to meet its goals.

It is clear that the current more informal approach is unsustainable. There is insufficient political support to this approach to address the critical issues facing the Winnebago waterways region.

There is currently strong interest from county governments, local nonprofits and other stakeholders in working together on Winnebago Waterways issues more formally. There is recognition that local and county governments must take a leadership role, but there appears to be a sense that the process should be taken in small steps to build the necessary cooperation and organization rather than make a jump to seeking legislative approval for a watershed organization. Many of the activities that an organization would undertake are related to governmental activities where there is a need for more cooperation among governments such as runoff to the waterways, algal blooms, nuisance aquatic plant management, terrestrial and aquatic invasive species, beach closures, data collection, the Winnebago Total Maximum Daily Load (TMDL), wastewater treatment plant regulation implementation, boat launch cooperation, buoy placement and tourism promotion. The goal is not to create a new layer of government, but to provide a framework for cooperation that increases the effectiveness and efficiency of existing programs and efforts. The TMDL and water quality regulations will affect the entire region, not just a few communities, wastewater treatment plant, or one or two of the counties. It will affect tourism and other issues and, as such, requires greater input from more municipalities and participation by senior managers and elected officials to address these and associated issues.

Any of the other organizational types would help improve the ability of the region to deal with these issues. What is critical is a more formalized structure. The most effective would be either a formal Lake District or Commission or a government-membership nonprofit. Either of these would engage the elected leadership of the region directly into the regional planning process for coordinating government responsibilities more effectively. A commission would provide the most structure for cooperation and provide the most long-term stability for coordination. A major difficulty for this option is that there may not be the critical mass of support for obtaining formal or even statutory approval of such an organization. Some regions that have a longer history of coordination do not have a watershed commission.

Given the potential difficulties in seeking formal approval to create a Lake district or commission, a government membership nonprofit with participation from other important stakeholder groups is the best

option to work toward at this time. In order to develop this option, there is a need for an interim step to work toward this more formalized structure: to engage a facilitator through either an existing nonprofit, the ECWRPC, or an individual or county employee to begin a regional planning process to set specific environmental goals and identify specific policies, activities and projects the counties and municipalities can undertake to meet these common goals.

A nonprofit organizational structure can be designed with similar goals as would be found in a watershed commission, but with more flexibility to meet the goals and needs of a more coordinated Winnebago system. This could take shape in either a new or through restructuring an existing nonprofit organization; primary members would include county and municipal governments, with the opportunity for participation from other stakeholders. This option provides the best opportunity to continue the efforts of the counties and other partners to achieve greater efficiencies and effectiveness in cooperating on key environmental and economic programs in the region. The option provides a logical next step to develop better coordination among governments, agencies and other organizations in managing the economic and environmental resources of the Winnebago waterways resources. An appropriately structured nonprofit would allow greater flexibility and can be responsive to member needs as they arise; further, the financial structure would allow the organization to transcend political issues or elections, thus providing consistency and continuity over time.

Regardless of the option selected, there is a need for county and municipal leaders to become more engaged and provide more support and dedicated time and resources for staff to pursue a regional effort.

II. Overview of the Winnebago Waterways Region

The Lake Winnebago Watershed covers over 581 square miles, with over 200 square miles of the watershed being lakes, the largest of which is Lake Winnebago. The watershed is located between Upper and Lower Fox Rivers in Wisconsin, and includes the cities of Menasha, Oshkosh, Appleton and Fond du Lac, Wisconsin as the primary urbanized areas. The watershed also includes High Cliff State Park, a 1,145 acre state park, located in Calumet County. Over half of the watershed is agricultural lands; about 5% of the watershed is urbanized and 18% of its surface area is water.¹

The Lower Fox, Wolf and Winnebago watersheds are three of the 33 major subwatersheds that surround and flow to Lake Michigan. For the purposes of this report, they will be listed as separate watersheds; however, they are intricately connected as the Fox River and Wolf River merge just upstream of Lake Winnebago (in Lake Butte de Morts). The Lower Fox and Green Bay are affected by runoff from both the Wolf and Winnebago watersheds and, in some ways, can be considered as a three watershed system.

The lakes in the Winnebago watershed contain 17% of the surface water within Wisconsin's borders. Over 2 million people live within 75 miles of the lakes. The watershed contains over 200 miles of shoreline and has a mixture of urban, agriculture, forest and wetland land uses. It has 5 counties, four cities, 20 towns and four villages with similar mandates and responsibilities for watershed management. Each has its own sets of priorities and approaches to these responsibilities that lead to a lack of coordination and unintended environmental and economic consequences.

The lakes and rivers are the driver for the region's economy and environmental health. Over 250,000 people are served by drinking water from Lake Winnebago. Real estate values, especially near the shore, are driven by the health of the waterways. Tourism, business development and recreation revolve around use of the waterways, and land use affects the health of the system and the economic health of the region.

Water quality is necessarily of concern to the region as it affects drinking water treatment, tourism, recreation and wastewater treatment. As such, stormwater runoff from urban and agricultural areas is of concern for the health of a large but relatively shallow set of lakes. The waterways are further affected by algal blooms, aquatic invasive species and plants.

A significant portion of the economy is driven by waterways-driven activity. Many annual events take place on Lake Winnebago including shoreline concerts, fishing tournaments, power boat events, pleasure boating rallies, sail runs and ice racing. Recreational activities have a waterways focus and the lakes draw a large number of visitors each year. A study by the University of Wisconsin indicated that angling alone contributes \$155.5 million of direct spending annually to the region, supporting 3,500 jobs. Indirect and induced impact of angling is \$78.5 million and 800 jobs.

The water quality has a direct impact on tourism and associated economic activity for the region. Protecting and ensuring long-term health of the waterways is dependent upon managing the watershed more effectively.



¹ Lake Winnebago watershed overview, Watershed Central, US Environmental Protection Agency, https://wiki.epa.gov/watershed2/index.php/Lake_Winnebago_Watershed

A patchwork of authorities is currently tasked with dealing with waterways policies and programs. The State of Wisconsin oversees the fisheries, fishing, boating, wildlife, environmental permitting, Wisconsin Pollutant Discharge Elimination System (WPDES) permitting and the Clean Water Act implementation. The U.S. Army Corps of Engineers oversees water level control while the U.S. Coast Guard has jurisdiction over boating, and the U.S. Geological Survey oversees stream flow monitoring and the flood warning system. Counties, cities, villages and towns oversee county land and water conservation plans, boat launches, navigational systems, police and sheriff departments, parks, beaches, harbors, trails, public health alerts (pathogens, toxic algae blooms), planning, smart growth, farmland preservation, zoning and local ordinances (including shoreline, noise, speed limits) and permitting for erosion control and stormwater management.²

This common stewardship leads many to recognize the need to coordinate on implementation of these authorities to ensure more effective oversight of the waterways and the watershed.

² Dani Santry, Resource Management Department, Calumet County, “Collaborative Stewardship for the Lake Winnebago System: Large Lake, Large Watershed Challenges,” 2013 Wisconsin Lakes Partnership Convention, <http://www.uwsp.edu/cnr-ap/UWEXLakes/Documents/programs/convention/2013/DaniSantry-CollaborativeStewardshipfortheLakeWinnebagoSystem.pdf>

III. Summary of Interviews

ECT staff conducted interviews with representatives of five counties (Calumet, Fond du Lac, Outagamie, Waushara and Winnebago), the University of Wisconsin Extension Service, Winnebago Lakes Council, the Wisconsin Department of Natural Resources, several local nonprofits, the East Central Wisconsin Regional Planning Commission and local municipal agencies. The primary focus of the interviews concerned the types of issues where cooperation would be helpful, and the type of organizational structure that would be most helpful. The interview discussions focused on the issues where there is a need for coordination, whether there is a need for a more formal structure to address those issues, and what kind of organization might best address coordination and cooperation.

Issues

There is general agreement among the interviewees that there is a need for coordination among the different local, county and state governments working on Winnebago Waterways issues. There is also consensus about several issues where a coordinating body would be valuable to foster cooperation and coordinated action. These issues include:

- Environmental
 - Runoff to the waterways and issues associated with algal blooms
 - Nuisance aquatic plant management
 - Aquatic invasive species
 - Terrestrial invasive species
 - General planning issues
 - Beach closures
 - Data collection
 - Winnebago Total Maximum Daily Load (TMDL)
 - Wastewater treatment plant regulation implementation
- Recreation
 - Boat launch cooperation
 - Buoy placement consistency
 - Tourism



All representatives recognized a connection between the impacts of environmental issues on recreation and recognized the value of the linkage between the two issues; however, effects on environmental issues and recreational issues should be a primary driver for cooperation initially.

Reasons for More Formal Coordination

Among several interviewees, there is a sense of a lack of a collective Winnebago regional identity, which acts as a barrier to cooperation. The creation of an organization would assist the different counties and municipalities that have different relationships with the watershed (for example, some being directly connected to the shore, others being upstream, some counties having only a small portion of their jurisdiction in the watershed while others have larger portions). In general, all see the value of a more formalized structure. The purpose of any new entity would not be to take over existing responsibilities or authorities, but rather to coordinate the responsibilities of the partners in order to promote efficiency and effectiveness, and a more holistic approach to managing the Winnebago resource.

The phosphorus TMDL was cited by several individuals as being of particular interest to all the governments given that it is under development and will affect discharge permits within many jurisdictions within the watershed. Further, new nutrient criteria will affect wastewater treatment plants' permits in the coming years. More directly, nonpoint source runoff affects the quality of the lake which, in turn, impacts recreation and the tourism industry. As an example, nutrient runoff leads to algal blooms on the waterways that impact boating and swimming on the waterways.

According to the United States Geological Survey, it is estimated that the Winnebago watershed is the source of approximately 50% of the phosphorus entering Green Bay and contributing to algal blooms within the bay. Fox River and Green Bay communities and groups are actively engaged in looking at these issues in more detail. It is probable that phosphorus and nutrient runoff and discharge will have greater focus from regulators in the near future as an environmental and a regulatory matter, necessitating action by Winnebago area governments.

Criteria

The interviews provided the basis for a review of the five approaches to cooperation using these eight criteria. For a regional organization that is assisting in coordinating activities among local municipalities, counties, and other organizations, the following must be present:

- *Political leadership and support.* Political leadership must provide or approve support and resources needed by agencies and staff to cooperate with other jurisdictions on issues of common concern over a longer period of time. If the leadership is not there, the organization will likely not be able to perform its functions.
- *Participation by counties and municipalities.* Municipalities and counties have significant responsibilities in managing the Winnebago waterways region. Currently, those responsibilities are not coordinated although all interviewees stated that there are some issues where more formal cooperation would be beneficial. Participation by the political jurisdictions is critical to ensuring that all are working toward similar goals.
- *Winnebago Waterways focus.* One of the primary drivers for this study is to provide a broader plan for protecting, conserving, restoring, and improving the Winnebago waterways region. As such, there is a need to make the lake a central focus for the effort in order to give focus to the effort.
- *Staff level coordination.* Agency and government staff must be coordinated for a regional organization to succeed. A regional organization must provide the mechanism for staff to feel comfortable in coordinating with their peers.
- *Organizational staff support.* A new organization must have staff and resources available to provide the coordination among the partners. No single government has the resources to perform this function so it must be provided by a staff that is responsive and answerable to all of the members.
- *Organizational robustness.* The organization must be strong and effective to last in the long-run. Interviewees indicated that the current cooperation needs more formal structure to develop this long-term strength.
- *Fiduciary authority.* Any new organization must have access to fiduciary authority in order to enter into contracts on behalf of its members. The current structure relies on individual counties or nonprofits to oversee contracting. The lack of continuity creates uncertainty regarding long-term oversight of regional grant and financial oversight.

IV. Organization Type Analysis

ECT reviewed the following five organizational options against the criteria discussed in the previous section.

1. **Ad-hoc Committee (No Change).** This option assumes the Winnebago Waterways Steering Team continues to meet as an informal group, though with regular meetings to address some of the common issues.
2. **East Central Wisconsin Regional Planning Commission.** This option would call for East Central to play the role of a regional coordinator for five counties and the 20-plus local municipalities they serve.
3. **Lake District or Commission.** This option is available to the region under a more formal process. Commissions, for example, require statutory authority, approval by the legislature and signature by the Governor. The Lake District or Watershed Commission would be responsible for watershed planning as required by the state statutes.
4. **County and Municipal Member-Based Nonprofit Organization.** This option assumes a coordinated effort could be managed through the structure of a nonprofit organization. This could be a new entity, or could build upon the efforts of an existing entity.
5. **Formalized Facilitated Cooperation.** This option assumes a coordinated effort could be managed facilitated through the structure of a volunteer, nonprofit organization, a county, or regional planning association. This could be a new entity, or could build upon the efforts of an existing entity.

While presenting the results of this report to Town and Municipality representatives, a sixth option was proposed:

Dissolving All Cooperation. While not recommended by this consultant or the counties that are currently working together, a participant at a Town Meeting suggested this option. If selected, all current collaboration between the counties on Lake Winnebago system issues would dissolve and any ideas of formalizing future collaboration or embarking on a cooperative management system would be abandoned.

The goal in reviewing the options is to identify the options that are strong enough in each category and which have the realistic potential to meet the goals of managing the Winnebago Waterways area more effectively. However, no single option was strong enough in each category to make an obvious choice.

No Change

Representatives from counties, the DNR, nonprofits and other interested parties have worked together through two grants to support the work of the different participating agencies. While many interviewed are appreciative of the informal coordination, many stated that it is not adequate to address the issues that the region needs to handle.

Analysis

- *Political leadership and support.* Currently, there is political support for the work of the group; however, there has been a falloff in political participation during the course of the project. It is unclear if the support can be maintained over a



longer period of time without a formal organizational structure. It is dependent on the good auspices of leaders to continue their participation.

- *Participation by counties and municipalities.* To date, counties have been active in the effort, but there has been limited participation by many municipalities.
- *Winnebago Waterways focus.* The current organization is focused entirely on the issues associated with the Winnebago area waterways. This option has many limitations in providing long-term capabilities to address key issues. Currently, there is insufficient support from leaders to undertake the coordination and activities collectively. Informal discussions cannot lead to coordinated planning because the issues facing the region require more support and dedicated resources.
- *Staff level coordination.* There is very strong staff level coordination at this moment as the group works on cooperating on issues of common concern. There is a different level of participation relative to the portion of each county that is in the major watershed. This cooperation is dependent upon political and administrative support of participation.
- *Organizational staff support.* This approach requires a third party coordinator like Bluestem Communications to provide support in organizing and coordinating meetings. As a result, there is a risk of losing staff support if there is no funding available for group work, as the group would be dependent on grants for specific projects. If there is a gap in funding or projects, there is a loss of the coordinating body.
- *Organizational robustness.* An informal group is at risk of losing focus and cooperation over time. The lack of a formal organization creates too much long-term uncertainty which can affect political and agency staff support.
- *Fiduciary authority.* The efforts of the group require using a formal organization as a fiduciary for the group's work. In this effort, that organization is Calumet County. There would need to be consistency among funding efforts and seeking grants. This informal approach creates uncertainty because over time there may be multiple organizations that become the fiscal agent. This could lead to inconsistency and a lack of long-term direction.

Summary

Continuing on the same path is not sustainable in the long term. There is current support for the effort, but there is a need to build upon the initial successes by building a more formal structure that allows the counties, municipalities and other stakeholders to build and maintain the regional cooperation. Creating a new entity or moving it to an existing entity allows the partners to develop a formal plan for future cooperation with rules, goals and objectives.

East Central Wisconsin Regional Planning Commission

The East Central Wisconsin Regional Planning Commission (ECWRPC) is the official comprehensive planning agency for the East Central Wisconsin Counties of Calumet, Fond du Lac, Green Lake, Marquette, Menominee, Outagamie, Shawano, Waupaca, Waushara and Winnebago. Services provided by the ECWRPC include comprehensive and land use planning; transportation improvement and corridor planning; open space, recreational and environmental planning; economic development; demographic information and projections; technical assistance to local governments; geographic information services and aerial photography distribution.

Several interviewees expressed an interest in the East Central Wisconsin Regional Planning Commission taking the lead in this effort, given that there had been



discussion of the creation of a Winnebago Waterways working group within the organization in the past. However, there has been some opposition to this among some commissioners and limited funding to properly support the effort.

This option would require approval by the ECWRPC with support from county officials and regional municipalities located within the watershed.

Analysis

- *Political leadership and support.* The East Central Wisconsin Regional Planning Commission is an existing organization whose membership is drawn largely from political leaders or those leaders' appointees. There is a strong commitment from political leaders to the organization. There was one attempt previously to develop a Winnebago Waterways committee through the commission, but it was turned down at the committee level for a variety of reasons. At this point, it is unlikely to have sufficient support for a dedicated program within the commission.
- *Participation by counties and municipalities.* The commission has significant participation and cooperation among the counties and municipalities from the Winnebago waterways area; however, the area is only a portion of the overall ECWRPC area.
- *Winnebago Waterways focus.* The commission has broader authorities beyond the Winnebago watershed. There is potential for other regional efforts the commission oversees to subsume Winnebago related projects over time. If organized through the commission, it would be important for Winnebago area representatives to remain engaged for the effort to receive the attention and staffing needed.
- *Staff level coordination.* County and municipal staff cooperate and work together through the organization making work on a Winnebago effort easier to implement.
- *Organizational staff support.* The commission has an existing staff with relationships with the major parties that would be active in a Winnebago Waterways effort; however, there is no dedicated budget for staffing, making oversight more difficult.
- *Organizational robustness.* The commission has been in existence since 1972 and was established by a gubernatorial executive order, making it a well established organization within the region.
- *Fiduciary authority.* The commission is a regional planning organization with the ability to serve as a fiscal agent for projects. It also can dedicate staff time budget to an effort to work on the Winnebago area.

Summary

While ECWRPC has many characteristics that would be in its favor for leading a Winnebago effort, it does not currently have dedicated staff budget to focus on a Winnebago-focused program. Its other responsibilities and a potential lack of political or committee support make housing the Winnebago program within it more difficult. However, it is well situated to provide assistance and staffing through contractual arrangements with a Winnebago-based nonprofit organization. There may also be opportunities to co-locate a Winnebago organization with ECWRPC. There is also an opportunity for ECWRPC to act as a facilitating agent to coordinate a more formal, but not incorporated, organizational structure.

Lake District or Commission

In Wisconsin, Lake Districts are special purpose units of government. They include public inland lake protection and rehabilitation districts, sanitary districts, special districts and commissions formed by local governments. According to the statute, their primary purpose is to maintain, protect and improve the quality of a lake and its watershed for the mutual good of the members and the lake environment.



These districts are created by town, county or village boards, or city councils. Lake district formation and operations must comply with Chapter 33 of the Wisconsin Statutes. The boundaries of a lake district include property of all riparian owners and include off-lake property that benefits from the lake or affects the lake's watershed. The district may include all or part of a lake or more than one lake. Units of government affected by the district must provide approval to be included in a district.

Districts also have some capabilities to regulate lake use, such as local boating ordinances and sewage management. Within a lake district, all property owners share in the cost of management activities undertaken by the district. A lake district is generally used for smaller lakes where it is easier to achieve the support of the necessary parties and units of government.

Similar to lake districts, watershed commissions are legislatively approved and have statutory requirements involved in protecting the value of water resources and water quality. They also examine the economic value of these resources for the community. Existing watershed commissions in Wisconsin help to describe the legislative authority of commissions and provide models for organizational structures.

Wisconsin Lake Districts. Wisconsin has many different lake districts across the state, such as the Rock Koshkonong Lake District. The Rock Koshkonong Lake District is the largest lake district in Wisconsin, preserving the water resources and management of the Rock River and Lake Koshkonong . The lake district spans across Dane, Jefferson and Rock Counties. The lake district was formed in 1999 and consists of approximately 2,200 voting members. The purpose of the lake district is to protect, improve and manage the natural water resources of the Lake Koshkonong watershed, and has the powers of controlling erosion, dams, and purchasing land. It is operated by five to seven commissioners on a day-to-day basis. This approach is generally used for smaller lake areas. Obtaining the necessary support given the number of properties and participants needed for such a district around the Winnebago Waterways is unrealistic.

Wisconsin Watershed Commissions. Wisconsin also has watershed commissions that are created through legislation approved by the state legislature and signed by the Governor. There are two lakes and watershed commissions in Wisconsin: The Dane County Lakes and Watershed Commission and the Southeastern Wisconsin Fox River Commission (SEWFRC).

The Dane County Lakes and Watershed Commission was created by the Dane County Board in 1988. The state legislature defined the commission's powers, composition, duties and organization in 1990 under Chapter 33 of Wisconsin State Statute. It operates through the Office of Lakes & Watersheds Dane County Land and Water Resources Department. The commission has 10 members, representing urban and rural areas, including:

- county board supervisors (2 from Madison and 2 from areas outside of Madison);
- a representative of the Towns Association;
- a representative from cities and villages outside of Madison;
- a member designated by the Dane County Executive;
- a member designated by the mayor of Madison;
- a citizen from Madison; and
- a representative of the Yahara Lakes Association.

The commission's statutory responsibilities include:

- conducting or coordinating studies of local surface waters and groundwater;
- maintaining liaisons with other public agencies involved in protecting or managing water resources; and
- developing public information programs.

The commission acts as a coordinating body among state and local agencies with programmatic and regulatory responsibilities for water quality and water resources management in Dane County. It also serves in

an advisory role to the Dane County Board and the County Executive, and participates in reviews and making recommendations on relevant portions of county agency budgets with related responsibilities. As part of the commission's budget, the board of commissioners may propose that the county board levy or impose property taxes, special assessments or special charges or fees, but has not done so to date.

SEWFRC was established in 1997 by Wisconsin Act 27 to address water resource problems in the Fox River system. SEWFRC was given the authority to carry out programs and measures to improve water resource conditions within the designated planning area. The Southeast Wisconsin Regional Planning Commission (SEWRPC) developed an Implementation Plan on SEWFRC's behalf in 1998 and updated it in 2011.

The duties of SEWFRC include:

- Initiate and coordinate surveys and research projects to gather data relating to the surface waters and groundwaters of the Illinois Fox River basin.
- Maintain a liaison with Federal, State, and local agencies and other organizations involved in protecting, rehabilitating, and managing water resources.
- Develop a public informational and educational program on issues related to the surface waters and groundwaters of the Illinois Fox River basin.
- Develop and implement plans or projects to improve water quality and the scenic, economic and environmental value of the surface waters and groundwaters of the Illinois Fox River basin, protect or enhance the recreational use of the navigable waters of the Illinois Fox River basin, and coordinate and integrate county programs or projects for the Illinois Fox River basin surface waters and groundwaters of Waukesha and Racine Counties.
- Develop and propose programs or projects to make improvements to the navigable waters of the Illinois Fox River basin.
- Create advisory committees as it considers necessary.
- Promulgate rules necessary to implement the duties and powers granted to the Board of Commissioners.

The commission has spent about \$1.25 million on projects that help improve the Illinois Fox River basin. This has come from grants and other sources, directly appropriated by the Legislature and administered by the WDNR at about \$125,000 per year. Funding from the counties could be sought as well, but there are other opportunities to provide cost share. Funded projects include shoreline stabilization, stormwater projects, a canoe launch, and restoration of a park.

Several interviewees expressed the opinion that a lake management organization recognized under statute would not be a viable option given that many citizens and some local officials have expressed concern regarding the creation of another level of government with taxing authority.

The complexity and size of the Winnebago Waterways Region system presents great challenges to implementing a Lake District or commission type of entity. Currently, due to the large size of the watershed, interests of people who live within the watershed are largely dispersed. One goal for cooperative management of the Winnebago Waterways system is to foster all of the common interests and listen to other interests of the people within the region, but mainly to establish consistency among management measures that address the complex issues facing the waterways. As such, the region and the system would benefit from a more formal structure to implement common interests within the organization.



During the course of interviews, successful legislatively approved programs outside of Wisconsin were mentioned as potential models for regional cooperation for the Winnebago Waterways region. Some suggestions include the Lake Champlain Basin Program and the Lake George Park Commission.

Lake Champlain Basin Program. Lake Champlain is a 490 square mile fresh water lake bordering Vermont, New York and Quebec. While it shares many of the environmental characteristics of Lake Winnebago, it is an international water, which its organizational structure reflects. In 1990, the U.S. Congress passed legislation authorizing the creation of the Lake Champlain Basin program and provided funding for the program's operations. While it represents the appropriate governmental structure type, it has limited authorities and no taxing authority. It can seek funding and receives funding for work to protect Lake Champlain.

Lake George Park Commission. The Lake George Park Commission is a state-authorized commission with regulatory powers surrounding Lake George in upstate New York. The lake has a surface area of approximately 28,000 acres, is 3 miles at its widest and 51 miles long. It is deeper than Lake Winnebago, but has issues associated with nonpoint source runoff. There are several other organizations dedicated to its protection, including the Lake George Association and the Lake George Waterkeepers, which are discussed in the Nonprofit Organization section of this report. In 1961, the State of New York passed legislation designating the area surrounding Lake George and its surrounding drainage basin as an area so distinctive in natural qualities and scenic beauty that it was deserving of special protection. Therefore, the Lake George Park Commission was formed. The Park Commission covers three counties and 12 municipalities.

Although the work of the Lake George Park Commission has similarities to the Wisconsin Lake District, the overall organizations have more regulatory authority employed surrounding Lake George than in Wisconsin. It investigates and corrects sources of contamination and regulates development in the region. This model would be unlikely to receive sufficient support due to its overarching regulatory authority within the watershed that would likely not receive support from many stakeholders in the Winnebago region.

Analysis

- ***Political leadership and support.*** This statutory-based organization type requires strong political support to obtain approval from both houses in Madison and signature from the Governor. Concerns regarding a new organization with taxing authority have been repeatedly expressed by many stakeholders. Some interviewees, including at least one county interviewee indicated a hesitation on a legislative approach. The reasons were two-fold. First, there is a sense that this would be viewed as a new level of government that could have taxing authority. There is a sense that a new potential taxing body would be unpopular with residents. Whether an organization has taxing authority depends upon the specific authorizing legislation and whether the organization wishes to exercise that authority. Both Lake Management organizations in Wisconsin have that authority, but choose to not exercise the taxing authority. Instead, they seek grant funding. Second, it is unclear how strong the support is for the current approach from county leaders. Some of the individuals involved in this project, while they are employees of different governments, are participating as volunteers. That indicates that a greater level of support is needed before seeking greater authority under the statute. It may be that before such an approach is pursued that counties and stakeholders build on existing experience. Successes on common efforts and more trust need to be built first before seeking legislative authority.
- ***Participation by counties and municipalities.*** Legislative language would lay out rules for membership by counties and local levels of government. To be effective, all agencies would need to be members of the organization. Municipalities do not play a large role in the current effort, although their participation would be welcomed and necessary to address some of the issues such as water quality.
- ***Winnebago Waterways focus.*** A statutorily-based organization would have the focus and responsibility to work on Winnebago area issues. Those issues would be set into law. This would limit the flexibility of the members to address a broader range of issues that a group might develop over time. Any changes

in focus might require change to legislation, although coordination through a nonprofit to implement projects in the future could be a workable solution. Obtaining approval of a lake association or watershed organization is effective in addressing watershed and environmental issues. The watershed focus, however, provides less incentive to address economic and tourism issues directly. If this were pursued, it is critical to ensure that any plan or work include an analysis of the impact of environmental problems on tourism and economic development of the region.

- *Staff level coordination.* Legislative authority would provide a strong incentive for staff level participation. A legislatively-driven organization would outline the specific cooperation required by counties and municipalities. Those rules would be mutually agreed upon and the incentives for assigning staff much greater.
- *Organizational staff support.* An organization like this would likely have staffing, but this is uncertain. Dane County assigns staff directly and the organization acts in a coordinating role, but the Fox River organization does not. Staffing depends on how the organization is organized and funded. It would be beneficial for the organization to have funding from its members to pay for such a structure.
- *Organizational robustness.* A legislation-based organization would provide a vehicle for coordination, but its robustness is dependent on the member organizations ensuring its long-term viability and financing. The two Lakes management organizations do not collect taxes to support them, but instead are reliant on county budgets in the case of Dane County and on grants and state funding in the case of the Southeast Wisconsin Fox River Commission.
- *Fiduciary authority.* A legislative-authorized organization would have the ability to enter into contracts and would provide long-term management of projects.

Summary

A lake district commission would allow the counties and municipalities to work collectively and address the critical regional environmental issues in a coordinated manner. A legislatively approved organization provides a strong incentive to develop cooperative plans and programs to address the important issues facing the region. The watershed is too large for a lake district to be formed by all of the required units of government. Therefore, this leaves a watershed commission as an option. It does not appear that there is a consensus among individuals who were interviewed or who took part in meeting discussions that it is the optimal solution at this time. There does not appear to be enough leadership to seek authorization of a new agency in Madison at this point, as the commission would need to receive the necessary support for the legislature to approve it. The challenge facing watershed commissions within the Winnebago Waterways region is the size of the watershed. The commission would need to build an organizational structure in order to combine the common interests of people within the watershed to know the focus of the commission. In order for this option to work, it is critical that county and municipal leaders provide the support to obtain approval in law.

Nonprofit Organization

Another option considered is a nonprofit organization. There are two primary types of nonprofits: one is a general nonprofit that brings a variety of members and stakeholders together, and the second works directly for specific stakeholders, in this case, counties, agencies and municipalities.

Alliance of Rouge Communities. An example of this approach is the Alliance of Rouge Communities in southeastern Michigan. Its membership is primarily the governments and agencies that are located within the Rouge River watershed. It does not include individuals or other non-governmental entities as voting members.

The Alliance of Rouge Communities (ARC) is a 501(c)(3) Public Charity and a voluntary public watershed organization. Its members include 36 municipal governments (i.e., cities, townships, and villages), three counties (Oakland, Wayne, and Washtenaw), and the Wayne County Airport Authority. All are public agencies with water management responsibilities that are located wholly or partially within the Rouge River

watershed. The governments had collaborated since 1993 under the auspices of Wayne County to address stormwater and watershed issues.

The Alliance of Rouge Communities developed from this informal organization to a 501(c)(3). Cooperation among counties and municipalities worked informally from the early 1990s to the early 2000s. As funding for restoration for the Rouge River declined, there was a need to develop an entity that could seek funding directly. This organization was first organized through the development of a Memorandum of Agreement (MOA) in 2003 with the assistance of ECT. It was later organized as a watershed organization recognized under Michigan statute and received 501(c)(3) status in 2009. It has no taxing authority under statute.

When federal funding for the project declined, the communities joined under a Memorandum of Agreement outlining the operations and funding mechanism for the Alliance in 2003. The dues for the organization were calculated based upon a combination of acreage in the watershed and population. Local contributions are used to match grant dollars that currently represent nearly fifty percent of the annual ARC budget.

The ARC received its 501(c)(3) status in 2011, retroactive to 2009. It also operates as a watershed organization under Michigan statute, but without any power to levy taxes.

The ARC provides an interesting template for the Winnebago Waterways region. The ARC began with informal cooperation over specific issues and developed into a nonprofit organization that provides a forum for cooperation among multiple jurisdictions over existing authorities. The group is consensus-based with dues and voting mechanisms that balance geography, population, and regional interest.

This option would require a core group of counties and municipalities to incorporate a new nonprofit organization and receive nonprofit status from the IRS. An existing Winnebago organization (such as the Winnebago Lakes Council, the East Central Regional Planning Commission or the Fox-Wolf Watershed Alliance) could also alter its bylaws to allow for a new governing board and organizational rules to allow it to take on this proposed structure.

Winnebago Lakes Council. The Winnebago Lakes region has several nonprofits that address the environmental issues of the region. The Winnebago Lakes Council is a nonprofit organization focused on charitable, educational, and scientific purposes. The organization is governed by a Board of Directors elected by dues-paying members. Membership is open to anyone who subscribes to its mission. Funding comes from dues, donations, and grants. Its membership is relatively small, but it has a large mailing list of former members and regularly reaches these individuals through its quarterly newsletter mailing. The Winnebago Lakes Council recently began an internal planning process to develop specific tasks, goals and a workplan for carrying out its mission. As such, the Council is initiating improvements to its website, taking on new water quality monitoring initiatives and spearheading the Winnebago Waterways grant management. In its current state, the Council does not appear to have the adequate strength to lead a broader effort, but it could play a role in a larger effort led by the governments and other stakeholders that would build that strength for a local organization. However, it has the necessary organizational “bones” with Articles of Incorporation and required IRS designation to serve as a fiscal agent and an initial starting place if needed; expanding the Council to include a broader Winnebago Waterways cooperative management effort would require some alteration of its mission as well as some significant capacity building to establish working committees and additional structure.

Fox-Wolf Watershed Alliance. The Fox-Wolf Watershed Alliance is an independent, nonprofit organization that identifies issues and advocates effective policies and actions to protect, restore and sustain the water resources of Wisconsin’s Fox-Wolf River Basin. It works as a neutral partner that promotes the watershed concept to solve water quality issues focusing on effective ecosystem management based on good science and least-cost initiatives that emphasize



resource protection and preservation. It works to support and coordinate stakeholders in the watershed. It is overseen by a working board that sets policy and program direction, is representative of the basin and is committed to protecting resources.

The FWWA has a strong presence in its environmental work downstream of the Winnebago watershed in the Lower Fox River working with stakeholders to address questions and develop an implementation plan for the Lower Fox River Total Maximum Daily Load (TMDL). Because the Fox-Wolf Basin does cover the area in which the Winnebago Watershed lies, there is a logic to bringing Winnebago efforts in combination with the Lower Fox watershed work because of the common environmental issues and goals related to runoff; however, the difficulty may arise in ~~that~~ developing the Winnebago identity and getting the Winnebago partners to work together collectively. In order to move forward, the Winnebago watershed needs direct focus from its partners to address the work that needs to be done within the region. Creating a separate branch of FWWA similar to the structure of the Northeast Wisconsin Stormwater Consortium (NEWSOC), an operating branch of FWWA, for the Winnebago Waterways could allow for the identity of the project to grow within the context of the greater basin.

Lake George Organizations. Other nonprofit organizations surrounding Lake George in upstate New York include the Lake George Association and the Lake George Waterkeepers. According to its website, The Lake George Association (LGA) is the nation's oldest lake association. It is a 501(c)(3) nonprofit organization dedicated to protecting, conserving, and improving the beauty and quality of Lake George. With the support of a large membership, including families, businesses, seasonal and full time residents, and visitors, LGA is very active in three main program areas: education of residents and visitors of all ages, outreach into communities about lake-friendly living, and lake saving projects to remedy existing water quality problems.

Lake George Waterkeepers, is also a 501(c)(3) nonprofit organization, and takes a "bottom up" approach to environmental protection. Its purpose is to defend the natural resources of Lake George and its watershed by promoting compliance with existing laws, supporting scientific research and upholding sound engineering principles that provide for the common good of the community. The Fund for Lake George initiated the Lake George Waterkeeper program in 2002 to address declining trends in water quality from threats such as poor land use and development practices and inconsistent enforcement.

The organizations around Lake George are successful in maintaining the watershed largely in part to the built identity of the community. Everyone involved in the watershed's protection has the same interests, which allows multiple people to work together and agree upon the necessary work to implement. One group can take the leadership and collectively work with the others to build a single watershed identity.

Analysis

- *Political leadership and support.* Currently, there appears to be support from representatives on the committee for a voluntary lake association through which governmental units could cooperate. There is recognition that more formal cooperation is needed to address issues of common concern.
- *Participation by counties and municipalities.* There is no formal participation in a group by the local or county governments for coordination on Winnebago waterways issues. There would be, by necessity, a need to recruit member governments to participate.
- *Winnebago Waterways focus.* A nonprofit would be created based on common needs to address the health of water resources, regional economy and quality of life for the Winnebago system. This type of government-driven organization provides the necessary direct leadership to address a wider range of issues, including economic and environmental issues. That would allow the staff to develop collaborative approaches more effectively.
- *Staff level coordination.* A nonprofit would be created with the specific charge that agency and other government staff coordinate their efforts on specific issues identified by the members. It would provide that organizational framework for ongoing staff effort.

- *Organizational staff support.* Any nonprofit would require staff to provide coordination and continuity. This would require a dues structure. This would be supplemented by seeking project-based funding to focus on specific issues where there is a need to coordinate. This would take time to develop funding proposals and obtain specific funding.
- *Organizational robustness.* There are many examples of nonprofits that are in place to address watershed areas, but there is limited governmental participation in them at this time. A nonprofit with government participation would gain more credibility in dealing with Winnebago issues and would be likely to better coordinate action among relevant agencies.
- *Fiduciary authority.* 501(c)(3) organizations are eligible to apply for private, state and federal grants.

Summary

A nonprofit organization answerable to local communities and agencies directly, with participation by other stakeholder groups, is a next logical step in coordinating efforts by the agencies on a broad range of issues. No single nonprofit has been able to provide the leadership necessary to address these issues within the watershed or has the Winnebago focus required to develop the watershed organizational infrastructure. This voluntary option can provide that leadership by focusing on solutions to specific common problems.

Formalized Facilitated Cooperation

Formalized facilitated cooperation means engaging a facilitator to coordinate the group's activities. Under this option, the steering committee would be formalized, but not under a dedicated organization. It would have more consistent facilitation by the steering committee and other stakeholders. The facilitator could be a volunteer, a staff member of a nonprofit such as the Fox-Wolf Alliance or the Winn-Lakes Council, staff from the East Central Wisconsin Regional Planning Commission, or a member of the committee. The facilitator would organize group meetings and take a lead in efforts to leverage financial resources by serving as a point of contact and researching grant opportunities.

This option requires a more formal commitment of participation from the counties to support the effort. This would require assigning steering committee members and staff to participate in issue committees.

Northeast Wisconsin Stormwater Commission (NEWSC). NEWSC is a network of communities that share resources to address stormwater issues. NEWSC was formed in 2005 in response to the Phase II stormwater permits issued in Northeast Wisconsin. Ultimately, under the Fox-Wolf Watershed Alliance 42 municipalities and partners joined together through a memorandum of understanding to create NEWSC, an organization whose mission “is to facilitate efficient implementation of stormwater programs locally and regionally that will both meet DNR and EPA regulatory requirements and maximize the benefit of stormwater activities to the watershed by fostering partnerships, and by providing technical, administrative, and financial assistance to members.”³ Specifically, NEWSC's mission is achieved by fostering partnerships, sharing information, working toward efficient regulatory compliance by sharing information and experiences with the permit process and pooling financial, staffing, or other resources to obtain the services and supplies necessary to implement programs required under the permit (e.g. outreach materials).

While a part of the Fox-Wolf Watershed Alliance, NEWSC manages its own budget and makes programmatic decisions through a member-elected council and structured committees. Dues for the organization are based upon population. NEWSC and FWWA have shared staff. NEWSC is a single-issue organization that does not address the broader range of issues that the Fox-Wolf Watershed Alliance mission works toward.

Potential Facilitators

There are several different potential facilitators that could undertake this effort. They include:

- *Fox-Wolf Watershed Alliance.* The FWWA has significant experience facilitating discussions on environmental issues and has been an active participant in the effort to date. There are common environmental challenges in facing the Fox, Wolf, and Winnebago watersheds for which the FWWA brings significant expertise in addressing and planning. It also has strong connections to the region and understands how to plan on a broader basis. It also has experience coordinating through NEWSC where it has developed relationships with elected officials in the counties and municipalities. Dedicated funding is required for this option.
- *East Central Wisconsin Regional Planning Commission.* The ECWRPC is the regional planning agency for the area that includes the Winnebago watershed. It has strong connections to the municipalities and counties that are among its members and is well positioned to engage these elected and senior county officials in the discussion. It also has a very strong planning background beneficial to a regional planning effort. It has also participated in this effort and has expressed interest in helping build the effort. Dedicated funding is a requirement for this option.
- *A county employee or other volunteer.* The counties have been driving forces in the effort to date and a county may serve as a strong lead for developing the effort further. Counties could manage the group just as it functions now, but with more structure; counties would take turns sharing organizational and leadership responsibilities as the group facilitator. A benefit for this may be that there is likely no need for funding this approach, **if** county supervisors allow staff to commit part of their work time to the effort. But, given their current other responsibilities, county employees may not have enough time to undertake the effort. Finding viable grants to fund the work of the group would likely be an important and immediate need for this option to work. Another concern may be that county staff may not be allowed—or may have limited ability—to engage in the grant and fund-seeking tasks that are part of the facilitator’s role.

Analysis

- *Political leadership and support.* This may be the easiest option to obtain political support. The group has been building experience and has increased cooperation. It could be viewed as a logical next step for the region to build cooperation.
- *Participation by counties and municipalities.* Municipalities have not been active participants in the effort to date. Working through an organization like the Fox-Wolf Alliance or the East Central Wisconsin Regional Planning Commission would be logical as both could assist in engaging more partners and elected leadership. This would be beneficial for obtaining greater participation.
- *Winnebago Waterways focus.* The steering committee and stakeholders have developed a strong Winnebago waterways focus and a facilitated cooperative group would continue this effort.
- *Staff level coordination.* A facilitated group would provide more structure for on-going cooperation among the agencies and stakeholders. In order to move forward, however, participants need to be formal representatives of their agencies and governments rather than acting simply as volunteers or as less formal participants.
- *Organizational staff support.* Facilitation for this structure is critical to move the region forward on cooperation. A volunteer from one of the counties could work, but might be more difficult because of pressing duties from other responsibilities. Staff support from an existing organization like the FWWA or the planning commission would be more helpful. In the long-term, dedicated funding for a designated facilitator is important for success.
- *Organizational robustness.* This organization runs the risk of being relatively less robust than formalized organizations like a nonprofit or a watershed association. It is a step beyond the current approach which is unsustainable, but does not have the long-term strengths of a government-driven nonprofit or a watershed organization.
- *Fiduciary authority.* This option does not have the strengths of others in terms of fiduciary authority because it would be reliant upon other organizations to lead proposal and funding efforts. This would be concerning with a volunteer, but is less problematic if facilitated by the FWWA or the ECWRPC.

Summary

This option is possible as an interim or a final step for the regional effort. The stakeholders have developed strong working relationships that can be built upon. There is a need to take a next step to create a more formalized structure with the assistance of a facilitator, either through the ECWRPC, the Fox-Wolf Watershed Alliance, the WinnLakes Council, one of the counties, or a volunteer. The group needs to engage in formal discussions on developing a plan for greater cooperation. It could be continuing through a facilitated approach or as a step toward a nonprofit or other government membership organization.

Dissolving All Cooperation

The results of this report were presented to Town and Municipality representatives at a series of four meetings on August 12, 13, 19 and 20, 2014. The goals of these meetings were:

1. Update representatives on the Winnebago Waterways project as a whole.
2. Share the results of this report on cooperative management.
3. Gather feedback on the proposed cooperative management options.

Participants were asked about the pros and cons of each option and were asked to state which option seemed most appealing and most possible for their town. During these conversations, one town representative suggested a sixth option: Dissolving All Cooperation.

This option is not considered realistic by the members of the Steering Team as it would dissolve all current collaboration between the counties on Lake Winnebago system issues. In addition, any ideas of formalizing future collaboration or embarking on a cooperative management system would be abandoned. The Steering Team believes that the issues affecting the Winnebago Waterways are too severe to be ignored and too complicated for any one county or town to address on their own. For these reasons, the Steering Team—which is primarily comprised of county representatives—believes it is in the best interest of all residents and towns for these governing bodies to continue to work together in some way. However, as all Steering Team members support transparency, this option should be considered.

V. Recommendation

Based on this analysis, ECT determined that a new or existing nonprofit provides the best opportunity to continue the efforts of the counties and other partners to achieve greater efficiencies and effectiveness in cooperating on key environmental and economic programs in the region.

The watershed district option requires political support that may not be mature enough to pursue and the concern that it would create a new layer of taxing authority that many do not feel is necessary. The ECWRPC option, while a strong option, does not have enough institutional support or budget to support a Winnebago-focused effort; further, it would not transcend political cycles thus making the management effort less solid in the long term.

The current approach is a quasi-voluntary association that serves the needs of the counties and other interest groups, but is always at risk of losing interest and support. The current approach uses the governmental entities as the customers where they can coordinate existing legal authorities with the goal of achieving greater efficiencies. In the long-term, it is not a sustainable structure. This leaves the nonprofit option. Moving from the current informal stage to nonprofit status would formalize this structure as a voluntary nonprofit where the counties lead an effort to coordinate common issues of concern, with opportunities for municipalities and other organizations to participate in the organization. This could be done through an existing 501(c)(3) or through the creation of a new 501(c)(3).

There are several existing Winnebago area nonprofits that could be used as the formal structure, but whose bylaws would need to be changed to reflect a new direction. This option requires some effort to redefine the group, but has the advantage that the organization already has audited statements that could be used in submittals to foundations that require the submittal of previous years' statements.

The Winnebago Lakes Council has a Winnebago waterways focus, but its mission is not specifically for coordinating among government entities and it has not been too active over recent years. There would need to be a discussion regarding the change in focus and organizational structure and mission to reflect governmental leadership.

Joining the Fox-Wolf Watershed Alliance is also a possibility as leading a coordinating nonprofit, but its membership is different from what is developing in Lake Winnebago. It is a potential facilitator to help the parties design a new structure, and could also assist overseeing or co-locating any new organization. It is true that the health of Lake Winnebago affects the Fox River, and there is a need for coordination among watersheds within the system. There is a need to better organize the Winnebago Waterways area first and organize Winnebago regional efforts. That argues for a Winnebago-focused organization because it may be more difficult to draw municipal membership to an organization that is not focused primarily on Winnebago issues as they relate to governmental coordination of responsibilities. However, if there is a consensus to join an existing organization, the Fox-Wolf Watershed Alliance or the East Central Wisconsin Regional Planning Commission would both be very good options.

To reach this outcome, there is a need for an interim step to work toward this more formalized structure: to engage a facilitator through either an existing nonprofit, the planning commission, or an individual to begin a regional planning process to set specific environmental goals and identify specific policies, activities and projects the counties and municipalities can undertake to meet these common goals. The Fox-Wolf Alliance and the ECWRPC are both good candidates to assist the counties, municipalities and stakeholders to work toward a more formal structure as well as begin the planning and coordination process for the region given their work in the region already.

A focused, facilitated discussion allows participants to address the common issues and how they are dealt with within a structure. It allows the participants to better understand how they can work together on specific issues and engages specific individuals to create a structure where there is more effective coordination of common issues and responsibilities.

Regional Issues Addressed by an Organization

There are key issues that need better coordination among the different government agencies and municipalities in the region. A plan is needed to organize and prioritize the following issues, set goals, and coordinate activities.

- Environmental
 - Runoff to the waterways and issues associated with algal blooms
 - Nuisance aquatic plant management
 - Aquatic invasive species
 - Terrestrial invasive species
 - General planning issues
 - Beach closures
 - Data collection
 - Winnebago Total Maximum Daily Load (TMDL)
 - Wastewater treatment plant regulation implementation
- Recreation
 - Boat launch cooperation

- Buoy placement consistency
- Tourism

The main issues relate to water quality particularly given the regulatory challenges facing the region as a result of the coming TMDL. Water quality compliance affects tourism and recreation so there is a strong incentive to better understand the linkages between the two and plan accordingly.

Organizational Issues

A new organization needs bylaws, structure, staffing and processes for setting dues and voting shares. Following is a summary of ways in which those issues can be addressed based on the experience of the ARC. These issues can be discussed and structured through a more formal facilitated process as described in Option 5.

Membership, Structure and Staffing

The organization must be structured to serve the primary membership of the organization, but draw on broader participation to ensure broader support for watershed activities. The goal is to encourage broad-based participation, but to focus on serving the needs of the governmental entities that are charged with overseeing the Winnebago system.

The structure should be laid out in bylaws. Bylaws can include the following components (based upon bylaws developed by the Alliance for Rouge Communities):

- I. Statement of Purposes
 - 1) Purpose
 - 2) 501(c)(3) Designation
 - 3) Prohibited Activities
- II. Description and Structure
 - 1) Geographic Boundaries
 - 2) Membership of the ARC
 - 3) Membership Termination
 - 4) Organization Structure
 - a) Full Body
 - b) Officers (Chair, Vice-Chair and Treasurer)
 - c) Executive Committee
 - d) Standing Committees
 - e) Special Committees
- III. Roles and Responsibilities
 - 1) Full Membership
 - 2) Officers
 - 3) Executive Committee
 - 4) Standing Committees
 - a) Finance Committee
 - b) Technical Committee
 - c) Public Involvement and Education Committee
 - 5) Special Committees
 - a) Organization Committee
 - b) Nominating Committee
 - 6) Executive Director
 - 7) Contracted Services
- IV. Governance
 - 1) Election of Officers

- 2) Officer Vacancy
 - 3) Decision Making
 - a) Full Body
 - b) Officers (Chair, Vice-Chair and Treasurer)
 - c) Executive Committee
 - d) Standing Committees
 - e) Special Committees
 - 4) Voting
 - a) Primary Members
 - b) Associate Members
 - c) Cooperating Partners
 - 5) Meetings
 - 6) Full Body
 - a) Executive Committee
 - b) Other Committees
- V. Budget and Assessments
- 1) Primary Members
 - 2) Associate Members
 - 3) Adjustment of Assessments
- VI. Resolution
- VII. Indemnification
- VIII. Expenditures, Controls and Auditing
- IX. Dissolution



Membership can include different levels to reflect the purpose of the organization. These include:

- **Primary Members.** The Primary Members would consist of a representative, or designated alternate, of each county and municipality whose legal jurisdiction incorporates areas wholly or partially within the watershed and whose governing body, by resolution, voluntarily adopts these bylaws.
- **Associate Members.** The Associate Members would consist of a representative, or designated alternate of a public school district, public college or university, or any other local or regional public agency that has been issued a state permit for a water discharge into the Winnebago system and who submits a written acceptance of the bylaws from a representative authorized to oversee these activities.
- **Cooperating Partners.** The organization should encourage involvement of nonprofit organizations, other public agencies or entities, businesses, and residents who share a common interest in protection and restoration of the Winnebago system. Those who a) provide their time, services, expertise or other resources toward the common goal of protection and restoration of the river, and b) comply with the organizational policy for Cooperating Partners, will be recognized as non-voting, Cooperating Partners. Cooperating member would not have voting privileges.

The initial organization need not have a large staff. It can be a part-time individual who is charged with:

- Organizing meetings
- Coordinating the activities of the group
- Preparing grant proposals
- Communicating with potential partners

The organization should have a Board of Directors representing the membership. This would likely include the counties and representatives of any municipal partners. Given the numbers, some sort of voting shares would have to be developed based on the acreage and populations of counties within the watershed as well as municipal population and acreage to ensure that there is a balance maintained that encourages consensus.

To begin, the organization would need to design an overall strategic plan to outline plans for coordinating on specific issues to be addressed by the organization. These issues could include:

- Watershed and TMDL planning
- Nutrient runoff
- Buoy placement coordination
- Tourism

The organization should have standing and special committees that are charged with dealing with the specifics of these major issues dealt with by the organization. They would provide guidance on funded projects and be the vehicle for discussion on how the governmental entities and other groups can pursue policies and programs more effectively and efficiently as related to the Winnebago waterways area. The standing committees would oversee cooperation on issues for which there is no ongoing effort.

Budget, Dues, and Voting

A multi-jurisdiction nonprofit would require funding from its members. The initial budget for the organization would likely need to be in the \$50,000 to \$100,000 range, including salary and benefits for a part-time director and direct expenses for organizational meetings. There is a need to provide additional funding through grant projects.

Grants can be used to pay for project consultants or for staff time from the Regional Planning Commission, as well as for staff grant management and oversight. Organization staff should be knowledgeable of the issues facing Lake Winnebago, but should not necessarily be charged with directly planning and implementing the work. This can be contracted with county staff, outside consultants or the East Central Wisconsin Regional Planning Commission or a mix thereof.

The organization should use a weighted dues and voting formula that is based on acreage and population within the watershed. In the Rouge River, the ARC uses a formula balanced on the number of residents and acreage within the watershed.

Participation in Projects

In order to benefit from a grant-funded program, the Primary or Associate Member must be a member in good standing in the organization and have paid their annual dues. Non-voting Cooperating Partners can benefit from grant-funded programs as long as they comply with organizational policies for Cooperating Partners. Payment of the annual assessment for Primary and Associate Members is due within 60 days after the invoice or start of the Member's fiscal year. In the event that a member participating in a grant-funded program subsequently chooses not to remain a member during the term of the grant, the grant funding for that member can be terminated before the program completes. Reimbursement for previous funding awarded can be sought should it be part of the grant agreement.

VI. Conclusion

The organizations involved in the current effort to coordinate activities around Winnebago region issues have been organically developing a structure for working together. ECT was charged with reviewing more formal organizational options for future coordination. From the five options, No Change, East Central Wisconsin Regional Planning Commission, Legislatively Approved Organization, Nonprofit Organization or Formalized Facilitated Cooperation (and the sixth, suggested option), the natural next step is to work within the structure of a nonprofit organization whose membership comes from local governments and agencies. The purpose of the organization is not to create a new layer of government, but to allow for better coordination among these governments and agencies on their responsibilities to be more effective in managing the health of the watershed. This requires an interim step of working through a facilitated process to develop goals and objectives for a regional nonprofit as outlined in Option 5.

Continuing on the same path is not sustainable in the long term. There is current support for the effort, but there is a need to build upon the initial successes by building a more formal structure that allows the counties, municipalities and other stakeholders to build and maintain the regional cooperation. Creating a new entity or moving it to an existing entity allows the partners to develop a formal plan for future cooperation with rules, goals and objectives.

While the other options have benefits that argue in their favor, the county, municipality and agency-driven nonprofit approach provides flexibility for potential members to address common issues and concerns without requiring the effort of getting approval from the legislature. A nonprofit would act in a similar manner as the existing watershed districts; it allows for coordination and contracting with ECWRPC when necessary and building its own identity on its own.

Appendix: Individuals Interviewed

Interviewees

Chad Cook, Winnebago County UW-Extension
Terri Dopp-Paukstat, Waushara County
Eric Fowle, East Central Wisconsin Regional Planning Commission
Erin Gerred, Fond du Lac County
Rob McLennan, Wisconsin Department of Natural Resources
Corey Mullard, Secretary, Outagamie Area Pheasants Forever
Catherine Neiswender, Winnebago County UW-Extension
Julie Schmelzer, Resource Management Department, Calumet County
Jessica Schultz, Fox-Wolf Watershed Alliance
Sam Tobias, Director, Planning and Parks, Fond du Lac County

Individuals Attending Meetings Where Research was Discussed

June 5, 2014

Eric Fowle, East Central Wisconsin Regional Planning Commission
Erin Gerred, Fond du Lac County
Catherine Neiswender, Winnebago County UW-Extension
Dani Santry, Water Resource Specialist, Calumet County
Paul Tollard, Fond du Lac County

May 16, 2014

Chad Casper, Winnebago County
Erin Gerred, Fond du Lac County
Terri Dopp-Paukstat, Waushara County
Kendall Kamke, Wisconsin Department of Natural Resources
Rob McLennan, Wisconsin Department of Natural Resources
Dani Santry, Water Resource Specialist, Calumet County
Diane Schauer, Volunteer
Jessica Schultz, Fox Wolf Watershed Alliance (via phone)
Sam Tobias, Director, Planning and Parks, Fond du Lac County
Paul Tollard, Fond du Lac County
Todd Verboomen, East Central Wisconsin Regional Planning Commission

April 17

Rob McLennan, Rob McLennan, Wisconsin Department of Natural Resources
Dani Santry, Water Resource Specialist, Calumet County
Diane Schauer, Volunteer
Jessica Schultz, Fox Wolf Watershed Alliance
Sam Tobias, Director, Planning and Parks, Fond du Lac County (via phone)
Paul Tollard, Fond du Lac County (via phone)
Todd Verboomen, East Central Wisconsin Regional Planning Commission