

ARIZONA WATER PROTECTION FUND COMMISSION

Executive Committee Business Meeting – May 18, 2021

Virtual Meeting via Cisco WebEx

Meeting Number (Access Code): 133 340 9910

Meeting Password: MAbiMhPs583

1-404-397-1516 US Toll

877-309-3457 US Toll Free

Final Meeting Minutes

ATTENDANCE

Executive Committee Members Present

Pat Jacobs – Chairman

Rodney Held – Vice-Chairman

Brian Biesemeyer

Arizona Water Protection Fund Staff

Reuben Teran

CALL TO ORDER

Chairman Pat Jacobs called the meeting of the Arizona Water Protection Fund (AWPF) Executive Committee to order at 10:00 a.m.

COMMISSION MEMBER ROLL CALL

Mr. Reuben Teran called the roll of the AWPF Commission. 3 members of the Executive Committee were present at the time of the roll call (Chairman Pat Jacobs, Vice-Chairman Rodney Held, and Commissioner Brian Biesemeyer). A quorum of the Executive Committee was present, and the meeting continued.

CALL TO THE PUBLIC

Chairman Jacobs made a call to the public to address the Commission. No public comments were made.

REVIEW AND APPROVAL OF THE MAY 16, 2014 AND SEPTEMBER 26, 2014 EXECUTIVE COMMITTEE MEETING MINUTES

Chairman Jacobs made a motion to approve the meeting minutes of May 16, 2014 and September 26, 2014, asked for second on the motion, and then stated that he would like to explain his vote if there is a second on the motion. Vice-Chairman Held seconded the motion. Chairman Jacobs stated he would be voting aye on the motion. He stated that approval of the May 16, 2014 meeting minutes were tabled at the September 26, 2014 meeting because those minutes were not timely received for review by the Executive Committee, and was informed by the Executive Director that the meeting minutes from May 16, 2014 no longer existed in either AWPF program files or Arizona Department of Water Resources archive files. He stated the recording of the September 26, 2014 meeting will be considered the official copy of the meeting minutes and substituted for actual written minutes. He then briefly reviewed the agenda items from both meetings, and stated that the Executive Director has verified the actions approved by the Executive Committee at the May 16, 2014 meeting were implemented. Based on that information he made the motion to approve the minutes. Chairman Jacobs then asked for any discussion on the motion. There was no further discussion and Chairman Jacobs called for a voice vote. Vice-Chairman Held voted aye, Commissioner Biesemeyer voted aye, and Chairman Jacobs voted aye. The motion passed unanimously.

AWPF POLICY AND PROCEDURES MANUAL UPDATES

Mr. Teran explained that an update to existing Commission policies pertaining to the AWPf Executive Committee and other Commission member participation is necessary based on clarification provided by the Arizona Ombudsman Office during a recent open meeting law training provided to the AWPf Commission. He stated that the Executive Committee has not been active in the last seven years and the last revision to the Commission's policies and procedures manual was done in June of 2014. Mr. Teran stated that the Open Meeting Law trainer indicated that while AWPf Commission members may attend Executive Committee meetings, only the official Executive Committee members are eligible to discuss, participate, and vote on Executive Committee meeting agenda items. The trainer also recommended that AWPf Commission policies be updated.

Mr. Teran referred the Executive Committee to the last sentence in section 411.10 "*All Commissioners are sent an Executive Committee agenda and are eligible to participate at meetings (see this manual, Section 411.15.*" and section 411.15 "*Decisions shall be exercised by a quorum of the Executive Committee, which consists of at least two Executive Committee members being present. The Executive Committee also will recognize other Commission members who attend Executive Committee meetings as being eligible to participate in discussions and vote on all issues being considered by the Executive Committee. If only two Executive Committee members and no other Commissioners are in attendance, decisions must be made by unanimous agreement. If more than two Commissioners are present, decisions shall be made by a majority vote of those members present.*" Mr. Teran then stated that the Executive Committee can propose updates to language for these policies today, and any recommendations would be brought forth to the full Commission at the next business meeting for review, discussion, and possible action.

Vice-Chairman Held stated that his understanding is that the policies just need to be updated based on the training received. He then recommended that the Executive Director work with AWPf legal staff to revise the policy so that it is compliant with Open Meeting Law. Commissioner Biesemeyer concurred with Vice-Chairman's Held statement that the Executive Committee ask the attorney to provide input on how to make these changes. The Executive Committee then provided direction to the Executive Director to work with AWPf legal counsel to make recommendations to bring policies 411.10 and 411.15 into compliance with the Open Meeting Law, and then present these changes to the full Commission for review and possible action. Chairman Jacobs suggested that the agenda item should read Policy Update Recommendations by Legal Counsel in Accordance with the Open Meeting Law, or something similar.

POLICY DEVELOPMENT FOR AWPf COMMISSION MEMBER COMPENSATION

Mr. Teran stated that the full Commission was briefed on this item at the March 2021 business meeting and it was recommended that this item be placed on a future Executive Committee meeting agenda to develop a draft policy. Mr. Teran displayed State statute A.R.S. §45-2103(C), and also provided a brief update regarding the State Auditor's questions regarding AWPf Commission member's compensation and their suggestion that the Commission develop policies that further refine what types of Commissioner work or actions would be eligible to receive compensation of \$30 per day. He then displayed a template with draft language provided by the State Auditor's office that could be used as a starting point for the Committee's discussion.

Chairman Jacobs asked the Committee if there were any questions or comments. Vice-Chairman Held commented that the sample definitions for "Preparation", and "Service" may overlap and suggested that these could be clarified or combined in some manner. He suggested that a definition for "Day" should include parameters regarding reasonable time frames for activities such as grant application reviews. Vice-

Chairman Held also stated that there may be some members on the AWPf Commission who are already compensated by their respective organizations when on AWPf related business so they would not necessarily be requesting reimbursements under this specific policy. Mr. Teran clarified that Topic 55, Section 65, Policy 4.1 of the State of Arizona Accounting Manual states “*A board member legally entitled to be compensated for services to the board, may elect to forego such compensation. This election is to be made in writing and retained by the board.*” Vice-Chairman Held recommended that a similar statement should be included in the AWPf policy as well, and also commented that it would be helpful to have input from other Commission members who are not already compensated for AWPf activities on what may be reasonable timeframes for activities such as meeting preparations and grant application reviews.

Commissioner Biesemeyer stated that there needs to be further clarification on the sample definitions of timeframes between a day meaning from 1 hour up to 8 hours, and then Commission meeting attendance which currently states at least 2 hours up to 8 hours. He recommended that for consistency purposes the definition of day be the same as the sample Commission meeting attendance of at least 2 hours up to 8 hours. Vice-Chairman Held suggested that there should not be a defined time limit for Commission meeting attendance, but that attendance at any Commission meeting should be eligible for the \$30 per day compensation. Chairman Jacobs concurred with Vice-Chairman Held’s suggestion that any Commission member’s attendance at a full AWPf Commission business meeting would be eligible for the \$30 per day compensation with no time restrictions.

Chairman Jacobs also stated that there is a \$3,000 compensation limit for each Commissioner per calendar year, and recommended this should also be included in this policy. Mr. Teran responded that this statement is already included in the policy manual in section 320. The Executive Committee provided direction that all notes and suggestions from today’s meeting be documented in the existing compensation policy section for the full Commission’s review and comment.

Chairman Jacobs suggested that written notice of a Commissioner’s election to forego compensation should be done each calendar year, and that each member of the Commission receive a statement of the dollar amount they have been compensated for that calendar year so they would have an idea of what this compensation is costing the Commission each year. Vice-Chairman Held and Commissioner Biesemeyer both concurred with these suggestions.

Vice-Chairman Held inquired if Commission members receive a W-2 form from ADWR. Mr. Teran responded that he will verify this ADWR accounting.

Commissioner Biesemeyer inquired if the sample definitions for telephonic or virtual meetings need to be included in the policy. Vice-Chairman Held suggested that stand alone definitions for different types of AWPf meetings such as include in-person, virtual, and telephonic should not be necessary.

Mr. Teran inquired if there were any other types of activities Commission members may engage in that they may request compensation. As examples he mentioned grant application reviews, site visits with potential grant applicants, meeting with constituents on Commission related business, representing AWPf or giving presentations at public events or meetings. Chairman Jacobs suggested that for compensation purposes, attendance or speaking at public events on behalf of the AWPf Commission or program should be assigned, or reviewed with concurrence, by the Chairman. Chairman Jacobs also stated the intent is not to discourage Commissioner participation in activities outside of AWPf meetings, but so there is some understanding of what Commission related activities members may be requesting compensation for rather than for individual preferences. Vice-Chairman Held commented that any sanctioned meeting, field trip, or activity of the AWPf program should be eligible for compensation. He also suggested that if any individual Commission

member is invited to speak or present at a meeting on behalf of the Commission, or participate in something outside of a sanctioned AWPf activity, such as an individual project site visit or meeting with applicants or constituents, that they should notify the Executive Director who can then obtain concurrence from the Commission Chairman that this would be an approved expense for compensation. Chairman Jacobs recommended using the term official instead of sanctioned.

Mr. Teran stated that he will verify what documents or paperwork would be necessary for requesting compensation and Chairman Jacobs requested that these documents be attached as part of the policy along with any forms or documents currently used for per diem or travel reimbursements.

Chairman Jacobs then directed the Executive Director to work with AWPf legal counsel to review the recommendations made by the Executive Committee, update the AWPf Policy and Procedures Manual, and prepare a draft for review and discussion at the next AWPf Commission meeting.

FISCAL YEAR 2022 GRANT CYCLE PLANNING

Mr. Teran stated that the Commission approved moving forward with planning for a grant cycle at the March 2021 meeting, and since then he has met with the Arizona Department of Administration (ADOA) about using the eCivis grant management system for the solicitation and application submittal process. He stated that during the last grant application manual update the plan was to implement a hybrid approach receiving grant application through both hard copy and electronic submittals through a grant management software. As part of the meeting with ADOA, he was informed that if the eCivis system was used then all grant application submittals should be included in the system, and this would mean that any grant applications submitted by hard copy would have to be scanned and manually uploaded into eCivis to be part of the electronic grant file submittal. He also stated that the eCivis system is currently not required to be used by State agencies, but it was highly recommended to begin moving towards an online application system sooner than later should it become required by State agencies in the future.

Mr. Teran stated that he understands eCivis can be used for many other grant management features, but if the Commission moves forward with an online application submittal format, he will only intend on using the system for the solicitation and grant application submittal process. All other existing AWPf grant application review and grant award contract processes would remain the same as in past years.

Chairman Jacobs asked the Executive Committee for any questions or comments. Vice-Chairman Held asked Mr. Teran if he is recommending the Commission use the eCivis system, or if he has concerns about its use for the program. Mr. Teran responded that at this point the Commission can either keep the traditional grant application format or move to an online system. He also stated that his only concern about moving forward with an online system is that he would have to develop the entire application portal and have it functional within in the next 2 months to be able to accept potential grant applications. He further stated that anyone who would want to apply for an AWPf grant would need to set up a user account within eCivis, and then have the technical capability to navigate the electronic submittal process. Vice-Chairman Held asked for clarification that if the Commission received hard copies of the grant application, then who would be responsible for uploading them into eCivis. Mr. Teran responded that it was his understanding from ADOA that he or the AWPf program would be responsible for ensuring the grant applications were uploaded into eCivis system records. Vice-Chairman Held stated that he does not want to put a big burden on program staff, and asked Mr. Teran if the development of the eCivis portal would be a hindrance or affect the current staff workload since he is the only staff person for the program. Mr. Teran stated that he would most likely need to dedicate a substantial amount of time to get this system up and running by July in preparation for a potential grant cycle, but he is willing to do it and would work to get it done and manage

other aspects of the program accordingly. Commissioner Biesemeyer asked for clarification if staff would only intend on using eCivis for the application submittal process, or for the entire grant application and grant management processes. Mr. Teran responded that his recommendation for the immediate future would be to use eCivis for the grant application submittal process only. Commissioner Biesemeyer stated that an online grant submittal format would be of benefit to our customers, but did concur with Vice-Chairman Held's comments about not wanting to add additional burdens to staff's current workload. Mr. Teran commented that he would still be willing to move forward with this if this is the desire of the Commission.

Chairman Jacobs commented that from the last grant cycle there were two concerns that were brought up by Commission members which included the amount of paper that was included in some grant applications, and second was the ability, or non-ability, to be able to search out key words or phrases from the electronic grant applications that were available on the website for Commissioner and public reviews. Mr. Teran stated that he understands the eCivis program should be able to generate a combined .pdf document file of the entire grant application, but the searchability of a particular file or document may depend on how it was initially created prior to it being uploaded. He also stated that if .pdf documents are scanned or converted using an optical character recognition (OCR) format, then those .pdf documents are typically searchable like a standard word document. However, a report or file may be scanned and uploaded as an actual image, in which case it would not be searchable. Chairman Jacobs stated that some Commissioners are still using paper copies of the applications for their reviews, but if we can provide them with the ability to scan key words electronically that would be a step forward. Chairman Jacobs also stated if the Commission is going to move forward with an electronic grant application process, then it would be helpful to know what benefits are gained or not gained, and staff should be prepared to answer any additional questions other Commission members may have, and in particular if the final electronic documents that would be available for review are going to be searchable. Vice-Chairman Held commented that there are programs available that can convert various files into a searchable format. He then asked Mr. Teran for clarification if the Commission would be reviewing the applications directly in the eCivis program, or if they would be sent a link to the final files for review. Mr. Teran responded that his understanding is that eCivis can combine all form fields and uploaded files into a single .pdf file, and then he would download those complete application packets and post them on the AWPf website for Commission and public review as has been done in the past. Vice-Chairman Held stated that he understands processing grant applications and organizing them to be posted on the AWPf website can be a cumbersome process, and asked Mr. Teran if he believes this system would help to smooth out that process. Mr. Teran responded that if the system works in the way ADOA has explained then it would be a great help in getting the final applications ready for Commissioner and public reviews.

Vice-Chairman Held made a motion that the Executive Committee provide direction to the Executive Director to move forward with setting up the eCivis grant application portal for the next grant cycle, with a second from Commissioner Biesemeyer. Chairman Jacobs requested that the motion also include the updates and instructions for using the eCivis program be described within the AWPf grant application manual and presented to Full Commission for review and approval at the next business meeting. With no further discussion Chairman Jacobs called for a voice vote on the motion: Mr. Teran then called the role for the Executive Committee. Chairman Pat Jacobs voted aye. Vice-Chairman Held voted aye. Commissioner Brian Biesemeyer voted aye. The motion passed unanimously.

CALL FOR FUTURE AGENDA ITEMS

Chairman Jacobs made a call for future agenda items. No future agenda items were suggested.

FUTURE MEETING DATE(S)

No future meeting dates were discussed.

ADJOURN

With no other agenda items Chairman Jacobs adjourned the meeting at 11:13 a.m.

ARIZONA WATER PROTECTION FUND COMMISSION

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NOTICE OF PUBLIC MEETING

Pursuant to A.R.S. § 38-431.02, notice is hereby given that there will be a teleconference meeting of the Arizona Water Protection Fund Commission Executive Committee on **Friday, March 16th, 2014 at 1:00p.m.** The meeting is open to the general public. A copy of the agenda for the meeting is posted below.

Meeting Location:

Arizona Department of Water Resources
3550 North Central Avenue, Suite 200
Phoenix, AZ 85014

Conference Call In:

1-877-820-7831
Code - 612591

Dated this 12th day of May, 2014

**Arizona Water Protection Fund Commission
Executive Committee – Conference Call In
Meeting Agenda**

- I. Call to Order – Chairman Paradzick (1:00 p.m.)
- II. Approval of Meeting Minutes March 7, 2014 – Chairman
- III. Call to the Public – Chairman
- IV. Administrative Issues:
 - a. Consideration of Contract Amendment Request WPF 11-180 Pakoon Springs
- V. Final Call to the Public – Chairman
- VI. Adjourn – Chairman (2:00 p.m.)

45-2103. Arizona water protection fund commission

A. The Arizona water protection fund commission is established and consists of two ex officio members, two advisory members and nine appointed members who are residents of this state, who have demonstrated an interest in natural resources and who are appointed as follows:

1. One person who represents a multi-county water conservation district established pursuant to title 48, chapter 22 and named by that district's governing board.
 2. One person who represents a state association of natural resource conservation districts and who is appointed by the governor.
 3. Four persons who represent natural resource conservation districts established pursuant to title 37, chapter 6, and who represent geographically diverse areas of this state, two of whom shall be appointed by the president of the senate and two of whom are appointed by the speaker of the house of representatives.
 4. One member of the public who has at least a bachelor's degree in hydrology, who represents a city that is served by the central Arizona project and who is appointed by the governor.
 5. One person who is knowledgeable in natural resource conservation issues or in water resource issues related to riparian ecosystems, who represents an agricultural improvement district established pursuant to title 48, chapter 17 and who is appointed by the governor.
 6. One person who represents an Indian tribe and who is appointed by the chairman of the intertribal council of Arizona.
 7. As nonvoting ex officio members, the director of the department of water resources and the state land commissioner.
 8. As nonvoting advisory members, one member of the house of representatives who is appointed by the speaker of the house of representatives and one member of the senate who is appointed by the president of the senate. Advisory members may not be considered for purposes of establishing a quorum.
- B. Members of the commission appointed pursuant to subsection A, paragraphs 1 through 6 of this section shall be appointed for staggered terms of three years. A member may serve more than one term and may continue to serve beyond the expiration of the term until a successor is appointed and assumes office.
- C. On request, members who are not ex officio members of the commission are eligible to receive compensation pursuant to section 38-611, not to exceed three thousand dollars in any calendar year, and are eligible for reimbursement for expenses pursuant to title 38, chapter 4, article 2.**
- D. Members of the commission are immune from liability for any action necessary to carry out the purposes of this chapter.



State of Arizona Accounting Manual

Topic 55 Payroll and Personnel Issued 12/11/17
Section 65 Compensation and Expense Reimbursements Page 1 of 2
Paid to Board Members

INTRODUCTION

The Government of the State of Arizona has a large number of assemblies, which are formally constituted and periodically convened, and which are comprised of persons who have been appointed to provide advisory, deliberative, consultative, administrative, executive, managerial, supervisory, oversight, governance, and/or investigatory services within their areas of expertise. Such an assembly may be known as a board, commission, committee or council, but, whatever its legal title, will be referred to as a “board” in this section of SAAM, and one who serves on a board, in other than a regular full-time or part-time employment capacity, will be referred to as “board member.”

This policy is adopted to ensure that all compensation and/or expense reimbursements paid to board members comply with the requirements of various taxing authorities.

POLICIES

1. All compensation paid to board members shall be recorded in and paid through the State’s central payroll processing system.
 - 1.1. Compensation includes any payments for services rendered to or on behalf of the Government of the State of Arizona, including, but not limited to fees for attending meetings, preparation work, per diem compensation, etc. and no matter how such compensation is calculated.
 - 1.2. The State’s current central payroll processing system is the Human Resources Information Solution (HRIS).
 - 1.3. Appropriate documentation with respect to attendance, services provided, compensation paid etc. must be retained by the board or the agency having jurisdiction over the board.
2. All reimbursement of expenses to board members shall be initiated in HRIS or (when available and if travel-related) the State’s automated travel system.
 - 2.1. Any expense reimbursement must be claimed using the appropriate form or system of entry.
 - 2.2. Any expense reimbursement must be made in accordance with the provisions and directives contain in the State of Arizona Accounting Manual (SAAM).

State of Arizona Accounting Manual

Topic 55 Payroll and Personnel Issued 12/11/17
Section 65 Compensation and Expense Reimbursements Page 2 of 2
Paid to Board Members

- 2.3. Any expense reimbursement claimed must be supported by appropriate documentation.
3. All compensation or expense reimbursements to board members shall be approved for payment by the appropriate agency official.
4. Any compensation paid to board members shall comply with the statutes, rules and policies governing such compensation.
 - 4.1. A board member legally entitled to be compensated for services to the board, may elect to forego such compensation. This election is to be made in writing and retained by the board.
5. Any expense reimbursements shall comply with the statutes and rules governing such reimbursement and shall be in accordance with the provisions of the State of Arizona Accounting Manual, except as expressly provided hereinbelow:
 - 5.1. Board members may be reimbursed for mileage to and/or from board meetings without first deducting fifty (50) miles or applying the deduction for normal commute miles.
 - 5.2. Travel claims will not be considered untimely filed if presented to the disbursing authority within six (6) months of incurring the expenses for which the claim is made.
 - 5.2.1. A board member's failure to claim a reimbursement for mileage or other expenses within six (6) months of incurrence, shall constitute his irrevocable election to forego reimbursement for such expenses.



Arizona Water Protection Fund Commission

Policy and Procedures Manual

Revised July 2014

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Arizona Water Protection Fund Commission Policies & Procedures Manual

Chapter I. Policy and Procedures Manual Introduction

100 Purpose

This Arizona Water Protection Fund Commission (Commission) Policy and Procedures Manual sets forth policies and procedures for the Commission. The intent is to create a written record of policies and procedures in order to conduct business in a consistent fashion. The intended audience is Commissioners and Arizona Department of Water Resources (ADWR) staff and, to a more limited extent, grantees.

110 General Organization

This manual is organized into chapters which address background information, Commission members, meetings, application submittal, grant selection, grant contracts, grant administration, grantee financial standards, grantee responsibilities after the term of contract, Commission public outreach and relationship with the legislature. Chapters are subdivided into sections that generally cover single subjects.

120 Changes to Manual

This manual is expected to change because the program and restoration science are relatively new. It is expected that policies and procedures will continually be developed and refined. Minor changes in the manual for the purpose of clarifying sections will be made by ADWR staff. Changes of substance will be reviewed by the Commission Executive Committee prior to being forwarded to the full Commission for approval.

Chapter II. Arizona Water Protection Fund Background

200 Arizona Water Protection Fund Creation & Purpose

The 1994 Arizona Legislature established the Arizona Water Protection Fund (AWPF) and the Arizona Water Protection Fund Commission to administer the AWPF (A.R.S. § 45-2101 et seq.). In passing the enabling legislation, the Legislature declared that their policy was to provide for a coordinated effort for the restoration and conservation of the water resources of the state. The policy was designed to allow the people of Arizona to prosper while providing financial resources for protection and restoration of this state's rivers and streams and associated riparian habitats, including fish and wildlife resources. The law mandates that financial resources be available through grants to appropriate public and private entities to assist in water resource management activities that are consistent with that policy (§ 45-2101(A)).

By statute, the primary purpose of the AWPF is to provide an annual source of funds for the development and implementation of measures to protect water of sufficient quality and quantity to maintain, enhance and restore rivers and streams and associated riparian resources, including fish and wildlife resources that dependent on these important habitats consistent with existing water law and water rights.

The Commission may also provide funding to develop and protect riparian habitats in conjunction with a man-made water resource project, if the man-made water resource project directly or indirectly benefits a river or stream and includes or creates a riparian habitat.

A.R.S. § 45-2112 (B) provides that primary program funding may come from annual general fund appropriations in the amount of \$5 million minus any funding received from an in-lieu fee established pursuant to § 48-3715.05.

210 Arizona Water Protection Fund Organization

211 Arizona Water Protection Fund Commission

The Commission is the main policy-making body for the AWPF. Policies are principles, which guide and protect the AWPF. The Commission is comprised of 9 voting members who are Arizona residents appointed by various officials and who, by statute, represent a variety of land, water use and socioeconomic perspectives. In addition, several of the appointed positions require technical expertise in water, natural resources and riparian ecosystems. There are also two non-voting ex officio members - the Director of the Arizona Department of Water Resources and the Commissioner of the Arizona State Land Department as well as two non-voting advisory members – a member of the AZ House of Representatives and a member of the Arizona State Senate.

212 Arizona Department of Water Resources

The Arizona Department of Water Resources provides the primary technical, legal and administrative staff to the Commission (§ 45.2114(A)). ADWR staff responsibilities are

described in detail throughout this document. ADWR staff takes the lead in providing to the Commission an annual administrative budget for both ADWR and the Arizona State Land Department since the legislature funds the Commission through ADWR.

213 Arizona State Land Department

A.R.S. § 37-1013(A)(7) authorizes the Arizona State Land Department (ASLD) to provide support to the Commission and administrative assistance to Natural Resource Conservation Districts (NRCs) for their activities relating to the Arizona Water Protection Fund.

220 **Arizona Water Protection Fund Fundamental Principles**

The enabling legislation and subsequent Commission practices have established two principles that guide the operation and management of the AWPF:

- 1) The Commission funds projects that reflect “bottom-up” rather than “top-down” solutions to river and riparian maintenance, enhancement and restoration issues. The Commission expects the public to propose locally acceptable solutions for problems rather than have the state dictate specific projects, measures, priorities or areas of concern.
- 2) The Commission’s funding priority is to fund high quality, “on-the-ground” solutions to river related issues. The majority of annual funds are earmarked by statute for capital projects. Research and water conservation projects and overhead costs to the AWPF are limited by statute to five percent maximum each year. Reference Sections 530 and 551 of this document for further information on these limitations.

Chapter III. Arizona Water Protection Fund Commission Members

300 Arizona Water Protection Fund Commissioner Appointment

301 Commission member appointment and reappointment

There are nine voting members, two ex officio non-voting members and two advisory non-voting members of the Commission. The nine voting Commissioners are members of the public and appointed by either the Governor, the President of the Senate, or the Speaker of the House of Representatives. The Central Arizona Project and the Intertribal Council of Arizona each appoint one member. Commission members are appointed for staggered, three-year terms. Appointees must meet certain statutory criteria in order to be qualified for appointment (§ 45-2103(A)).

A voting Commission member may serve for more than one term and may continue to serve beyond the expiration of the term until a successor is appointed and assumes office (§ 45-2103(B)). Near the end of each Commissioner's term the Commission member will notify the appointing official and the Arizona Department of Water Resources staff whether or not he/she wishes to be reappointed. The ADWR legislative staff will also communicate with the staff of the appointing official to determine the status of reappointment or appointment.

The two non-voting, ex officio Commission members are the Director of the Arizona Department of Water Resources and the Arizona State Land Commissioner (§ 45-2103(A) (10)).

The two non-voting advisory Commission members are (1) from the Arizona House of Representatives and (1) from the Arizona State Senate.

302 Commission member withdrawal

Should a Commission member wish to withdraw from appointment before the term ends, he or she must notify the appointing official and request appointment of a replacement.

303 Commission member ineligibility

Should a situation arise where a Commission member no longer represents his/her statutory constituency, that member is ineligible to sit on the Commission as a representative of that constituency and will be so notified by the Commission Chair.

310 Commission Officers - Election & Duties

311 Policy on officer election.

The Commission annually elects a Chair and Vice-Chair at the Commission business meeting in June or the next subsequent meeting. These officers will continue to serve until a new election is held. Should a Chair or Vice-Chair resign or otherwise indicate that he/she is unable to perform the duties for the full one year period, another election

will be held to fill that position for the remainder of the term.

312 Duties of Chair

Duties of the Commission Chair are time-consuming. It is Commission policy that either the Chair or Vice-Chair be located or work in Phoenix in order to sign numerous documents and meet with ADWR staff. ADWR staff is in frequent communication with the Chair to provide briefings on issues and determine courses of action. Commission Chair duties are as follows:

- 1) Attend and preside at Commission business meetings in various parts of the state.
- 2) Chair the Executive Committee meetings.
- 3) Review and sign contracts, amendments, and correspondence.
- 4) Establish Commission business and Executive Committee meeting agendas in conjunction with ADWR staff.
- 5) Attend and preside at grant presentation and selection meetings.
- 6) Interpret Commission policy and represent the Commission at meetings, in correspondence, etc.
- 7) Discuss grant issues with ADWR staff by telephone and in individual meetings.
- 8) Review AWPf newsletter and other public outreach materials prior to release as necessary.
- 9) Represent the Commission at the legislature and/or coordinate other Commissioner attendance.
- 10) Act as liaison with ADWR Administration relative to AWPf budget, contract and administrative issues.

313 Duties of Vice-Chair

The Vice-Chair performs the duties of the Chair, in the absence of the Chair.

320 Compensation and Reimbursement for Commissioners

Voting members are eligible to receive compensation when engaged in the services of the Commission (§ 45-2103(C)), currently at \$30/day (§ 38-611). Compensation for each Commissioner shall not exceed \$3,000 in any calendar year (§ 45-2103(C)).

Commissioners are eligible for reimbursement for expenses when traveling on necessary public business away from his/her designated post of duty (residence) as governed by §38-621 et seq.

330 Commissioner Conflict of Interest and Recusal

331 Commissioners as “Public Officers”

As a “public officer” within the meaning of § 38-501, a Commissioner may face a potential conflict of interest situation. The conflict of interest law distinguishes between interests which are “remote” and those which are “substantial”. If a Commissioner or close relative has a pecuniary or proprietary interest in a particular application, grant or issue, the Commissioner should consult ADWR Legal Counsel *in advance* of the matter coming before the Commission for action. Some interests require a Commissioner to

declare the interest and refrain from participating in discussion and decision on the matter.

In order for the conflict of interest laws to apply, a Commission member or a relative must have a substantial interest in an application, awarded grant or Commission issue. There are three questions which are useful in determining whether a substantial interest exists:

- 1) Will the decision affect either positively or negatively, an interest of the public officer or relative?
- 2) Is the interest a monetary or property interest?
- 3) Is the interest other than one statutorily designated as a remote interest?

If the answers to the above questions are yes then a substantial issue may exist.

The statute lists remote interests. A Commission member with a remote interest in a matter before the Commission may vote and participate in discussion of the matter. Following is a list of remote interests:

- 1) The interests of a non-salaried officer member of a nonprofit corporation.
- 2) The interests of a landlord or tenant of a contracting party.
- 3) The interest of an attorney of a contracting party.
- 4) The interest of a member of a nonprofit cooperative marketing association.
- 5) The interest of a person owning less than three percent of the shares of a corporation for profit, provided the total annual income from dividends, including the value of stock dividends, from the corporation does not exceed five percent of the person's annual income.
- 6) The interest of a public officer being reimbursed only for actual and necessary expenses incurred in performance of official duties.
- 7) The recipient of public services provided by the Commission on the same terms and conditions as if the person were not an officer or employee.
- 8) The interests of a school board member (in most cases).
- 9) The interests of a public officer or employee or relative, unless the decision would confer a direct benefit.
- 10) The interest of a public officer who is member of a trade, business, profession or other classes of persons, where the interest is no greater than the interest of the other members of the class (§ 38-502(10)).

When a substantial interest exists, the Commission member shall:

- 1) Declare that a substantial interest exists by submitting a Conflict of Interest Form prior to consideration of that issue in a Commission meeting and by declaring a conflict of interest during Commission action on that item.

2) Refrain from discussion of the issue and from voting.

332 Violation of conflict of interest

Knowingly violating the conflict of interest provisions is a Class 6 felony. Negligent violation is a Class 1 misdemeanor. Moreover, the Commission decision and any resulting contract are voidable by the State.

333 Attorneys as Commission members

Any Commission member who is an attorney is also bound by the Rules of Professional Conduct, Rules of the Supreme Court 17A Arizona Revised Statute, Rule 42. See ER 1.7, 1.8, 1.9 and case law regarding the appearance of impropriety.

Chapter IV. Commission Meetings

400 Business Meetings

401 Frequency

A meeting of the full Commission is termed a “business meeting”. The full Commission will generally meet as established in the yearly schedule to conduct business. During the grant selection process, meetings will be held more frequently, generally monthly. Business meetings generally start at 10:00 am, however they may start at various times. Each meeting agenda will specify the starting time and location.

402 Meeting locations

In recognition of its statewide mandate and in order to make meetings accessible to more Arizonans, the Commission may hold meetings throughout Arizona. During grant application and selection periods, the Commission generally holds meetings in Phoenix and in other easily accessible cities so that Commissioners and ADWR staff can more easily attend.

403 Meeting notification

Generally, meeting notification will follow the methods described below. Only if necessary, business meetings may be conducted as emergency meetings under circumstances prescribed in law (see this manual, Section 432).

403.1 Public notification and agenda

The Open Meeting Law (§ 38-431 et seq.) requires a public body to give notice of all public meetings to members of the public. The basic intent of the law is to maximize public access to government decision making. The Open Meeting law requires public notice and an agenda. The law allows the agenda and notice to be combined and the Commission has chosen to do this. A Commission agenda must contain the time, date, and place of the meeting, and a description of matters to be discussed, considered or decided at the meeting. The Commission Chair, in conjunction with ADWR staff, shall establish the Commission business meeting agendas.

The agenda and notice are required to be made available no later than 24 hours in advance of the meeting. The Commission business meeting agendas are usually available two weeks in advance. A statement is included at the bottom of Commission agendas that meetings are subject to 24 hour advance change and that the reader should contact ADWR prior to the meeting to confirm agenda topics. The agenda is posted in accordance with the Open Meeting Law. Any background information that is available for the Commissioners is also available to the public by request, at least 24 hours before the meeting.

The agenda and previous meeting minutes will be posted on the Commission website in advance of all business meetings.

403.2 Commissioner notification

Commission business meeting dates are established in advance each fiscal year. The Commission will be notified via e-mail of any meeting date changes or cancellations. Commissioners should inform ADWR staff if they prefer to be notified by an alternate method.

403.3 Commissioner packet

An agenda and available background information regarding agenda items for the business meeting will be sent to the Commission via e-mail and hard copy. Information generally will be sent one to two weeks in advance of the meeting. A few background items may be handed out at the meetings if they are completed too late to send them to Commissioners in a timely manner. All background materials that are made available to the Commission will be available for public viewing upon request at the Arizona Water Protection Fund, ADWR, Phoenix office at least 24 hours prior to the meeting. The agenda contains a statement regarding the availability of background materials.

404 Commission member attendance

404.1 Policy on meeting attendance

It is the policy of the Commission that in the event any Commission member is absent from two or more business meetings in any one calendar year, the Commission Chair may meet with that member and discuss their lack of attendance. If attendance does not improve the Chair may meet with the person who appointed that Commission member to request that a replacement member be appointed who will have a commitment to the work of the Commission.

404.2 Policy on use of proxy for attendance or voting

It is the policy of the Commission, in all its meetings and deliberations, to not allow for the use of alternates to appointed members and further shall not allow for the use of alternates for proxy voting on any matter before the Commission.

404.3 Commission member meeting attendance query and response

At least two to three weeks prior to a scheduled business meeting, ADWR staff shall contact Commission members via e-mail or other appropriate means to determine meeting attendance. Commissioners need to reply to this request

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promptly and notify the ADWR Administrative Assistant if plans change. There may be times that the Chair allows Commissioner attendance by telephone (see this manual Section 431).

404.4 Lack of quorum and meeting cancellation

If it is known in advance that there will not be a quorum at a business meeting, the Chair will cancel the meeting. If there is not a quorum on the day of the meeting, the Chair may decide to discuss the agenda items, but decisions on the agenda items shall not be made during the meeting.

405 Business meeting minutes

In accordance with the Open Meeting Law, the Commission shall provide written minutes or a recording of all business meetings (§ 38-431(01)) within three working days after the meeting. Minimum content is prescribed by the law (§ 38-431(01)(B)) as follows:

- 1) Date, time and place of the meeting.
- 2) Members of the public body recorded as either present or absent.
- 3) A general description of the matter considered.
- 4) An accurate description of all legal actions proposed, discussed or taken, and the names of members who proposed each motion.
- 5) The names of the persons making statements or presenting material to the Commission and a reference to the legal action about which they made statements or presented material.

ADWR staff will record the business meetings on audio tape if possible. Upon request, staff can duplicate that tape and make it available to the public within three working days after the meeting for review in the ADWR Phoenix office. Written minutes will be developed at a later date and presented to the Commission for ratification at the next business meeting, after which the tape will be destroyed.

406 Presiding officer

The Chair will preside at business meetings. In the absence of the Chair, the Vice-Chair will preside. If both parties will be absent from a meeting, the Chair, acting in advance of the meeting, may delegate to another Commissioner the authority to conduct the meeting from which the Chair and Vice-Chair will be absent.

407 General meeting rules

Meetings will be conducted consistent with the Open Meeting Law and Robert's Rules of Order. The Chair will ensure that discussion, consideration and decision are limited to agenda items in accordance with the Open Meeting Law (§ 38-431(02)(H)).

There are two "call to the public" topics listed on every agenda; one each at the

beginning and the end of the agenda. Consistent with statute (§ 38-431(01)(G)) this is a time for presentation of comments and suggestions from the public. Those wishing to address the Commission need not request permission in advance. The Commission is prohibited by the Open Meeting Law from taking any action as a result of public comment during the meeting unless the subject is already listed on the agenda.

408 Code of conduct

The Commission is committed to treating all members of the public with respect. In the dealings with the public, the Commission will adhere to the following *Code of Respect*:

- Show respect for the views of others. Critique ideas not people.
- Share your opinion about a proposal concisely, clearly and respectfully.
- Focus on constructive questions.
- Listen with an open mind; consider all sides of the issues before deciding.
- Avoid side conversations whenever possible.
- Every member is responsible for advancing the agenda; keep the meeting moving.

409 Decision-making process

409.1 Quorum

Powers and authority in and duties imposed on the members should be exercised by a quorum of Commissioners. A quorum consists of a majority of members then in office (§ 45-2104(A)). If a Commission member has vacated their seat and the appointing official has not yet replaced that Commissioner, then the seat is vacant and the calculation for a quorum would be based on a majority of the remaining members.

409.2 Decision-making forum

Formal motions and votes will be taken for significant Commission action such as grant selection. The Chair or another Commissioner shall identify actions requiring a formal vote by calling for a motion on an issue. Decisions on the selection of applications are usually by voice vote. Votes are determined when a quorum is present and then, by a majority of present, voting members. Other issues may be discussed and direction given to ADWR staff by the Commission without a formal vote.

409.3 Actions

Legal actions of the Commission shall occur during a public meeting as required by the Open Meeting Law (§ 38-431(01)(A)).

410 Standing, Advisory and Subcommittee Meetings

411 Standing committees

A standing committee is authorized to act for the full Commission.

411.1 Executive Committee is a standing committee

The Commission has established a three-member standing committee, the Executive Committee, which has been authorized in certain instances to act for the full Commission. It was originally called the “Subcommittee”, but herein after will be called the Executive Committee to avoid confusion.

411.10 Executive Committee members

The Executive Committee members are the Chair, Vice-Chair and one other Commissioner appointed by the Chair. A quorum for the Executive Committee is two Executive Committee members. Meetings are conducted in Phoenix. Generally, Executive Committee members will live and/or work in Phoenix or be willing to faithfully attend Executive Committee meetings in Phoenix either in person or via telephone. All Commissioners are sent an Executive Committee agenda and are eligible to participate at meetings (see this manual, Section 411.15)

411.11 Executive Committee delegated authority

The Executive Committee shall act for the full Commission in instances where policy is already established by the full Commission. The Executive Committee is authorized to make resolutions and take actions consistent with Commission policies. Issues of new policy and issues where the Commission has expressly reserved decision-making authority will often go through the Executive Committee for detailed discussion of the issues. The Executive Committee may then make a recommendation to the full Commission for their consideration. Actions taken by the Executive Committee will be reported to the full Commission through distribution of Executive Committee meeting minutes. Significant actions also will be presented orally during the next full Commission meeting.

411.12 Procedure for notice

The law allows the agenda and notice to be combined and the Commission has chosen to do this for Executive Committee meetings. The Open Meeting Law requires the same minimum notification procedures for a standing committee as for the full Commission. The Commission Chair, in conjunction with ADWR staff, shall establish the Commission

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Executive Committee meeting agendas. All Commissioners receive a copy of the Executive Committee agenda via e-mail. These agendas also are posted on the Commission website, as possible. In circumstances prescribed by law, Executive Committee meetings may be conducted as emergency meetings (see this manual, Section 432).

411.13 Presiding officer

The Chair will preside at Executive Committee meetings. In the absence of the Chair, the Vice-Chair will preside.

411.14 General meeting rules

Meetings are conducted similar to full Commission meetings as they must comply with the Open Meeting Law and follow Robert's Rules of Order.

411.15 Quorum

Decisions shall be exercised by a quorum of the Executive Committee, which consists of at least two Executive Committee members being present. The Executive Committee also will recognize other Commission members who attend Executive Committee meetings as being eligible to participate in discussions and vote on all issues being considered by the Executive Committee. If only two Executive Committee members and no other Commissioners are in attendance, decisions must be made by unanimous agreement. If more than two Commissioners are present, decisions shall be made by a majority vote of those members present.

411.16 Executive Committee minutes

In accordance with the Open Meeting Law, the Commission shall provide written minutes or a recording of all business meetings (§ 38-431(01)) within three working days after the meeting. The law prescribes minimum content of the minutes (see this manual, Section 405). ADWR staff will record Executive Committee meetings and can duplicate that tape, upon request, and make it available within three working days after the meeting for public review in the ADWR Phoenix office. Written minutes will be developed at a later date and presented to the Executive Committee for ratification at the next meeting, after which the tape shall be destroyed. Copies of the minutes will be sent to the full Commission via e-mail and hard copy.

411.2 Other standing committees

The Commission may appoint other standing committees that will conduct business in accordance with the Open Meeting Law.

412 Advisory committees

An advisory committee, by statute, is authorized to act for the full public body, and may include some members that are not members of the Commission. The Commission may appoint advisory committees who will conduct business in accordance with the Open Meeting Law.

413 Subcommittees

A subcommittee is authorized to make recommendations to the public body but may not act for the public body. The Commission may appoint subcommittees in accordance with the requirements of the Open Meeting Law. Subcommittee meetings shall comply with notice and agenda requirements of the Open Meeting Law, but are not required to take minutes.

420 Executive Sessions

Executive Sessions are closed to the public (§ 38-431(2)). They may be held as a portion of a business meeting or a standing committee meeting. The majority of the Commission members constituting a quorum must vote to convene an executive session (§ 38-431(03)(A)) during a public meeting held prior to the executive session.

421 Executive session procedure for notice

The Open Meeting Law permits an executive session to be held for discussion and consideration for seven limited purposes (§ 38-431(03)(A)). An executive session must meet the notice requirements of a public meeting. The agenda for executive sessions must contain a general description of the matters to be considered but should not contain information that would defeat the purpose of the executive session (§ 38-431(02)(I)).

422 Convening an executive session

The majority of the Commission or Executive Committee members constituting a quorum must vote to convene an executive session during a public meeting held prior to the executive session. Generally, the vote will be taken immediately before going into executive session. The general public is excluded from the executive session. Only Commissioners and employees whose presence are reasonably necessary in order for the Commission to carry out its executive session responsibilities may be present (§ 38-431(2)).

423 Executive session confidentiality

Minutes of and discussion made at the executive session must be kept confidential by those attending the executive session (§ 38-431(03)(B)). Violations of the Open Meeting Law may subject individuals to suit and civil penalty. The Commission Chair shall instruct persons who are present at the executive session regarding confidentiality

requirements and penalties. In an executive session, the Commission may discuss and consider only the specific matters authorized by statute and included in the public notice/agenda. No vote may be taken during the executive session. Any final action on an item discussed in an executive session must be taken during a public meeting.

424 Executive session minutes

Minutes shall be taken of executive sessions and include:

- 1) Date, time and place of the meeting (§ 38-431(01)(B)).
- 2) Members of the public body recorded as either present or absent (§ 38-431(01)(B)).
- 3) A general description of the matter considered (§ 38-431(01)(B)).
- 4) Instructions by the Commission to its legal counsel or designated representatives.

Minutes will be taken and written by ADWR staff and reviewed by legal counsel and the Chair. Since executive session minutes are confidential, approval of the executive session minutes will not be made in a public forum. They will be available at the next Commission business meeting for inspection by any Commissioner. If a Commissioner who was in attendance at the executive session wishes to correct or change the minutes, he/she must get the consent of Legal Counsel and the Chair. With their consent, the change will then be made. If no changes are offered by the end of the business meeting following the date of the executive session, the minutes will be considered final and be signed by the Chair. Minutes will be stored by AWDR in a confidential file separate from public files.

425 Actions

No action binding the Commission can be decided during the Executive Session. The Commission must exit from the Executive Session and enter public session before taking a vote on any legal action (§ 38-431(03)(D)).

430 Telephone Conferences and Emergency Meetings

431 Telephone conferences

Upon the approval of the Chair and availability of facilities, the Commission may hold business and Executive Committee meetings through a telephone conference, where one or more Commission members participate in the meeting via telephone.

431.1 Procedures for notice of telephone conference

The notice and the agenda will state that one or more members of the Commission will participate by telephone.

431.2 Telephone conference requirements

The public meeting place will have facilities that permit the public to observe and hear all telephone communications. The Commission will clearly identify all

members participating via telephone.

431.3 Minutes

The minutes of the meeting shall identify the member(s) participating by telephone and describe the procedures followed to provide the public access to all communications during the meeting.

432 Emergency meetings

In the extremely rare case of an actual emergency, a public meeting may be held with less than 24 hours notice. Such an emergency exists when, due to unforeseen circumstances, immediate action is necessary to avoid some serious consequences that would result from waiting until the required notice could be given.

432.1 Notice of meeting

Prior to emergency discussion or action, the Commission will announce the nature of the emergency and those reasons must be included in the minutes of the emergency meeting (§ 38-431(02)(J)).

432.2 Minutes of meeting

Minutes will indicate the nature of the emergency.

Chapter V. Grant Application Process

The Commission shall grant monies annually (§ 45-2113(A)) for purposes consistent with statute. The Commission has decided to conduct one public grant cycle each year. The Commission shall grant monies from the AWPf consistent with the application guidelines set forth in the application manual. By law, applications shall be available for public review and comment. ADWR staff notifies the public of when and where the submitted applications are available for review. Technical staff reviews each application and that review is shared with the applicants. Applicants have an opportunity to make a public presentation on their application to the Commission. The Commission makes the grant awards during a separate public meeting.

500 Grant Definition.

An Arizona Water Protection Fund grant is an award of financial assistance where money is transferred from the state to a grantee through a public selection process and subsequent contract for the accomplishment of equivalent goods and services consistent with the AWPf statutory purposes. Because the Arizona State Constitution prohibits the state from giving gifts, grant monies are not just given to the grantee for his/her use. The grant is implemented through a contract, which when executed, allows for mutually-agreed-to contract products with deadlines to be delivered to ADWR. ADWR staff reviews and must approve the deliverables before the grantee is reimbursed. There is substantial State oversight of contracts to ensure that the deliverables received are adequate and appropriate for the contract.

510 Application Manual

A grant application manual is released annually. The manual contains policies, procedures, forms and technical criteria for ADWR evaluation of the applications.

511 Manual revision

511.1 Annual revisions

Minor revisions may be made annually by ADWR staff in order to better explain or define application procedures and forms.

511.2 Triennial public input and manual revisions

By law, every three years the Commission is to obtain public involvement in the development of an application manual, i.e. “guidelines”, as directed by § 45-2105 - 2106. Generally, public input will be the catalyst for changing the manual in significant ways. By law, the manual is to address at least the following issues:

- 1) Delineation of geographic areas in this state where protection and restoration will be emphasized.
- 2) Identification of issues of concern.

- 3) Types of measures needed to address issues of concern.

Every three years, ADWR staff conducts the public outreach effort consistent with statute. Any major manual changes made as a result of or during the public outreach effort will be reviewed by the Commission Executive Committee and/or an ad hoc subcommittee prior to consideration and adoption of the revised manual by the full Commission.

512 Technical rating system

Each manual will include the criteria upon which ADWR staff conducts its technical evaluation of the applications. ADWR staff evaluates and comments on technical aspects of applications using the criteria.

513 Commission selection criteria

Commission members give serious consideration to the technical project evaluations, but will use their own additional criteria and judgment to select projects. These criteria are not available in written form. Applicants are encouraged to discuss their projects with Commission members to determine Commission members' individual criteria.

514 Notice of manual availability

A notice of manual availability will be sent each year to the AWPF e-mail distribution list and to anyone else who requests notification. AWPF staff will also place public notices statewide in various newspapers. The manual will be made available to anyone who requests it and will also be available on the Commission website.

520 Eligible Applicants

Any person, organization, tribe, state agency or political subdivision of this state may submit an application for a grant from the AWPF for purposes allowed in statute (§ 45-2113(E)).

530 Categories of Funding

By statute, the AWPF may:

- 1) Grant monies for the development and implementation of capital projects or specific measures consistent with the purposes of the statute (§ 45-2113(H)).

By policy, the Commission has determined that a feasibility of design study may be considered a capital project as defined by the following requirements:

- Applicant requests funding to investigate the feasibility of implementing a specific capital project that is being proposed.
- Applicant will develop a detailed implementation plan and budget for the proposed project as part of the feasibility study.

- Applicant has control and tenure over the proposed project area and the authority to implement the proposed project should it be deemed feasible.

A feasibility of design study does not mean completing an investigation, research, assessment or planning effort for the purpose of identifying projects or future actions that are not already being considered for implementation. Letters of support should be in favor of the actual ultimate project being considered.

- 2) Grant monies for the acquisition of Central Arizona Project water or effluent that will protect or restore rivers or streams consistent with state water law (§ 45-2113(H)).
- 3) Grant monies to assist in developing, promoting and implementing water conservation programs, directly related to the purpose of the AWPF, located outside of the active management areas. (§ 45-2113(H)).
- 4) Grant monies in support of research and data collection, compilation and analysis directly related to the purposes of the AWPF. Funding is limited to a maximum of five percent of the monies deposited in the AWPF in any fiscal year (§ 45-2113(H)(3)).
- 5) Grant monies to Arizona Department of Water Resources and the Arizona State Land Department in support of administration of the program. Funding is limited to a maximum of 5% of the total monies deposited in the AWPF during the previous calendar year (§ 45-2114(C)).

540 Funding Priorities

By statute (§ 45-2113(A)) there is priority in funding given to the following:

- 1) Projects for which matching monies or assets of comparable value including in-kind contributions will be provided by other sources.
- 2) Projects that provide for the continued maintenance of the portion of the river, stream, or associated riparian habitat that are enhanced by the project.
- 3) Projects that include broad based local involvement.
- 4) Projects that directly benefit perennial or intermittent rivers or streams.

Additional priorities may be developed during each triennial public input process. Funding priorities are generally reflected in the Evaluation Criteria, which are the criteria included in the manual that ADWR staff uses to evaluate the technical merits of applications.

550 Ineligible & Restricted Projects & Activities

551 Ineligible projects & activities by statute:

- 1) No entity may exercise the right of eminent domain to acquire water or water rights using monies derived from the AWPf (§ 45-2104(D) & § 45-2113(H)).
- 2) Monies in the AWPf may not be spent to finance programs located outside Arizona (§ 45-2113(G)).
- 3) Monies shall not be used to purchase real property (§ 45-2104(D)). The Commission has determined that conservation easement acquisition falls into the category of real property and is not eligible for program funds.
- 4) Monies may not be spent on remedial actions under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), 42 USC § 9601, or Water Quality Assurance Revolving Fund (WQARF), § 49-281 et seq.
- 5) For an individual grant, no more than five percent of the grant may be used on costs of administration (§ 49-2113(B)(4)). By policy, the Commission defines administrative costs as including overhead and indirect costs. Contractors and subcontractors are also limited to five percent administrative costs. In further refinement of the policy, administrative costs charged to the Commission may not exceed five percent of the total AWPf project costs minus any AWPf fixed costs. If an application includes administrative costs in excess of the statutory administrative cost limits, it either will be determined to be ineligible for funding or required to comply prior to contract execution.

552 Project restrictions by policy

- 1) The applicant shall demonstrate in the application that it can implement the proposed project and control and commit the anticipated benefits to rivers, streams and riparian areas. The applicant must have legal and physical access to as well as authority to manage the area where the grant tasks are to be performed, the area to be benefited by the grant, and any water to be used in the project area or as a project benefit. Cooperative agreements with all parties having such access and authority or letters of support with a plan to obtain cooperative agreements shall meet this requirement. The applicant must also demonstrate that vital partnerships, funding, etc. have been committed at the time of the application or submit letters of support from the appropriate entities with a plan to obtain these critical elements prior to grant award. Projects failing to demonstrate the above are ineligible for funding.
- 2) Staff positions may be funded with AWPf monies only to the extent that they are necessary to supervise or perform grant obligations and further specific grant objectives. Those grant obligations and objectives must be detailed within the application along with identification of deliverables and deadlines.

- 3) Although the Commission supports efforts to clean up sites containing environmental contaminants, it will not fund such projects. Environmental contaminants present additional liability risks for which suitable long-term liability insurance is not available. Applications for projects located at sites where environmental contaminants are present in elevated levels are ineligible for funding.¹

For purposes of this policy, environmental contaminants are substances which pose risk of harm to human health or the environment and include hazardous substances, hazardous wastes, petroleum products or Environmental Protection Agency priority toxic pollutants². Environmental contaminants do not include wastewater from a wastewater facility permitted by a local, state, or federal authority having jurisdiction over wastewater.

- 4) The Commission does not fund projects that are required as a result of legal action taken by a regulatory agency, such as ecological mitigation. Applicants must notify the Commission if a proposed project is part of any mitigation effort.
- 5) The Commission does not fund projects that are designed to meet wastewater treatment requirements. Proposed projects that create or sustain riparian habitat using treated effluent or recycled water that already meets or exceeds relevant state and federal standards may be considered as long as the project meets the requirements of A.R.S. 45-2101.B.
- 6) Generally, the Commission does not fund groundwater recharge or recovery projects.
- 7) Applications requesting AWPf funding for any project portions that are ineligible for AWPf funding will result in the entire application being removed from further consideration. The Commission does not provide opportunity in the application process to negotiate for the removal of ineligible features.
- 8) The Commission does not fund projects which include the planting of mesquite, tamarisk or other nonnative high water usage trees that consume water to a degree that is detrimental to water conservation efforts, but may fund the removal of such species (A.R.S. 45-2113)

¹ADWR is affected by this policy because of potential financial liability issues for the agency. Modification in or divergence from this policy requires ADWR concurrence.

² Defined by CERCLA 42 USC § 9601, RCRA 42 USC § 6903 and the Environmental Protection Agency as toxic pollutants.

560 Required application components

The application manual identifies required application components.

570 Pre-Application Assistance

571 ADWR staff

ADWR staff conducts annual application workshop(s) at different locations in the state, at least one to two months in advance of the application deadline. ADWR staff also is available for one-on-one consultations with applicants on a first-come-first-served basis. Consultations focus on the staff review of draft applications. In order to conduct a consultation, the draft application must be received by ADWR staff at least one week in advance of the scheduled consultation. Consultations will be conducted in Phoenix and may be conducted by telephone for those applicants outside of Maricopa County.

572 ASLD staff

ASLD should be contacted regarding whether or not they are able to provide assistance to Natural Resource Conservation Districts in grant application preparation.

580 Application Submittal Requirements

581 Application signature by authorized individual

The Commission implements its grants by signing contracts with grantees. The Commission wants to receive applications from individuals, agencies and organizations that can eventually enter into enforceable, binding contracts. The signature on the application must be a person who has the authority to sign contracts for the applicant. At least one copy of the application should contain an application cover page with an original signature.

582 Demonstration of control and tenure

Reference Section 552(1) of this manual.

583 Number of copies

The number of required copies is specified in each grant manual. At least one original signature on a cover page is required.

584 Submittal deadline and location

See the annual application manual for this information.

585 Application completeness

The application shall be complete when submitted. ADWR staff and the Commission will screen applications for completeness and may delete applications from further consideration if they are incomplete (reference Section 600 of this document). Reference the annual application manual for a listing of all required components.

590 Application Public Notification and Public Comment

591 Notification distribution

Statute requires the Commission to provide for public notification of and opportunity to comment on the applications (§ 45-2113(C) and (D)).

A Public notice stating that applications are available for review and comment within the 45-day public comment period is posted on the AWPf website along with all current applications received by the application deadline. The notice includes information regarding how to submit comments within the 45-day comment period.

ADWR staff also will notify interested parties via the AWPf e-mail distribution list.

592 Location for public viewing of applications

All current year applications are posted on the AWPf website for public review and comment. A personal copy of applications may be requested from ADWR Phoenix office for a copying charge per application. If specialty copies are requested (e.g. large maps) the requestor will be assessed that additional cost.

593 Public comment

All comments received during the 45-day comment period are sent to Commissioners for their consideration. If negative comments are received, they also are sent to the applicant.

Chapter VI. Application Review and Grant Selection Process

600 Application Screening

ADWR staff screens the applications for meeting certain criteria, including:

- Completeness,
- Adequate demonstration of control and tenure,
- Activities that are risky, unlawful, or outside the scope of the AWPF,
- Consistency with Commission policies including those in Section 552 of this document,
- Correct categorization of project type, and
- Compliance with five percent administrative costs maximum.

Generally, screening takes place within two to three weeks after receiving the applications. However, applications may be screened out anytime prior to applicant presentations.

ADWR staff will eliminate any applications from further consideration that are incomplete, clearly violate statutory requirements or Commission policy/program requirements, and any determined to be unlawful. ADWR staff will work with the Executive Committee to eliminate from further consideration any applications that appear to be inconsistent with Commission policy/program requirements.

610 Application Technical Review

611 Internal and external technical review

During application screening, ADWR staff will determine the scope of review for each application. ADWR has requested review by ADWR Hydrology, ADWR Active Management Areas, Arizona Game and Fish Department, Arizona Department of Environmental Quality, U.S. Fish and Wildlife Service and federal land management agencies. ADWR staff will consider these comments when conducting its technical review for the Commission.

612 Technical consultants

When an application requires review that is outside the expertise of the current staff, ADWR consults an expert in that technical field. ADWR staff seeks to obtain the expertise at no cost to the AWPF. Alternatively, acting with the approval of the ADWR Assistant Director, ADWR staff will pay for technical assistance from administrative funds if the expense is reasonable. If the costs or time needed to retain an expert with appropriate expertise are prohibitive, ADWR will notify the Commission. The Assistant Director may also determine that ADWR is unable to adequately respond to an application for lack of appropriate expertise or for other reasons, and will so notify the Commission.

613 ADWR staff technical review & rating

ADWR staff will prepare a written evaluation for each application that is not eliminated during the application screening process.

613.1 ADWR staff review for research duplication

Statute (§ 45-2113(H)(3)) instructs ADWR staff to check research applications to determine whether any research of similar nature has been or is in the process of being performed and is readily available. Statute also mandates that the Commission shall not award a grant for a research project on a subject where ADWR determines that sufficient data already exists and so notifies the Commission in writing.

613.2 ADWR staff evaluation and written review

ADWR staff will evaluate applications using the Evaluation Criteria developed by the Commission and described in the grant application manual. ADWR staff also will consider technical comments received from other internal and external reviewers. ADWR staff may ask applicants to provide clarification of information provided in grant applications. Applicants are permitted to clarify information as requested by ADWR staff, however are not permitted to submit completely new information.

ADWR staff will provide a written review to the Commission and individual applicants. The written review will describe how well the evaluation criteria have been met and assign a funding priority recommendation. Funding priority recommendation categories will be “High”, “Medium” and “Low”. Funding priority recommendations will be based on how strongly an application demonstrates the proposed project positively meets the evaluation criteria and purpose of the program.

ADWR staff reviews may include additional scope of work or contract conditions for the Commission to consider prior to grant award selection. Any such conditions will be required as part of a grant award contract, unless specifically excluded by majority vote of the Commission.

620 Applicant/Staff Presentations

621 Presentation dates and locations

Applicants will have an opportunity to orally present their proposals to the Commission in a public meeting. Staff may also present their comments to the Commission. The dates and locations for these presentations will be included in the annual grant application manual.

622 Commissioner conduct

The Commission is committed to treating all members of the public with respect. During the applicant and staff presentations, the Commission will adhere to the *Code of Respect* described in this manual, Section 408.

623 Meeting purpose.

The purpose of the applicant/staff presentation is for the Commission, ADWR staff and the applicant to personally communicate with each other about the applications.

624 Audience participation

Audience participation will not be recognized except at the two Calls to the Public.

630 Grant Selection

631 Policy on applicant communication with Commissioners prior to grant selection meeting

Applicants may contact individual Commission members to discuss political aspects regarding their applications and individual Commissioner grant selection criteria.

632 Grant selection procedure

The Commission will make grant award selections during a public meeting in accordance with Open Meeting law.

632.1 Organizing applications for the vote

The Commission Chair shall decide how to present applications for the vote. The public notice for the meeting shall specify the format for actions on applications. Applications have been listed in the following categories:

- **Consent agenda.** The Chair may request that staff prepare a consent agenda for some or all of the applications. Any Commissioner may remove applications from the consent agenda on the day of the vote. Without discussion, the Commission will vote as a block on those applications remaining on the consent agenda. Applications removed from the consent agenda will be discussed and voted on individually.

- Individual applications. The Chair may request that all applications be noticed individually on the agenda. The Commission will discuss and vote on all applications separately.

632.2 Commissioner discussion

Discussion will take place only between Commissioners during the voting meeting. The Chair may recognize some limited questions or clarifications between Commissioners and ADWR staff.

632.3 Audience participation

Audience participation will not be recognized except at the two Calls to the Public.

632.4 Grant award vote

Grants must be awarded by a majority vote of the Commission members present. The order in which applications are considered for award may be handled in a variety of ways. Typically, applications falling within the “High” funding priority staff recommendation category are considered first, followed by “Medium” and then “Low” funding priority staff recommendation categories. Within each funding priority category, a random drawing process is utilized to determine the order in which applications will be considered and voted on.

632.5 Commission explanation of vote

At the time of voting and to the extent possible, Commissioners may explain their votes. Explanations by Commission members assist applicants to understand issues of importance should their application not be selected for funding.

640 Grant Award Notification

All applicants will be sent written notification of the Commission’s grant selection meeting results within seven working days of the meeting.

650 Statutory Grant Award Timeframe

By statute, the Commission shall disburse monies within six months of receipt of the applications (§ 45-2113(A)).

Chapter VII. Grant Award = Contract

700 Grant is a Contract

701 A grant is a contract

An Arizona Water Protection Fund grant is an award of financial assistance where money is transferred from the state to a grantee through a public selection process and subsequent contract for the accomplishment of equivalent goods and services consistent with the AWPf statutory purposes. Because the Arizona State Constitution prohibits the state from giving gifts, grant monies are not just given to the grantee for his/her use. The grant is implemented through a contract. The contract itself consists of a scope of work and other contract provisions, some of which are negotiated with the applicant. The grant application is attached to each contract and is incorporated by reference.

No grant monies can be expended until the contract is executed, i.e. signed by all appropriate parties. When executed, the contract allows for mutually agreed to contract products (i.e. deliverables) with deadlines to be delivered to ADWR for reimbursement of actual grantee costs, up to a specified amount. ADWR staff reviews and must approve the deliverables before the grantee is reimbursed. There is substantial ADWR staff oversight of contracts to ensure that the deliverables received are adequate, appropriate and consistent with the contract.

702 Type of contract

Generally, grant awards result in reimbursable cost contracts or a specific mixture of the following types, as determined by ADWR staff. Overall, the Commission has expressed their preference for reimbursement contracts.

702.1 Reimbursable cost contract

A form of reimbursable cost contract is by far the most frequent type of grant award. This is a type of grant under which the Commission agrees to reimburse the grantee for work performed and costs incurred for each task, up to a certain amount of money specified in the contract. Cost overruns are the responsibility of the grantee and cost savings remain with the State. Each payment is conditioned upon receipt and approval by ADWR staff of the deliverables specified in the Scope of Work and an applicable, accurate, and complete payment request submitted by the grantee. A reimbursable cost grant poses difficulties for some grantees because the grantee must be able to pay for project costs up front and await reimbursement from the State.

702.2 Fixed price contract

A fixed cost contract has negotiated, fixed values for deliverables specified in the

contract. Each payment is conditioned upon receipt and approval by ADWR staff of the deliverables specified in the Scope of Work and an applicable, accurate, and complete payment request prepared by the grantee.

702.3 Reimbursement and fixed cost contract

A mixture of reimbursement and fixed cost contract is commonly used in this program. In many contracts, most deliverables are reimbursable, but the final report is a fixed cost deliverable. A final report with a reasonable value is consistent with sound contract management because payment for the final report is withheld until the contract is completed satisfactorily.

Contracts entered into with a state university may require primarily fixed costs for tasks and deliverables. In such instances, large materials cost or equipment purchases would still be on a reimbursement basis for actual costs. Before a contract is structured this way, the university must demonstrate the need to do so.

702.4 Cash advance

The Commission may advance up to 20% of the grant award, however no advance may exceed \$50,000.00. Cash advances must be requested in the grant application and are considered for approval when the Commission makes grant award selections. Cash advances may generally be requested for the purposes of purchasing materials to begin work on the contract. The grantee shall submit a complete and accurate payment request for the advance payment. When advance payment is made, the grantee shall demonstrate that all advance monies have been expended prior to billing the Commission for other allowable expenses. The remainder of the payments will be reimbursable.

If a contract is phased, the 20% advance applies to the amount of funding for that phase, rather than the total grant award. The advance must be expended at the beginning of the project and the remainder of the project costs handled on a reimbursement basis.

703 Contract scope of work

ADWR staff negotiates the contract scope of work for each grant based on information provided in the application. When the grantee requests to make significant changes to the scope of work compared to the original application, ADWR staff shall identify these changes to the Executive Committee. The Executive Committee will either make a decision on the issue or elevate it to the full Commission prior to entering into a contract. In finalizing the contract scope of work, each grantee should ensure that they have planned sufficient time and cash-flow to meet deadlines and deliverables specified within the contract.

When grants are awarded with ADWR staff conditions, these conditions shall be addressed during contract negotiations. During contract negotiations, staff will work with the Executive Committee to resolve issues where additional funding is needed to comply with the specified conditions.

704 Contract General Provisions

704.1 Description of General Provisions

There are basic requirements called General Provisions in all grant award contracts. Many are mandatory for all State contracts. Others were developed by and continue to be fine-tuned by the Commission, ADWR legal counsel and technical staff. Each of the General Provisions is meaningful and should be read and understood by grantees prior to contract execution.

704.2 Changes in General Provisions

Changes in the General Provisions are made by ADWR staff and/or the Commission. ADWR staff may make changes for clarification with legal counsel review. When changes to the General Provisions may result in a policy-level change, ADWR staff shall identify the issue to the Executive Committee who will make a decision on the issue, or elevate it to the full Commission. On rare occasions, ADWR executive management approval may also be required. ADWR staff will identify those types of situations for the Commission and ADWR.

704.3 Fundamental General Provisions

There are fundamental contract provisions that shall remain applicable in all grant awards, the principles of which are not negotiable. They are:

704.31 Resolution of differences provision

All disputes between grantees and the Commission will be handled consistent with the Resolution of Differences section of the General Provisions. The Commission values a cooperative working relationship and will endeavor to resolve differences before seeking legal remedies. In contracting with grantees, the Commission insists on retaining ultimate recourse to Arizona state court and application of Arizona law.

704.32 Right of access provision

The right of access to the project site for representatives of the Commission shall be retained. The purpose of access is to view and learn

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from the project, enhance effective communication between the parties and, in rare cases, enforce contract requirements.

704.33 Indemnification of the Commission and State

The grantee shall bear the risk of liability for its own actions and omissions throughout the entire life of the project by indemnification of the Commission and the State.

704.34 Long-term maintenance of funded features by grantees or their successors

The Commission seeks to fund projects that grantees and their successors intend to maintain long-term in order to make a lasting impact on the riparian ecology of a project site.. Also, the Commission believes that one of the great values of its projects is to maintain communication over time with grantees or their successors for the information the projects will continue to yield.

705 Contract Special Provisions

Special Provisions may either supplement or modify the General Provisions. Use of Special Provisions is rare and usually by grantee request. When they may result in a policy-level change, they must be approved by the Executive Committee or full Commission and by ADWR legal counsel and, on rare occasions, ADWR executive management personnel. ADWR staff will identify those types of situations for the Commission and ADWR.

706 Additional contract conditions or provisions

There may be additional conditions or contract provisions required by the Commission that may not be included in the original application, and to which the applicant must agree in order to receive funds.

710 Contract Negotiation: Role, Function & Relationships

711 The Commission

The Commission has delegated to the Chair the authority for reviewing and signing contracts and amendments. The Vice-Chair is delegated this authority in the absence of the Chair. ADWR staff is responsible for identifying contract policy issues during contract negotiations and bringing them to the attention of the Chair and/or Executive Committee as needed. The Chair and/or Executive Committee determine whether or not issues need to go to the full Commission for consideration. The Commission generally does not allow significant changes in the scope of work from what is presented in a grant application. If an applicant requests a significant change in the project scope of work during the contracting period, the Commission's general policy is that the applicant will be required to withdraw the application from further consideration. The Commission will allow an applicant to submit the new proposal during a subsequent grant cycle for consideration.

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712 ADWR staff

ADWR staff negotiates each contract based on information provided in the grant application to develop an enforceable legal document that details project tasks, deadlines, deliverables and payments. ADWR staff will elevate policy issues or problems to the Commission Chair and/or Executive Committee as appropriate.

713 Grantee

The grantee is the entity that receives a grant. The grantee is bound by a contract in which the grantee assumes legal and financial responsibility and accountability for the awarded funds and the performance of the grant-funded activities. The grantee/grantor relationship is intended to be mutually beneficial and friendly, but ultimately, the Commission expects the grantee to take full responsibility and accountability for meeting deadlines, accomplishing tasks, and producing quality products. The Commission commits funds and ADWR oversight for each contract but does not contribute direct project participation.

720 Contract Execution

A contract is considered executed only after all parties have signed the contract. The importance of contract execution is that AWPF-funded project expenditures can begin only after the contract has been executed.

730 Contract Period

By policy, the Commission has determined that five-years is the maximum contract period. Requests for a contract extension beyond the five-year period shall be reviewed and generally decided by the Executive Committee. The Executive Committee may determine to elevate that decision to the full Commission.

Chapter VIII. Grant (Contract) Administration

800 Role and Function

801 The Commission

The Commission has delegated to the Commission Chair the authority to review and sign contracts and contract amendments. The Vice-Chair is delegated this authority in the absence of the Chair. The Commission deals with broader grant administration policy issues while ADWR staff is responsible for the details of contract administration. ADWR staff is responsible for identifying any contract policy issues during the term of a contract and presenting them to the Chair and/or Executive Committee. Either of these entities then determines which issues to elevate to the full Commission.

802 ADWR staff

ADWR Project Managers oversee each contract from the state perspective. ADWR project managers have technical expertise and review and approve technical deliverables and project features in order to ensure that contracted deliverables are adequate, appropriate and consistent with the contract. ADWR staff may also employ technical consultants to assist them in reviewing deliverables or products that are outside the current staff expertise (see this manual, Section 612). Payments for products are released only after review and approval by ADWR staff. Staff depends upon grantees to communicate project modifications and problems promptly to their ADWR Project Manager in order to keep contracts current and reimbursements timely. Staff may make site visits during the application review, contract negotiation, grant period and/or maintenance period.

ADWR staff legal counsel will be consulted on relevant issues as needed during contract administration.

803 Grantee

See this manual, Section 713.

810 Grant Performance

Each grantee has full responsibility for the conduct of the project supported by a Commission grant and for the results achieved. Each grantee is responsible for:

- Understanding and complying with the terms and conditions of their contract.
- Meeting contract deadlines and deliverable requirements.
- Keeping the contract current and requesting amendments when needed.
- Planning and tracking the project cash-flow.
- Producing technically sound products.

Generally, payment is made on a reimbursable basis up to a fixed amount specified in the

contract, after products are received and reviewed by ADWR staff. Failure to keep a contract current, or failure to submit an adequate deliverable will delay payment. The Commission encourages grantees to promptly communicate with their ADWR project manager to inform them of changes in methodology, deliverables, schedule, etc. in order to keep reimbursements flowing.

820 Contract Changes and Amendments

821 Significant changes in scope

The Commission generally does not allow significant changes in the scope of work from what is agreed to in the contract. If an applicant requests a significant change in the project scope of work, the Commission's general policy is that the grantee will be required to withdrawal from the grant. The Commission will allow a grantee to submit the new proposal during a subsequent grant cycle for consideration. ADWR staff is responsible for identifying these situations and elevating them for attention. The Executive Committee or Chair will then determine if changes require full Commission approval.

822 Other project changes

Other contract changes such as extensions or minor scope of work changes can be accommodated by contract amendment. The ADWR Project Manager shall make this determination. If a contract amendment is needed, the Commission Chair is authorized to review and sign amendments.

823 Changes in methodology

Changes in methodologies such as sampling, revegetation, and study design plans, must be communicated to and approved in advance by the ADWR Project Manager in order to keep applicable project methodologies current. In most cases, the contract need not be amended but the relevant plan will need to be amended.

830 Site Visits

To the extent possible, ADWR staff will conduct project site visits during the term of the contract. Site visits are recognized to be mutually beneficial to aid with the exchange of technical information and development of good working relationships. In accordance with the Inspection section in the contract General Provisions, site visits will be coordinated with the grantee in advance with reasonable notice. Depending upon the circumstances, ADWR staff may request that the grantee notify the landowner in advance of the site visit. If for any reason ADWR staff should be denied access on the day of the site visit, staff will abort the visit and discuss the matter with the ADWR legal counsel and Commission Chair.

840 Significant Contract Conflicts

841 Stop Work Notice

In accordance with the Stop Work Notice section in the contract General Provisions, there may be occasion when there is a need to request that the grantee temporarily discontinue project work until certain issues are resolved. The ADWR Project Manager will determine when these notices are needed and may deliver the preliminary notice orally. In all cases, the notice will be put in writing with a description of the issues to be resolved and sent to the grantee by certified mail. Depending upon the severity and sensitivity of the issue the project manager may involve Legal Counsel or the Commission Chair. Significant conflicts arising out of the contract will be reported to the Chair and the Executive Committee.

842 Contract termination

In accordance with the Termination of Grants section in the contract General Provisions, there may be occasion to terminate contracts. The decision to terminate may be made by the Chair and the Executive Committee, with the advice of staff, or may be elevated to the full Commission.

843 Ultimate dispute resolution in Arizona state court

Reference Section 704.31 of this manual.

850 Contract Close-Out

Grant close out is the process by which ADWR staff determines that all applicable administrative actions and all required work of the grant have been completed. Grants will be closed out upon inspection of the site, if appropriate; confirmation by the ADWR Project Manager that all deliverables have been adequately completed; and disbursement of final contract payment.

860 Audit

ADWR and grantee files are subject to inspection and audit. ADWR records will be retained and organized to document compliance with terms of the contract.

870 Long Term Monitoring by the Commission

It is the intent of the program to establish long-term monitoring of the success of capital projects as a function of ADWR program management. As possible, ADWR staff will conduct project success monitoring at regular intervals generally up to a 20-year period after grant execution.

Chapter IX. Grantee Financial Standards and Payment

900 Grantee Financial Obligations

The grantee assumes legal and financial responsibility and accountability for the awarded funds. The acceptance of a grant from the Commission creates a legal duty on the part of the grantee to use the funds in accordance with the terms of the grant.

910 Books and Records

While no particular type of record keeping is required, the Commission expects that the grantee will exercise careful stewardship and accounting of funds. The General Provisions of program contracts require that the grantee keep adequate books and records of work performed and expenditures incurred for five years after grant termination. Specifically, financial records shall: (1) identify the task completed; (2) include records of the time the grantee spent in performing the services set forth in the scope of services; (3) include original copies of invoices, statements, sales tickets, billings for services and similar documents in the grant as necessary to document all expenditures applicable to the grant. Grantee books and records are subject to audit.

920 Administrative Costs

See Section 551 of this manual.

930 Payment Process

Accurate and complete payment requests should be submitted on Commission payment request forms. Payments are released after review and approval of deliverables and receipt of invoices. Payments are generally made on a reimbursable basis. ADWR requires at least 30 days to process payments once deliverables and payment requests are approved.

940 Cash Advances

See Section 702.4 in this manual.

Chapter X. Grantee Requirements After the Term of the Grant

1000 Capital Improvements Ownership

Capital improvements funded by the Commission become the property of the grantee or the landowner at the completion of the grant period.

1010 Capital Improvements Maintenance

In each grant award contract, the grantee agrees to maintain the capital improvements for a specified period of time, generally 20 years following execution of the grant or as specified within the contract. The grant acknowledges that “acts of God” may alter riparian projects and provides for notification of the Commission, joint assessment of damages and determination of continuation of the project.

1020 Inspection and Access

Within each grant, the Grantee agrees to allow the Commission or its agents access to properties with Commission funded capital improvements for a specified period of time, generally 20 years following execution of the grant, in order to conduct studies to determine success of the funded project.

Chapter XI. Commission Outreach Activities

1100 Commission Outreach Activities

Written or presentation outreach materials will be reviewed by ADWR staff and/or the Commission Chair. The Chair may determine that Executive Committee review is necessary.

Chapter XII. Commission Relationship With the Legislature

1200 Commission Annual Report

Statute requires the Commission to submit an annual report to the Governor, the President of the Senate and the Speaker of the House by July 1 of each year (§ 45-2107).

The report shall describe the actions taken by the Commission and expenditures made from the AWPf during the previous fiscal year. ADWR will prepare this report in coordination with the Commission Chair.

1210 Commission Communication with the Legislature

There are times when the Commission will want to provide information to the Legislature concerning its activities and related benefits to the State. The Commission will communicate with ADWR about its needs for legislative support. The Commission Chair generally will be the lead contact for those activities. ADWR staff will prepare back-up materials for legislative communication and may attend legislative meetings along with appropriate Commissioners or the ADWR legislative liaison. Under the general legislative definition of lobbyist, some of the Commission's communication with the Legislature may be considered lobbying. In accordance with the law, the Chair and ADWR Program Manager therefore may be required to register as lobbyists. This issue will be coordinated with the appropriate legislative liaison.

SAMPLE ONLY

Board Member Compensation and Travel Reimbursement

PURPOSE

The purpose of this policy is to establish guidelines for payment for or reimbursement of the expenses members of the “Board” incur while carrying out their responsibilities/duties as Board members.

POLICY

Pursuant to A.R.S. §

For the purposes of compliance with this statute, the following definitions apply:

“Day” means from 1 hour, up to eight hours of time worked in the same calendar day.

“Preparation” means actual time spent reviewing all materials submitted for discussion at an upcoming Board meeting.

“Service” means preparation for a Board meeting, Board meeting attendance and participation, travel in the service of the Board, and attendance at meetings in the service of the Board, regardless of where they may occur.

“Telephonic” means a public meeting of a quorum of the Board where the Board members appear by phone.

Compensation will be paid as follows:

Board meeting attendance

- For each Board meeting attended in person or at least two (2) hours up to eight (8) hours in the same calendar day: 1 day paid - \$30.00

Telephonic Board meetings lasting less than two (2) hours of time in the same calendar day may not be compensated, as there is typically minimal material, less than one (1) hour for preparation and meeting and no travel time.

Board member compensation will be processed via the State of Arizona payroll system. Board members shall complete and sign timesheets to obtain payment.

MILEAGE REIMBURSEMENT FOR TRAVEL

Mileage reimbursement for Board Meeting attendance:

Mileage shall be paid pursuant to State of Arizona Travel policies

To receive reimbursement, Board members shall complete and sign a State of Arizona Travel Claim form approved by the Board Executive Director.

Commented [MS1]: You do not have to have this much detail depending on what you intend to pay Commission members for.

Commented [MS2]: Again this does not have to be this detailed but depending on what the Commission wants to pay members for, it could be.

Mileage reimbursement for non-Board meeting functions/meetings:

All Board members are eligible for mileage reimbursement for other Board functions where Board member attendance has been requested by the Board or Executive Director. Examples include legislative hearings and stakeholder meetings.

Mileage shall be paid to/from the Board member's workplace to the Board-related function/meeting.

PROCESS FOR PAYING PER DIEM COMPENSATION

Add your process or this can be part of the agency/board documented operating procedures

SAMPLE