



MARATHON COUNTY FORESTRY/RECREATION COMMITTEE AGENDA

Date and Time of Meeting: Tuesday, November 2, 2021 at 1:30pm

Meeting Location: Conference Room #5, 212 River Drive, Wausau WI 54403

MEMBERS: Rick Seefeldt (Vice-Chairman), Tom Rosenberg, Vacant

Marathon County Mission Statement: *Marathon County Government serves people by leading, coordinating, and providing county, regional, and statewide initiatives. It directly or in cooperation with other public and private partners provides services and creates opportunities that make Marathon County and the surrounding area a preferred place to live, work, visit, and do business.*

Parks, Recreation and Forestry Department Mission Statement: *Adaptively manage our park and forest lands for natural resource sustainability while providing healthy recreational opportunities and unique experiences making Marathon County the preferred place to live, work, and play.*

The meeting site identified above will be open to the public. However, due to the COVID-19 pandemic and associated public health directives, Marathon County encourages Committee members and the public to attend this meeting remotely. To this end, instead of attendance in person, Committee members and the public may attend this meeting by telephone conference. If Committee members or members of the public cannot attend remotely, Marathon County requests that appropriate safety measures, including adequate social distancing, be utilized by all in-person attendees.

Persons wishing to attend the meeting by phone may call into the telephone conference beginning five (5) minutes prior to the start time indicated above using the following number:

Phone Number: 1-408-418-9388

Access Code: 2480 243 9301

If Required, the Password is 1234

Please Note: If you are prompted to provide an "Attendee Identification Number" enter the # sign. No other number is required to participate in the telephone conference.

When you enter the telephone conference, PLEASE PUT YOUR PHONE ON MUTE!

Agenda Items:

- 1. Call to Order**
- 2. Public Comment – Not to Exceed 15 Minutes – Any Person Who Wishes to Address the Committee Must Provide, Name, Address and the Topic to the Chair of the Committee No Later than Five Minutes Before the Start of the Meeting.**
- 3. Approval of the Minutes of the Tuesday, October 5, 2021 Committee Meeting**
- 4. Operational Functions Required by Statute, Ordinance or Resolution:**
 - A. Discussion and Possible Action by Committee
 1. Consider Timber Bids and Award Contracts
 - B. Discussion and Possible Action by Committee to Forward to the Environmental Resource Committee for its Consideration – None
- 5. Policy Issues for Discussion and Committee Determination for Consideration by Environmental Resources Committee – None**

6. Educational Presentations/Outcome Monitoring Reports

- A. Article – Paper Mill Closures Prove a Bust for Northwoods Loggers
- B. Participation and Revenue for NICA High School Mountain Bike Race

7. Next Meeting Date, Time, Location: Tuesday, December 7, 2021 at 1:30pm at 212 River Dr., Wausau, WI 54403, Room 5 or via Webex

- A. Announcements/Requests/Correspondence
- B. Future Agenda Items: Timber Sale Extension Requests, 2022 County Forest and Wildlife Work Plans, Application for County Forest Acreage Share Payment, 2022 Forestry/Recreation Committee Tentative Meeting Schedule, Timber Sale Closeout

8. Adjournment

**SIGNED /s/ Thomas Lovlien
PRESIDING OFFICER OR DESIGNEE**

ANY PERSON PLANNING TO ATTEND THIS MEETING WHO NEEDS SOME TYPE OF SPECIAL ACCOMMODATION IN ORDER TO PARTICIPATE SHOULD CALL THE COUNTY CLERK'S OFFICE AT 261-1500 OR E-MAIL COUNTYCLERK@CO.MARATHON.WI.US ONE BUSINESS DAY BEFORE THE MEETING.

FAXED TO: Daily Herald and other News Media Groups
 FAXED BY: Jodi Luebbe
 FAX DATE/TIME: October 26, 2021 10:30 a.m.

NOTICE POSTED AT COURTHOUSE:
 By: _____
 Date: _____
 Time: _____ a.m/p.m.

Members present: Tom Rosenberg, Arnie Schlei(c), Rick Seefeldt
Also present: Tom Lovlien-Forest Administrator, Jamie Polley-Director

1. Call Meeting to Order – The meeting was called to order by Chairman Schlei at 1:30pm, Rm. 5, 212 River Dr., Wausau. Official notice and the agenda for the meeting was posted publicly in accordance with State statutes.
2. Public Comment – none brought forward
3. Approve Minutes – **Motion** / second by Seefeldt / Rosenberg to approve the minutes from the August 31, 2021 regular Forestry/Recreation Committee meeting. Motion **carried** by voice vote, vote reflected as 3-0.
4. Operational Functions Required by Statute, Ordinance or Resolution
 - A. Discussion and Possible Action by Committee
 1. Consider Timber Bids and Award Contracts – Lovlien said four bids were received on the five sales. The Park Commission has awarded tract 10-21 to the high bidder because it is a sale at the Big Eau Pleine Park. Tract 6-21 received one bid which was under the appraised and advertised value so it has to be rebid. Tract 7-21 received one bid that was above the appraised value. Tract #8-21 and #9-21 had no bids. There are less bids because winter only sales are readily available and there is still some uncertainty with the Verso mill closure. If this trend continues, future minimum bids will have to be lowered in order to get the sales cut. The revenue is important but it is also important to manage the forests. A secondary bid opening for the sales that did not sell will take place on November 1st. **Motion** / second by Rosenberg / Schlei to award tract 7-21 to the high bidder. Motion **carried** by voice vote, vote reflected as 3-0. **Motion** / second by Schlei / Rosenberg to reject the bid on tract 6-21. Motion **carried** by voice vote, vote reflected as 3-0.
 2. 2022 Budget Update – Polley reported on the department budget. She discussed personnel and non-personnel expenditure increases. Personnel costs include a three percent wage increase and a possible six percent insurance increase. There were three higher level retirements this past year which lessened personnel costs. Some non-personnel expenditure increases included motor vehicle repairs, equipment repairs, and supplies. Some revenue increases included recreational programming, camping, and timber sale revenues. Polley said the timber sale evenflow number has been increased from \$245,000 to \$275,000. In 2021 the department borrowed \$58,000 from timber sales but was able to make that up this year. Polley discussed the department’s small project list. She also discussed some highlights and challenges to the 2022 budget.
 - B. Discussion and Possible Action by Committee to Forward to the Environmental Resource Committee for its Consideration - None
5. Policy Issues for Discussion and Committee Determination for Consideration by Environmental Resources Committee – None
6. Educational Presentations/Outcome Monitoring Reports
 - A. DNR/County Partnership Meeting Minutes - Lovlien discussed the minutes which consisted of information on County forest time standards, County forest work planning, wildlife update, county conservation aids projects, forest certification, land use issues, and forest health.
 - B. Review Timber Sale Extension Policy and Discussion on Fall 2021 Requests – Lovlien said he may be bringing some timber sale extension requests to the December meeting unless some of them get completed. He discussed the guidance that the DNR follows when considering timber sale extensions. The DNR had put out a memorandum in March where they gave a second extension to provide an additional year to complete the harvest operations without a stumpage increase because of difficulty and hardships from the Verso mill closure and impacts on the industry from Covid 19. The counties try to have similar policies as the State but it is not always the case. It’s up to this Committee on how they would like to handle any upcoming County timber sale extensions. Lovlien discussed each of the potential extensions and some possible options that could be considered. He discussed the reasoning behind some of his recommendations regarding the timber sales. A lot of things are taken

into consideration regarding each sale and he felt it was important to treat the contractors as fairly as possible. The department tries to work with them the best they can within the contract time frame and specifications. Committee had recently changed the extension policy and that was because in the past there were significantly more loggers and markets. There were many more bids on sales, winters were longer, and most of the sales were getting cut on time. In the long run he would like to get back to what the new contract says and that is if the sales are not finished, and there are no extenuating circumstances, that after two years they will receive a 10% increase and after three years they will receive a 15% increase. Right now contractors are in an unprecedented situation still trying to figure out how to keep in business and still sell the County sales. Questions were answered.

C. Department of Natural Resources Liaison Forester Position Recruitment Update – Lovlien said the DNR is looking at filling both the Marathon and Marinette Counties DNR Liaison positions. These are the only two liaison positions that don't have fire in their position descriptions. The DNR is currently going through a strategic direction planning process and will not be offering any lateral transfers to these positions right now. He expects the position will not be filled until next spring as these positions are not considered protective like the other liaison positions. Lovlien mentioned that the DNR is committed to their liaison hours on the County forest lands for this fiscal year. Department staff has met with the DNR and prioritized the work.

D. Update on Wisconsin County Forests Association Fall Meeting – Lovlien said he would send the minutes from the WCFA fall meeting to Committee members. He noted that regarding the Knowles-Nelson Stewardship Program that the WCFA legislative Committee has gone on record in support of the Knowles-Nelson Stewardship program as is and is opposed to any legislative changes to the program which would allow for straight out selling of lands without any replacement, further weakening the program.

E. 2021 Ragnar Trail Wisconsin Update – Lovlien reported that there was a total of 258 teams totaling about 2,008 people. The event went well and the organization plans on returning for future events.

7. Next Meeting Date, Time, Location: Nov. 2, 2021, 1:30pm, Rm. 5 and webex, 212 River Dr., Wausau WI 54403

A. Announcements/Requests/Correspondence

B. Future Agenda Items: Consider Timber Bids and Award Contracts

8. Adjourn – Motion / second by Seefeldt / Rosenberg to adjourn the meeting at 2:30pm. Motion **carried** by voice vote, vote reflected as 3-0.

WPR



Dennis Schoeneck founded Enterprise Forest Products in 1978. He says plummeting timber prices following the closure of the Verso mill in Wisconsin Rapids have made the last 16 months the most challenging of his career. *Rob Mentzer/WPR*

Paper mill closures drove a bust for Northwoods loggers, and some are leaving the industry

'There's no profit anymore': Loggers struggle to keep their businesses alive

By Rob Mentzer

Published: Tuesday, October 19, 2021, 5:00am

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A massive wall of hardwood is stacked just off the road at a logging site near Elcho, where Dennis Schoeneck is working. The area was once a farm — he found a line of stones that decades ago delineated its boundaries.

Now Schoeneck is harvesting aspen, white birch and other trees here. The landowner uses these acres for hunting, and Schoeneck's work will make it easier to navigate for him and for the deer. Schoeneck, who founded Rhinelander's Enterprise Forest Products in 1978, will sell the timber to area paper mills.

That's the way the business has worked for more than a century. But today, paper mill closures in Wisconsin have removed some of the key buyers of pulp wood. That's created a glut of supply in timber markets, and in turn has sent prices plummeting.

Schoeneck and other loggers who've spent their lives in the industry say these are some of the most challenging times their industry has ever seen. The logging bust in northern Wisconsin has forced some longtime loggers to pick up side jobs in construction or related fields. Some have left the industry.

"There's no profit anymore. The profit is gone," Schoeneck said. "Like always, we keep getting kicked down the road, and we keep trying to survive."



Mixed hardwood timber is stacked at a logging site in Elcho, Wisconsin, Sept. 24, 2021. Rob Mentzer/WPR

In the Northwoods, most of the issue stems from the 2020 closure of the Verso paper mill in Wisconsin Rapids, a massive buyer of timber. More recently, the mill in Rhinelander announced it would [idle one of its machines](#), scaling back its production. And a beleaguered century-old mill in Park Falls that closed in 2019, [reopened in 2020](#) and closed again in spring 2021, was bought last month by a company that [may seek to liquidate it](#).

"The logging industry is in complete freefall," said Michael Bablick, mayor of Park Falls. "Absolute devastation — especially if Wisconsin Rapids doesn't start up."

A year ago, industry leaders and politicians in both parties were enthusiastically behind the idea that a newly formed nonprofit cooperative of timber professionals could buy and operate shuttered mills, creating a sustainable source of demand for their products. Schoeneck is the president of the Timber Professionals Cooperative and helped drive that effort. But now that project is stalled as local mills entertain other offers and a [political stalemate](#) holds up potential state funding.

'There are guys dropping out now'

In Wisconsin, at least, loggers know the exact day their troubles began. It was June 9, 2020, when the Ohio-based Verso announced it would idle its Wisconsin Rapids mill.

"I'm still living it," Schoeneck said. "My life is still changing because of that."

The Verso mill in Wisconsin Rapids was the largest buyer of timber in the upper Midwest. Its closure was a blow to Wisconsin Rapids, which had [built its identity around the 1,000-acre facility that employed some 900 people](#). But its effects have been felt hundreds of miles away, too.

“*It's not just the people who work in that mill. The ripple effect is enormous*”

"It's not just the local economy of Wisconsin Rapids," said Rebekah Luedtke, executive director of the [Wisconsin County Forests Association](#) based in Merrill. "It's not just the people who work in that mill. The ripple effect is enormous."

Including foresters, loggers and haulers, the industry employs about 64,000 people in Wisconsin, said Henry Schienebeck, executive director of the [Great Lakes Timber Professionals Association](#). Most are in small, family-owned companies, often spanning generations. Schoeneck's son Troy, whose truck has the license plate LOGGIN, is part of Enterprise Forest Products.

The number of timber professionals has been in long-term decline — Schienebeck estimates that 15 years ago, it was closer to 120,000. But the last year specifically has been a crisis.

"We as loggers create as many efficiencies as we can," said Matt Jensen of Whitetail Logging. "Those efficiencies used to make me more profitable. Now it's a pure necessity of staying viable."



Sawdust flies as a logger for Enterprise Forest Products operates a harvester at a logging site in Elcho, Wisconsin, September 24, 2021. *Rob Mentzer/WPR*



Dennis Schoeneck walks toward the harvester at the logging site in Elcho, Wisconsin, September 24, 2021. *Rob Mentzer/WPR*

For Jensen and others, staying afloat has meant not putting funds into retirement and other benefits. Schoeneck said after a logging day that begins at 4 a.m. and lasts until 2 p.m., he'll often pick up odd jobs in the afternoon and evening.

Sometimes, Schoeneck said, it's hard not to "scratch my head and go, 'Why am I doing this when there's help wanted everywhere for 20 bucks an hour?' Are you kidding me? Do you know how simple my life would be?"

But logging is an identity as much as a job. Schoeneck was 11 when he bought his first chainsaw at a logging congress in Antigo. He values working for himself and working in the forests. At one point, he described himself as a "loved-to-log type of guy."

And for the vast majority of loggers, even quitting the business isn't so simple. The heavy equipment logging requires, like the harvester that measures and cuts timber to size on site in Elcho, is worth hundreds of thousands of dollars. Most loggers lease equipment from local banks, which means they have monthly payments they have to make whether their businesses are profitable or not

The downturn has hit those Northwoods banks, too. If a logger stops making payments, the bank can repossess the equipment. But the value of that equipment has plunged, and there's little or no secondary market for it.

Even Schoeneck sometimes feels trapped.

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"There are guys dropping out now," Schoeneck said. "I even wonder, do we keep wearing this equipment out just to make our payments?"

Some Northwoods counties depend on logging for revenue

The ripples go even further, beyond loggers and their lenders and all the way to public services. Many Northwoods counties rely on the revenues from forest management to make their budgets work. About 20 percent of the wood Verso bought, Luedtke said, came from county forests.

"When you take 20 percent of the wood completely out of the picture, there's going to be a gap that needs to be filled," she said.

In the near term, budget losses for places that rely on logging income could mean tax hikes, service cuts or both.

And it's clear that counties are already feeling the effects of the industry's slump. In Price County, for example, publicly available data show that in [spring 2019](#), the county offered 17 tracts of forest land up to logging contractors. It got bids on 15 of those tracts, and on average the bids were 29 percent higher than the advertised value. [This spring](#), Price County offered up 18 tracts of land for bids. It got no bids at all on seven of the 18, and the bids it did receive came in at an average of 28 percent below the advertised value.

Farther out, professionals like Luedtke and Henry of the Great Lakes Timber Professionals Association say the loss of logging capacity could make Northwoods forests themselves less healthy. Managing forests doesn't just make them usable for recreation; it also helps protect forests from invasive species and fires.

"I think we're going to see some major impacts on the landscape in about five years," Luedtke said. "We're just not going to be able to cut as much. It means we're going to start having more problems with forest diseases and insect and invasive species. And that's just going to create more and more strain."

For Verso, no rush to sell or reopen Wisconsin Rapids mill



A truck passes through a residential area Monday, Sept. 21, 2020, in Wisconsin Rapids. *Angela Major/WPR*

On July 9, Gov. Tony Evers vetoed a bill designed to help the timber cooperative purchase the Verso and Park Falls mills by [funding \\$65 million in state loans](#). The Republican bill would have paid for the loans with federal coronavirus aid money; Evers said that might not have been legally allowable and proposed an alternative. Republicans rejected the alternative.

Just days later, on July 15, a private equity firm called Atlas Holdings [made its own offer to buy Verso](#). It had the effect of halting efforts by the cooperative to purchase the mill.

But industry analysts and some who've been involved in talks with Verso say the failure of the "mill bill" might not have made much of a difference. In discussions, Verso executives were always lukewarm to the notion — which, after all, hinged on Verso agreeing to sell the mill to the cooperative. Meanwhile, the company's share price today is well above where it was before the pandemic.

"In terms of Verso's outlook to its shareholders, it probably is not feeling much pressure," said Paul Fowler, director of the Wisconsin Institute for Sustainable Technology. "Aside from how it looks to the communities in which they've operated and idled mills, they're probably sitting in a good position."

Fowler said his expectation is that the mill will sell. But for the moment, Verso has no particular incentive to hurry. On Sept. 21, two months after the offer became public, Verso [in a statement](#) said a deal was possible, and it would "only consider a potential transaction if Atlas meaningfully increased its offer."

That leaves loggers waiting, continuing to scrape by or deciding to leave the business.

There have been some efforts by lawmakers to provide a backstop for those affected by the downturn. U.S. Sen. Tammy Baldwin, D-Madison, has been among those touting a [federal aid program for loggers who lost profits do the pandemic](#). It's the first time in decades that loggers have been eligible for any sort of targeted federal assistance. But loggers say the reality of the program has been somewhat less than what was sold. Most say the federal payments of up to \$125,000 won't cover the losses they've taken in the last year and a half. And some say the program's requirements are set up in a way that makes them ineligible even if their businesses took big hits due to pandemic closures.

It's a precarious position for the industry, and most say the longer the downturn lasts, the more lasting the effects will be. What frustrates many in the industry the most is the disconnect between what makes sense for Verso's share price and what the rest of Wisconsin's economy needs.

"To them, it's just a line on a piece of paper," Schienebeck said. "For us, it's not just a line on a piece of paper. It's everybody's life."

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Tom Lovlien

From: Marcus Aumann
Sent: Tuesday, October 12, 2021 11:51 AM
To: Tom Lovlien
Subject: FW: NICA Numbers

815 riders for NICA and 165 people camped. Event invoice total was \$5691.00

Marcus Aumann

Assistant Director-Community Services
Wausau & Marathon County Parks, Recreation & Forestry
212 River Drive, Suite #2
Wausau, WI 54403
715-261-1555



Wausau & Marathon County
**Parks, Recreation
& Forestry**

From: COACH T [mailto:ski.guy@hotmail.com]
Sent: Tuesday, October 5, 2021 3:36 PM
To: Marcus Aumann <Marcus.Aumann@co.marathon.wi.us>
Subject: [EXTERNAL] Re: NICA Numbers

815 Racers, 125 tent sites and 40 RV's. Thank you again for helping kids ride bikes! Coach Tobin

Get [Outlook for iOS](#)

From: Marcus Aumann <Marcus.Aumann@co.marathon.wi.us>
Sent: Tuesday, October 5, 2021 10:47:46 AM
To: COACH T <ski.guy@hotmail.com>
Subject: RE: NICA Numbers

Sounds great! Thanks Jeff.

Marcus Aumann

Assistant Director-Community Services
Wausau & Marathon County Parks, Recreation & Forestry
212 River Drive, Suite #2
Wausau, WI 54403
715-261-1555