ATTENDANCE
Commission Voting Members Present
Pat Jacobs – Chairman
Rodney Held – Vice-Chairman
Brian Biesemeyer
Shelley Blackmore
Paul Brick
Roy Pierpoint
William Schock

Arizona Water Protection Fund Staff
Sharon Scantlebury
Reuben Teran

Commission Voting Members Absent
Lucinda Earven

CALL TO ORDER
Chairman Pat Jacobs called the meeting of the Arizona Water Protection Fund (AWPF) Commission to order at 9:01 a.m.

COMMISSION MEMBER ROLL CALL
Mr. Reuben Teran called the roll of the AWPF Commission. Only 3 voting members of the Commission were present at the time of the roll call (Chairman Pat Jacobs, Commissioner Brian Biesemeyer, and Commissioner Roy Pierpoint). Chairman Jacobs stated that without a formal quorum of the Commission no formal business actions will be taken.

Chairman Jacobs commented that several groups have been invited to speak or present at this meeting and asked the Executive Director to introduce these groups. Mr. Teran replied that Sandhill Farm, L.L.C. is present and will only provide a presentation and update on the grant award project associated with agenda item IV. which does not require any formal Commission action. Chairman Jacobs then stated that agenda item IV. Project Closeout Presentation. AWPF Grant 20-203WPF: Sandhill Farm Water and Wildlife Conservation Project will be moved up on the agenda to be heard at this time.

PROJECT CLOSEOUT PRESENTATION. AWPF GRANT 20-203WPF: SANDHILL FARM WATER AND WILDLIFE CONSERVATION PROJECT

• Presenter – James Davenport, Construction Manager for Sandhill Farm, L.L.C

Ms. Katie Belk-Arenas introduced Mr. John Blanton Belk and Mr. James Davenport. Mr. Belk thanked Mr. Teran for his grant administration support during the project, and thanked the Sandhill Farm team for
their work on the project. Mr. Davenport then presented a slideshow of the project with its results and accomplishments.

Chairman Jacobs thanked the members from Sandhill Farm, L.L.C. for their presentation and asked Commission members if they had any questions or comments for the presenter. There were no questions or comments from the Commission.

COMMISSION MEMBER ROLL CALL (continued)
Chairman Jacobs asked for another roll call of Commission members to determine if there was a quorum of voting members. Vice-Chairman Rodney Held commented that he had joined the meeting late but that he is present now. Mr. Reuben Teran called the roll of the AWPF Commission. Based on the roll call there were only 4 voting members of the Commission present (Chairman Jacobs, Vice-Chairman Held, Commissioner Biesemeyer, and Commissioner Pierpoint) and a formal quorum was not yet reached.

Chairman Jacobs stated that he will continue the meeting informally and that any agenda items that require formal Commission action will not be discussed. He then stated that agenda item VII. Arizona Water Protection Fund Program Updates will be moved up on the agenda to be heard at this time.

ARIZONA WATER PROTECTION FUND PROGRAM UPDATES

- Commission Membership Update
Mr. Teran stated that currently there is only one voting member vacancy on the Commission which is the Indian Tribe representative whose appointing authority is the Chairman of the Inter Tribal Council of Arizona. He further stated that he has been in contact with the Executive Director of Inter Tribal Council and notified her that there is a Commission member vacancy and provided her with a brief background on the AWPF program.

Mr. Teran then provided updates to the Commission membership that occurred in February 2021:

Appointments:
- Mr. Brian K. Biesemeyer, affiliated with the City of Scottsdale was appointed by Governor Ducey. The statutory category he represents is a Member of the Public – B.S. in Hydrology – City Served by the Central Arizona Project. Commissioner Biesemeyer's appointment filled a 2-year vacancy following the resignation of Commissioner Mark Holmes in 2018. This appointment is through June 30, 2022.

Chairman Jacobs welcomed Mr. Biesemeyer to the Commission and asked if there was any other information he would like to share about himself with the Commission. Commissioner Biesemeyer stated that he is the Executive Director for Scottsdale Water and has been working in the water industry for 30+ years, and commented that he is looking forward to working with the Commission to improve water resources and watershed health in the State.

Re-Appointments:
- Chairman Pat Jacobs, affiliated with the Central Arizona Project, was re-appointed by the Central Arizona Water Conservation District Board. The statutory category he represents is Multi-County Water Conservation District and this is a re-appointment of his current position through December 31, 2022.
• Mr. Rodney Held, affiliated with Salt River Project, was re-appointed by Governor Ducey. The statutory category he represents is Agricultural Improvement District, and this is a re-appointment of his current position through June 30, 2023.

• Mr. William Schock, affiliated with the Santa Cruz Natural Resource Conservation District, was re-appointed by Governor Ducey. The statutory category he represents is State Association of Natural Resource Conservation Districts, and this is a re-appointment of his current position through June 30, 2022.

COMMISSION MEMBER ROLL CALL (continued)
Mr. Reuben Teran again called the roll of the AWPF Commission to determine if a formal quorum of the Commission was now present. 5 voting members of the Commission were present at the time of the roll call (Chairman Pat Jacobs, Vice-Chairman Held, Commissioner Brian Biesemeyer, Commissioner Paul Brick, and Commissioner Pierpoint) and a quorum of the Commission was now present.

Chairman Jacobs stated that with a quorum of the Commission he is formally calling to order the meeting where business actions can now be taken.

REVIEW AND APPROVAL OF THE NOVEMBER 10, 2020 MEETING MINUTES
Chairman Jacobs asked for any discussion or comments on the draft meeting minutes. Mr. Teran stated that he did receive an email from Commissioner Schock with some minor editorial comments and offered to read those suggested edits to the Commission. Chairman Jacobs inquired if they were substantive changes or typographical in nature. Mr. Teran responded that they were typographical errors on two words and one misspelled name.

Vice-Chairman Held made a motion to approve the November 10, 2020 meeting minutes with the three corrections as presented, with a second from Commissioner Biesemeyer. The motion passed unanimously.

AWPF GRANT 20-205WPF: UPPER, MIDDLE, AND LOWER FOSSIL CREEK INVASIVE PLANT REMOVAL
Commissioner Biesemeyer stated that he is recusing himself from this discussion because the City of Scottsdale was previously invested in this project.

Mr. Teran introduced Ms. Sasha Stortz, Arizona Program Manager for the National Forest Foundation, and Ms. Tracy Stephens with Friends of the Verde River. Ms. Stortz stated that due to unforeseen circumstances there is a need to extend the grant award contract expiration date, and provided a slideshow presentation on the project.

Chairman Jacobs asked Commission members for any questions or comments. Vice-Chairman Held inquired if this was the project that was discussed at a previous Commission meeting to add additional treatments to the scope of work. Mr. Teran responded that this project was discussed at the March 2020 Commission meeting and stated that the original grant application included monitoring and treatments for Upper and Middle sections of Fossil Creek. During the grant award contract negotiations, the National Forest Foundation requested to slightly modify the overall scope of work and extend the project area to
include additional treatments to approximately six river miles of lower Fossil Creek, with no additional grant funding requested.

Chairman Jacobs asked if there are any budget revisions with the request presented to the Commission today. Mr. Teran responded that there is no budget revision requested, and the changes requested to the grant award contract include extending the expiration date from December 31, 2022 to July 31, 2023 and modifying deliverable due dates within the scope of work to accommodate the extended time period.

With no other comments or questions Chairman Jacobs asked if there was a motion to extend the grant award contract date. Vice-Chairman Held made a motion to approve the request to extend the grant award contract expiration date, with a second from Commissioner Brick. Chairman Jacobs called for a vote on the motion. Chairman Jacobs, Vice-Chairman Held, Commissioner Brick, and Commissioner Pierpoint voted (Aye), and one Commissioner has recused himself. The motion passed.

**GRANT 19-199WPF: HEADWATER STREAM RESTORATION - COYOTE SPRINGS, MUSEUM OF NORTHERN ARIZONA, FLAGSTAFF**

Mr. Teran presented a letter that was submitted by the Museum of Northern Arizona that explains the current status of the project including the request to remove the Task 1a water right sever and transfer clause from the scope of work for the project. He also briefed the Commission on the history of the project from the grant application review phase to the execution of the grant award contract.

Mr. Teran stated that during the grant application review period comments from the Arizona Department of Water Resources (ADWR) Surface Water Program found that a surface water report included with the grant application showed that Ms. Mary Colton was the holder of Certificate of Water Right (CWR) No. 2919 for Coyote Spring. Based on the information in the application, it appeared that CWR 2919 would no longer be used for domestic purposes. If the place of use listed in CWR No. 2919 is owned by the Museum of Northern Arizona (MNA), the applicant would then need to file a Request for Assignment with the ADWR to transfer ownership of the CWR pursuant to Arizona Revised Statute § 45-164. In order to use the CWR for other beneficial uses at different places of use MNA would also have to file an Application to Sever and Transfer with ADWR. Per recent discussion with the grantee, Staff was informed that CWR originally held by Ms. Colton has since been conveyed to the Museum of Northern Arizona through wills and/or deeds. However, the water use description has not been changed.

Mr. Teran stated that the grantee has requested to remove the section pertaining to the severance and transfer language from the grant award contract. He then introduced Mr. Larry Stevens from the Springs Stewardship Institute and The Museum of Northern Arizona, Inc. who is available to answer any questions or provide further clarification.

Mr. Stevens stated that the water right was originally held by Mary Russell Colton who was the founder of the museum. He explained that the land and water rights were deeded to her son, who then deeded them to The Museum of Northern Arizona, Inc. He further stated that as they were researching the sever and transfer process for the water right they found the process could be very lengthy and cost a substantial amount of money so they began to reconsider the need for that verses simply maintaining the domestic use water right for the site. He stated that the water right from Coyote Springs was originally established for uses which are no longer permitted in the City of Flagstaff, which included livestock maintenance, and The Museum of Northern Arizona, Inc. is now committed to using the City’s water supply. He further commented that The Museum of Northern Arizona, Inc. does use the project site for educational purposes which include elementary school, high school, and professional trainings at the spring site.
Mr. Stevens stated that The Museum of Northern Arizona, Inc. is requesting that the sever and transfer language in the grant award contract be removed, and that they be allowed to continue to maintain their existing domestic water right to be used as the legal application to continue with the project activities.

Mr. Teran stated that the reason this is being brought before the Commission today is because a grant award contract deliverable includes documentation of the severance and transfer of CWR No. 2919 that identifies The Museum of Northern Arizona as the legal owner of the CWR No. 2919, and documents the water as legally available for the intended purpose of spring and wetland restoration pursuant to Arizona Revised Statute § 45-164. Also included in the contract was a clause that if the severance and transfer of CRW No. 2919 cannot be completed, no further work shall be implemented under this agreement without the consent of the Commission, and the parties shall re-assess the feasibility of completing the remaining scope of work and overall project as proposed in Arizona Water Protection Fund Application WPF1914.

Vice-Chairman Held commented that his concern from a legal standpoint is that the CWR is not in The Museum of Northern Arizona, Inc. name, and that is appears they are changing the beneficial use from domestic to habitat so the legal use of water would be in question. He then requested further clarification on how it was determined that there is now not a need to transfer the CWR to the name of The Museum of Northern Arizona, Inc. if they are the entity that is actually going to be using the water because otherwise they do not have a legal basis for using the water. Mr. Teran responded that there was a meeting a few weeks ago between ADWR staff, Mr. Stevens, and himself regarding the current status of the water right, and Mr. Stevens was informed that although water coming from the spring will not be diverted and continue to flow in the natural channel as is currently does, there will be no long term protections of that water source or the proposed habitat improvements to be implemented through this project should water be diverted from the spring source itself by another water right holder in the future. Mr. Teran then asked Mr. Stevens for clarification if other water right holders to the water take their allotments from a diversion point downstream of the project area. Mr. Stevens stated his understanding is that there are no other water right holders at the spring source except for them, but the water from the spring is currently used for landscaping purposes by the Coyote Springs development downstream and they would not change the amount of flow going to that purpose. Mr. Stevens stated that The Museum of Northern Arizona, Inc. is cited in a series of wills pertaining to the land and water resources, and they believe that the deeds through the wills give them jurisdiction to the water rights.

Vice-Chairman Held stated that his concern is that the current CWR with a date of 1952, which is the legal basis for use of that water, is not in the name of The Museum of Northern Arizona, Inc., and commented that even if they have the deeds there is still a means by which that certificate would need to be transferred. He further stated he would be more comfortable if he knows the ADWR’s position if The Museum of Northern Arizona, Inc. has the legal right to that water for this project before the Commission would move forward with approving the project to continue. He would also like to know if there are any other claimants, and their priority date, who have a CWR or claim to the water from the spring source. He also stated that he is not comfortable with approving this request based on the information that is available, due to the fact that the CWR is not in their name and the stated beneficial use on the CWR is for domestic purposes and not for habitat or wetland protection. He further commented that he would like to have documentation or buy-in from the ADWR that there are no legal concerns regarding the stated beneficial use and CWR ownership for the project prior to any further discussions or approval from the Commission.

Commissioner Biesemeyer stated that he shares the concerns of the Vice-Chairman and would also like something in writing from ADWR on the legal status of water rights and if they would have an impact on the project or not.

Commissioner Brick stated that he also shares the Vice-Chairman’s concerns.
Vice-Chairman Held made a request to have formal opinion from the ADWR if The Museum of Northern Arizona, Inc. 1) has the legal right to use the CWR as a basis for the beneficial use for this project, and 2) if there needs to be any assignment or sever and transfer of the water right.

Chairman Jacobs tabled this agenda item and directed AWPF staff to work with ADWR staff to address Vice-Chairman Held’s questions and report back to the Commission at the next meeting.

COMMISSION MEMBER ROLL CALL (continued)
A quorum of the Commission was present, but Mr. Teran again called the roll of the AWPF Commission to determine if any other Commission members were in attendance. 7 voting members of the Commission were present at the time of this roll call (Chairman Pat Jacobs, Vice-Chairman Held, Commissioner Brian Biesemeyer, Commissioner Shelley Blackmore, Commissioner Paul Brick, Commissioner Pierpoint, and Commissioner William Schock).

ARIZONA WATER PROTECTION FUND PROGRAM UPDATES (continued)

- Financial Update
Mr. Teran provided an update on the AWPF fund balance from July 1, 2020 through February 28, 2021, and described the current totals for revenues and expenditures for both the grant fund account and administration account. The fund balance on July 1, 2020 was $3,428,028.

Total revenues for the grant account from July 1, 2020 – February 28, 2021 were $25,780 and Mr. Teran explained that this total does reflect a transfer of $161,720 from the grant account to the administration account that was approved by the Commission in June 2020. Mr. Teran also stated that there was a $250,000 appropriation to the fund through ADWR’s budget, and clarified that deposits from this appropriation are only made on a quarterly basis and that is why the General Fund Appropriation line item only shows deposits totaling $187,500 as of February 28, 2021.

Total expenditures from July 1, 2020 – February 28, 2021 totaled $1,122,548. The fund cash balance on February 28, 2021 was $2,501,883. This total includes $2,400,933 from the grant account, and $100,900 from the administration account.

Mr. Teran identified existing grant award contract obligations as $1,765,321. He explained that these are funds that have been obligated by the Commission for grants, but are not accounted for in the available fund cash balance. Considering this information, the uncommitted AWPF fund balance is $736,512 which includes $635,611 from the grant account, and $100,900 from the administration account.

Chairman Jacobs commented that the $250,000 appropriation through the Department of Water Resources budget has typically been used to help cover the program administration costs, and any other appropriations through the Legislative process are typically used for grant awards. Chairman Jacobs asked for any other comments or questions from the Commission. No questions or comments were made.

- Legislative Update – Ben Alteneder, ADWR Chief Legislative Liaison
Mr. Teran introduced Mr. Ben Alteneder who provided a legislative update and slide show presentation to the Commission.
Chairman Jacobs asked if there were any questions or comments from the Commission. No questions or comments were made.

- **Opportunity for Commission Compensation Policy Development**
  Mr. Teran stated that this in an informational item and no Commission action is requested at this time. He then stated that over the last 2 years the State Auditor’s Office has been conducting annual reviews of per diem compensation and reimbursement of expenses for members of state boards, commissions, councils, and advisory committees and 2020 included the Arizona Water Protection Fund Commission. The review consisted of a short phone conversation between AWPF staff, ADWR Chief Financial Officer, and State Auditor’s Office about the controls over payments made to Commission members.

  Mr. Teran stated that the auditor asked if Commission members are requesting and being reimbursed the $30/day as noted in statute. Our response was that reimbursements are made if and when a Commission member specifically requests reimbursement, and that in recent history the $30/day has not been requested by any Commission members, but a few have requested reimbursement for travel and per diem expenses related to AWPF Commission meetings. He stated that following the review one specific Commission member reimbursement transaction was audited and to date he has not heard of any concerns or follow-up questions.

  Mr. Teran also stated that the State auditor made a recommendation for the Commission to consider developing policies and procedures identifying what Commission related business activities would be acceptable for the $30/day payments should members start requesting these payments.

  Chairman Jacobs asked if there were any questions or comments from Commission members. Commissioner Schock stated that he supports moving forward with this process, and commented that there are 5 Natural Resource Conservation District members on this Commission who are not paid for their time to attend these meeting, and that it is time that others started to value their time. Vice-Chairman Held stated that he supports developing a policy as well, and commented that this reimbursement to Commission members has always been available since the program began but it was a Commission member’s responsibility to fill out the paperwork to get reimbursed. Commissioner Schock stated that he was not aware that this reimbursement was possible and was appreciative to know that the opportunity exists.

  Chairman Jacobs commented that it was the State auditors that recommended the Commission develop this type of policy and asked Mr. Teran to verify if this was correct. Mr. Teran responded that the State auditors did recommend a policy development for clarification purposes as to what activities, and time spent on these activities, would be acceptable for reimbursement. He also stated he believes that reimbursements for these activities would come from the AWPF administration account. He further clarified that the $30/day reimbursements would be in addition to approved lodging, travel, and per diem reimbursement requests from Commission members.

  Vice-Chairman Held stated that although a formal AWPF Executive Committee has not yet been established and will be discussed later in the agenda, he suggested that this item be placed on a future Executive Committee meeting agenda to develop a draft policy and then take those recommendations to the full Commission for a discussion and action. Chairman Jacobs supported that recommendation, and directed staff to move forward with planning next steps.

- **Opportunity for Open Meeting Law Training**
  Mr. Teran stated that ADWR legal division has recommended that all boards and commissions affiliated with the agency should consider open meeting law training at a future meeting, and given that we have had
several new appointments in the last year he suggested it may be pertinent for the Commission to consider scheduling a training for all Commission members. He commented that he did inquire if ADWR legal staff could provide the training, but was informed that any trainings should be coordinated through the State Ombudsmen’s office. He also stated that he has contacted the trainer from the Ombudsman office and was notified that the training will last approximately 60 minutes with time for questions.

Chairman Jacobs asked if there were any questions or comments from the Commission. Vice-Chairman Held stated that it may be confusing to the public to have a training as part of a public Commission meeting, and recommended that a stand-alone training session be scheduled for Commission members to attend and keeping it separate from a public meeting. Mr. Teran stated that he will confer with AWPF legal staff on how best to proceed and provide public notice for this type of training session where a quorum of the Commission may be present.

Chairman Jacobs commented that the Central Arizona Water Conservation District has open meeting law training every two years and it is included as part of the meeting agenda conducted during the public meeting. He then stated that he will defer to ADWR legal staff guidance on proceeding with noticing for this training session, and directed the Executive Director to move forward with planning an open meeting law training session.

GRANT CYCLE PLANNING
Mr. Teran stated that although the program’s budget is not yet known for the next fiscal year, this is the time that staff needs to begin the preliminary planning process for a potential grant cycle. He then presented a draft fiscal year 2022 grant application process schedule that would begin in July 2021, have grant applications due in September 2021, include a 45-day public comment period, and have Commission grant selections in November 2021.

Chairman Jacobs asked if there were any questions or comments from the Commission. Vice-Chairman Held stated that he supports planning for a grant cycle, given the potential for a legislative appropriation for the program in fiscal year 2022. Commissioner Biesemeyer stated that he also supports planning for a future grant cycle. Commissioner Schock commented that the proposed date to submit grant applications is September 2021, and inquired what part of September it was anticipated applications would be due. Mr. Teran responded that in previous grant cycles the deadline was within the first week of September and this will most likely be the case for fiscal year 2022, considering the 45-day public comment and grant selections to be completed by mid-November.

Commissioner Schock inquired if the 45-day public comment period was required by the State or by statute. Mr. Teran responded that the 45-day public comment period is required by statute. He also stated that many notices are required to be sent out to entities that may be affected that include, but are not limited to, counties, cities, towns, special districts, and Indian Tribes. Commissioner Schock inquired if many public comments are received. Mr. Teran responded that in general, very few public comments are received as part of the 45-day public comment period and any letters that are received during that time are provided to Commission members with the AWPF staff review of the grant applications.

Vice-Chairman Held made a motion to accept the proposed schedule and begin planning for a fiscal year 2022 grant cycle, with a second from both Commissioner Schock and Commissioner Brick. The motion passed unanimously.
**AWPF EXECUTIVE COMMITTEE MEMBER APPOINTMENT**

Mr. Teran stated that per the AWPF Commission Policy and Procedures Manual section 411.10 Executive Committee Members, the Chairman may appoint a Commission member to serve on the AWPF Executive Committee. Chairman Jacobs stated that since he has been on the Commission, he was not aware if any appointments have been made to the AWPF Executive Committee, and that this committee has not been active in recent years. He commented that based on discussions at today’s meeting there is a need to re-establish an Executive Committee. He then stated that any Commission member interested in serving on the AWPF Executive Committee please respond to the Executive Director by March 23, 2021, and he would then make an appointment based on the list of interested Commissioners.

Vice-Chairman Held commented that it may be helpful to remind Commission members about the role of the Executive Committee. For reference Mr. Teran then read excerpts from the current AWPF Policy and Procedures manual section 411.10 Executive Committee Members. Chairman Jacobs then requested that a copy of the policy and procedure manual be sent to each Commission member for their reference following the meeting.

Mr. Teran stated that based on today’s discussion he understands no formal action will be taken by the Commission, but the item will be tabled and discussed at the next full Commission meeting.

**CALL TO THE PUBLIC**

Chairman Jacobs made a call to the public and requested that comments be limited to 3-minutes.

**CALL FOR FUTURE AGENDA ITEMS**

Chairman Jacobs asked the Commission members for any suggested future agenda items. No agenda items were suggested by the Commission, but Mr. Teran reiterated the list of future agenda items he captured based on today’s meeting:

- Commission member compensation policy development suggested for the next Executive Committee meeting
- Open meeting law training
- Executive Committee member appointment. Vice-Chairman Held stated that he does not believe an appointment to the Executive Committee needs to be done during a public meeting, but can be made by the Chairman after he receives a list of interested candidates. Mr. Teran stated that he will then plan on presenting this item as an in informational update at the next full Commission meeting.

**FUTURE MEETING DATE(S)**

The Commission selected Tuesday, June 15, 2021 at 10:00 a.m. as the next Commission meeting date. The meeting is planned to be held virtually.

**ADJOURN**

With no other agenda items Chairman Jacobs asked if there is a motion to adjourn. Commissioner Schock made a motion to adjourn, with a second from Commissioner Biesemeyer. The motion passed unanimously, and the meeting adjourned at 11:05 p.m.
NOTICE OF PUBLIC MEETING

Pursuant to A.R.S. § 38-431.02, notice is hereby given that there will be a meeting of the Arizona Water Protection Fund (AWPF) Commission on **Tuesday, March 16, 2021 at 9:00 a.m.** This meeting is open to the public. Due to safety considerations during the COVID-19 pandemic and guidance from the Centers for Disease Control and Prevention for large events and mass gatherings, the AWPF Commission will be conducting this meeting in a virtual format. The meeting information and agenda are described below.

**Cisco Webex Meeting Information**

Link: [https://azgov.webex.com/azgov/j.php?MTID=m46c774de858a280349cac8290fd77d22](https://azgov.webex.com/azgov/j.php?MTID=m46c774de858a280349cac8290fd77d22)

Meeting Number (Access Code): 133 752 9400

Meeting Password: yGDWv28yRM8

or

**Join by Phone**


Dated this 8th day of March 2021

**Arizona Water Protection Fund Commission**

**Meeting Agenda**

I. Call to Order –Chairman Pat Jacobs

II. Commission Member Roll Call – Executive Director

III. Review and Approval of the November 10, 2020 Meeting Minutes – Chairman Pat Jacobs

IV. Project Closeout Presentation. AWPF Grant 20-203WPF: Sandhill Farm Water and Wildlife Conservation Project – Sandhill Farm, L.L.C.
   • The Commission will be updated on the final status and results of the project.

V. AWPF Grant 20-205WPF: Upper, Middle, and Lower Fossil Creek Invasive Plant Removal – National Forest Foundation
   • The Commission will discuss and may take action on the request from the Grantee to extend the grant award contract expiration date.
   • The Commission will be updated on the water rights status of the project and may take action to amend the scope of work of the grant award contract.

VII. Arizona Water Protection Fund Program Updates – Executive Director
   • Commission Membership Update
   • Financial Update
   • Legislative Update – Ben Alteneder, ADWR Chief Legislative Liaison
   • Opportunity for Commission Compensation Policy Development
   • Opportunity for Open Meeting Law Training

VIII. Grant Cycle Planning – Executive Director
   • The Commission will discuss and may provide direction on planning for a future grant cycle.

IX. AWPF Executive Committee Member Appointment – Chairman Pat Jacobs
   • The Chairman may appoint a Commission member to serve on the AWPF Executive Committee per AWPF Commission Policy and Procedures Manual section 411.10 Executive Committee Members.

X. Call to the Public – Chairman Pat Jacobs

XI. Call for Future Agenda Items

XII. Future Meeting Date(s) – Chairman Pat Jacobs

XIII. Adjourn – Chairman Pat Jacobs

• The Arizona Water Protection Fund Commission may elect to go into Executive Session for the purposes of obtaining legal advice from its attorney on any of the listed agenda items pursuant to A.R.S. § 38-431.03(A)(3). Executive sessions are not open to the public.

• Agenda items may be taken out of order. No action may be taken on items unless specifically noted on the agenda.

• Members of the Arizona Water Protection Fund Commission may appear by telephone.

• Agenda and backup/supporting documents can be obtained by contacting Sharon Scantlebury at 602-771-3957 or sscantlebury@azwater.gov.

• People with disabilities may request reasonable accommodations such as interpreters, alternate formats, or assistant with physical accessibility. If you require accommodations, please contact Jennifer Marteniez at (602) 771-8426 or by e-mailing jkmarteniez@azwater.gov Please make requests as soon as possible to allow time to arrange the accommodation.
ARIZONA WATER PROTECTION FUND COMMISSION

Business Meeting – November 10, 2020
Virtual Meeting via Cisco WebEx
Meeting Number (Access Code): 133 035 7240
Meeting Password: pVP7MSj83
1-404-397-1516 US Toll

DRAFT Meeting Minutes

ATTENDANCE
Commission Voting Members Present
Pat Jacobs – Chairman
Rodney Held – Vice-Chairman
Shelley Blackmore
Lucinda Earven
Roy Pierpoint
William Schock

Arizona Water Protection Fund Staff
Sharon Scantlebury
Reuben Teran

Commission Voting Members Absent
Paul Brick

CALL TO ORDER
Chairman Pat Jacobs called the meeting of the Arizona Water Protection Fund (AWPF) Commission to order at 10:04 a.m.

COMMISSION MEMBER ROLL CALL
Mr. Reuben Teran called the roll of the AWPF Commission. Six voting members were in attendance, and a quorum of the Commission was present.

Mr. Teran introduced Ms. Shelley Blackmore as the newest member appointed to the AWPF Commission by the President of the Arizona State Senate. Ms. Blackmore is representing the Natural Resource Conservation District statutory category, and is currently affiliated with the Triangle Natural Resource Conservation District.

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 JUNE 16, 2020 MEETING MINUTES
Chairman Jacobs asked for any discussion or comments on the draft meeting minutes. Vice-Chairman Rodney Held stated he noted a few minor typographical edits, and could work with Mr. Teran to clarify them following the meeting or he can discuss them now. Chairman Jacobs stated that those minor corrections can be made following the meeting and be incorporated into the final meeting minutes. Commissioner Roy Pierpoint made a motion to approve the June 16, 2020 meeting minutes as corrected, with a second from Vice-Chairman Held. The motion passed unanimously.
Mr. Teran stated that he has been notified that one Commission member may have to leave the meeting early today, and stated that agenda item IX, AWPF Grant 19-196WPF: Do Native Fish Facilitate the Persistence of Endangered Spikedace By Resuspending Food Particles? requires Commission action. He stated that the Commission may move forward with the agenda as listed, but did remind them that the meeting notice does provide the Commission the opportunity to take agenda items out of order, if necessary. Chairman Jacobs asked the Commission if there was any objection to moving agenda item IX to be heard now by all current Commission members present. There was no objection by the Commission members.

**AWPF GRANT 19-196WPF: DO NATIVE FISH FACILITATE THE PERSISTENCE OF ENDANGERED SPIKEDACE BY RESUSPENDING FOOD PARTICLES?**

Mr. Teran provided a background of the project timeline and issues the grantee had in completing the proposed scope of work which included the change in program study for the research graduate student originally selected for this project, and the inability to find another qualified individual to complete the proposed project. He then presented a letter submitted by Northern Arizona University requesting to terminate the grant award contract. Mr. Teran stated that no AWPF grant funds have been expended for this project.

Vice-Chairman Held asked if the Commission needed to take formal action on this type of request since the request to terminate the grant award contract was made by the grantee. Mr. Teran responded that the termination clause in grant award contract states that the Commission may terminate the agreement with or without cause, and since this request was made by the grantee he wanted to bring it to the Commission’s attention so the matter may be discussed since the agreement is with the Commission. Vice-Chairman Held made a motion to accept the grantee’s request to terminate the grant, with a second from Commissioner Bill Schock. Chairman Jacobs asked for any discussion on the matter. There was no further discussion and the motion passed unanimously.

Commissioner Lucinda Earwen notified Commission members that she had to leave the meeting and departed at 10:19am.

**PROJECT CLOSEOUT PRESENTATION, AWPF GRANT 17-192WPF: LOWER VERDE RIVER RIPARIAN RESTORATION PROJECT**

- Presenter: Melissa McMaster – Mariposa Botanical and Ecological Consulting, LLC

Ms. McMaster presented a slideshow of the project with its results and accomplishments.

Chairman Jacobs asked for any questions or comments from the Commission. Commissioner Schock asked for clarification regarding the number of Gooding’s willows planted verses number of willows surviving, since the Pilot Project Site – Pole Planting slide showed that more willows survived than were planted. Ms. McMaster clarified there was a typo and the slide should have read that 8 of the 9 Gooding’s willows planted survived, and not 24.

Commissioner Schock commented that holes were dug to plant the tree poles and asked how deep poles went into the ground. Ms. McMaster responded that based on the depth to water analysis done for the site almost all poles were planted between 2-3 feet into the ground.
Commissioner Schock commented that the presentation noted some sites had damage due to cows and horses, and stated that grazing is a normal, biological process that the world depends on and asked for clarification on what was meant by the term damage. Ms. McMaster responded that in the areas where cows and horses are using the Verde River they are seeing a lack of cottonwood and willow recruitment because they are being eaten. She also stated that in order to have a successful restoration project the trees need to grow, and protecting them helps get them established.

Commissioner Shelley Blackmore commented about the amount of water used by cottonwood trees and inquired if there was a desire to establish or plant a lot more trees. Ms. McMaster responded that the desire to plant more trees is to create more riparian habitat which has been lost due to factors such as invasive species and altered stream flows. She also stated that the tamarisk leaf beetle has been moving along the Verde River which will decrease available tamarisk habitats, and planting native species will help to replace any habitats that may be lost.

Commissioner Blackmore asked what treatment methods were used for removing tree tobacco. Ms. McMaster responded that these trees were cut back and herbicide was applied.

**PROJECT CLOSEOUT PRESENTATION, AWPF GRANT 19-198WPF: GRANITE CREEK CORRIDOR ENHANCEMENT MASTER PLAN**

- Presenter: Tyler Goodman – City of Prescott

Mr. Goodman presented a slideshow of the project with its results and accomplishments.

Commissioner Blackmore asked if there were any concerns about public safety and homelessness in the area and if these projects will help alleviate some of those concerns. Mr. Goodman responded that the City of Prescott is hoping that with the added public focus on the area, improvements that will be made within the corridor, and natural draw of people to the area for work, school, and recreation that some of these issues would be eliminated.

Chairman Jacobs asked where Granite Creek flows. Mr. Goodman responded that Granite Creek flows into Watson Lake. Chairman Jacobs asked if there would be any improvements or increased flow into Watson Lake with the proposed improvements. Mr. Goodman responded that there is still another 3 miles stretch of Granite Creek from the project area to Watson Lake, but stated that within the project area there will be enhanced flow and the goal is to improve water quality. He also stated that Watson Lake is an impaired body of water and hope that this project would help that out.

**PROJECT CLOSEOUT PRESENTATION, AWPF GRANT 19-200WPF: AMERICAN GULCH CHANNEL AND RIPARIAN ENHANCEMENT**

- Presenter: Trever Fleetham – Town of Payson

Mr. Fleetham presented a slideshow of the project with its results and accomplishments.

Chairman Jacobs asked the Commission members for any questions or comments. There were none.
PROJECT CLOSEOUT PRESENTATION. AWPF GRANT 17-189WPF: EROSION CONTROL TO STABILIZE SOILS AND RESTORE HISTORIC GRASSLANDS IN THE UPPER VERDE RIVER WATERSHED

- Presenter: John Munderloh – Town of Prescott Valley

Mr. Munderloh presented a slideshow of the project with its results and accomplishments.

Chairman Jacobs commented that this was a very informational presentation for him with valuable lessons for future projects, and asked the Commission members for any questions or comments.

Commissioner Blackmore stated that Mr. Munderloh and his project partners have greatly helped future conservation efforts by having the practices used in the project adopted by the Natural Resource Conservation Service.

Commissioner Schock requested a copy of the policy paper described by Mr. Munderloh. Mr. Munderloh stated that this paper should be included in the AWPF project final report that is currently under review by staff. Mr. Teran responded that he will provide a copy of this document to all Commission members following the meeting, and include it as an attachment with the project final report.

ARIZONA WATER PROTECTION FUND COMMISSION MEMBER VACANCIES

Mr. Teran notified the Commission that as of September 30, 2020 there are currently two voting member vacancies which include 1) an Indian Tribe member whose appointing authority is the Chairman of the Inter Tribal Council of AZ, and 2) a member of the public whose qualifications require a Bachelor of Science degree in hydrology and employment by a city served by the Central Arizona Project whose appointing authority is the Governor.

Mr. Teran stated that notification letters regarding these 2 specific AWPF Commission member vacancies were sent to the Governor’s Boards and Commission’s Director and Inter Tribal Council in April 2019. Follow up phone calls were made to the Inter Tribal Council of Arizona in approximately August 2019, and follow up email messages was sent to the Directors of the Office of Boards and Commissions in September 2019 and again in February 2020.

In August 2020 staff reached out to ADWR leadership and legislative liaison staff for assistance in reaching out to the appointing authorities.

As of November 5, 2020, staff has made contact with the Executive Director of the Inter Tribal Council of Arizona and will be scheduling a meeting to discuss the AWPF program and Commission appointment requirements. ADWR leadership staff will also be working with staff from the Governor’s office to inquire about the current AWPF Commission member vacancy and hopefully help move this appointment process forward.

Chairman Jacobs asked the Commission members for any questions or comments. Vice-Chairman Held stated that he has reapplied for an AWPF Commission appointment to the Governor’s Board of Commissions in July 2020, but has not heard a response to date.
ARIZONA WATER PROTECTION FUND PROGRAM UPDATES

Administrative Updates

• Virtual Meeting Platforms
  Mr. Teran stated that he is following up on a question that was raised at the last Commission meeting regarding the use of Zoom as a virtual meeting option, instead of the Webex program we are currently using. He stated that through his discussions with Arizona Department of Water Resources (ADWR) staff who run other large virtual public meetings, they indicated that Webex is a more secure program for running public meetings, and allows greater administrative control of the meetings compared to other virtual platforms, including greater attendance capacity. He stated that ADWR is currently using Webex for all large public meetings such as the Governors Water Augmentation, Innovation, and Conservation Council - including all subcommittee meetings and planning area process meetings. He further stated that ADWR has also purchased licenses for Webex users in the agency, which does include a license for AWPF Commission business meetings.

Chairman Jacobs commented that it appears that the State has already set standards for virtual meeting platforms and was not sure if the Commission could make any changes at this point. Mr. Teran responded that the AWPF Commission may choose to use another virtual meeting platform but that would most likely come at a cost for the service, software, and maintenance to the AWPF administration fund.

Mr. Teran notified the Commission that until further notice AWPF Commission meetings will continue to be held virtually, and stated that he is available to help any Commission member become more familiar with the Webex meeting platform or answer any questions.

• Grant Award Contract Negotiation Timelines
  Mr. Teran stated that this a follow-up to questions that arose during the June Commission meeting about the length of time it takes to draft and fully execute an AWPF grant award contract. He stated grant awards have typically been made in November, and staff begins writing the agreements in December and January. He then displayed the fiscal year 2019 and fiscal year 2020 spreadsheets he uses to track the development and review of the grant award contracts, and provided a brief summary of the results. He pointed out that the timelines described do not include the date from the Commission grant award selections in November.

Fiscal Year 2019 had 9 grant applications selected for funding.
  • Negotiations from when staff sent draft #1 to grantee for review to contact execution ranged from 1 month (5), 2 months (1) 3 months (1), 7 months (1), 15 months (1).

Fiscal Year 2020 had 8 grant applications selected for funding, and 1 amendment to an existing operation and maintenance agreement.
  • Negotiations from when staff sent draft #1 to the grantee to contract execution ranged from 1 month (3), 2 months (1), 3 months (2), 5 months (1), and 7 months (1).
  • 1 grant award contract is still in negotiation which has been 7 months and counting.

Chairman Jacobs asked the Commission members for any questions or comments. Commissioner Shock expressed concerns that when it takes a long time to execute a grant award contract and get a project started, in a way the grantee robs another entity who may have been ready to implement a project and improve water resources in a timely manner. He stated that the Commission should really emphasize to future
grantees that they need to work on getting their grant agreements finalized and start implementing their projects as soon as possible following the grant award selections. Mr. Teran responded that the Commission recently updated the grant application manual identifying a maximum 12-month timeframe for executing a grant award contract, and stated that the Commission may review this clause again in the application manual during the next grant cycle.

**Financial Update**

Mr. Teran provided an update the AWPF fund balance from July 1, 2020 through October 30, 2020, and described the current totals for revenues and expenditures for both the grant fund account and administration account. The fund balance on July 1, 2020 was $3,428,028.

Revenues from July 1, 2020 – October 30, 2020 totaled $67,330, and Mr. Teran explained that this total does reflect a transfer of $161,720 from the grant account to the administration account that was approved by the Commission in June 2020. Mr. Teran also stated that there was a $250,000 appropriation to the fund through ADWR’s budget, and clarified that deposits from this appropriation are only made on a quarterly basis and that is why the General Fund Appropriation line item only shows deposits totaling $62,500 as of October 30, 2020.

Expenditures from July 1, 2020 – October 30, 2020 totaled $750,868. The fund cash balance on October 30, 2020 was $2,744,490. This total includes $2,592,090 from the grant account, and $152,400 from the administration account.

Mr. Teran identified existing grant award contract obligations as $2,081,480, which does include one pending fiscal year 2020 grant award that is still in the contract negotiation phase. He explained that these are funds that have been obligated by the Commission for grants, but are not accounted for in the available fund cash balance. Considering this information, the uncommitted AWPF fund balance is $663,010 which includes $510,610 from the grant account, and $152,400 from the administration account.

Commissioner Schock stated that the fund should be getting back approximately $39,000 back from Northern Arizona University due to the grant award contract that was terminated earlier today, and asked if those funds are reflected in the current grant obligations. Mr. Teran responded that since those funds were obligated through a contract, they are currently reflected in the obligated fund balance. He further stated that those funds would become unobligated and available for grants during the next grant cycle.

Commissioner Blackmore asked where the money for grants comes from. Mr. Teran responded that through State statute there are 3 potential fund sources for the program. These include Legislative appropriations, in-lieu tax fees from the sale of Central Arizona Project water outside of the tri-county service area, and gifts/donations to the program. Chairman Jacobs commented that it is important that the Commission inform the Governor’s Office and Legislators about the successes and types of projects funded through the AWPF program.

**Active Grant Status Updates**

Mr. Teran referred the Commission to the Status of Active WPF Contracts handout and explained that this document provides an overview of all active AWPF grants, the grant amounts, grant payments made, current grant balances, and the contract expiration dates. He also referred the Commission to the supplement handout that provides a short narrative on the status of each individual project.
FINAL CALL TO THE PUBLIC
Chairman Jacobs made a final call to the public. Mr. Wayne Hollins from Mohave County commented that it was an interesting meeting and asked what was being done with the slash from treatments done on the Ft. McDowell Yavapai Nation. Mr. Teran responded that Arundo slash was bundled and placed above the typical high-water zone to dry and decay, and tamarisk slash was cut up into smaller pieces and placed into piles to dry out above the high-water mark to create habitat for smaller wildlife.

CALL FOR FUTURE AGENDA ITEMS
Chairman Jacobs asked the Commission members for any suggested future agenda items. No agenda items were presented.

FUTURE MEETING DATE(S)
The Commission selected Tuesday, March 16, 2021 as the next Commission meeting date. The meeting is planned to be held virtually.

ADJOURN
With no other agenda items Chairman Jacobs asked if there is a motion to adjourn. Vice-Chairman Held made a motion to adjourn, with a second from Commissioner Schock. The motion passed unanimously, and the meeting adjourned at 12:42 p.m.
SANDHILL FARM, L.L.C.

WATER AND WILDLIFE CONSERVATION PROJECT

20-203WPF GRANT

TASK 6 – FINAL REPORT
SANDHILL FARM, L.L.C.

WATER and WILDLIFE CONSERVATION PROJECT
<table>
<thead>
<tr>
<th>TASK 1</th>
<th>DELIVERABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permits, Clearances, Authorizations, and Agreements</td>
<td>Copies of all necessary permits, clearances, authorizations, and agreements necessary to implement this Scope of work. Documentation of well water use and reporting clarification. Installation Report; copy of the AWDR Pump Installation Completion Report. Non-Expansion Irrigation Well Certificate Update</td>
</tr>
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<table>
<thead>
<tr>
<th>TASK 2</th>
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<tbody>
<tr>
<td>Retrofit a Solar Submersible Pump on an Existing Domestic Well</td>
<td>Retrofit the Submersible Pump; well did not draw desired water flow; Dry Ice Explosion; Larger Pump at deeper depth required; Had to change from an Exempt Well to a Non-Exempt Well.</td>
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<table>
<thead>
<tr>
<th>TASK 3</th>
<th>DELIVERABLE</th>
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<table>
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<tr>
<th>TASK 4</th>
<th>DELIVERABLE</th>
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<tbody>
<tr>
<td>Connect the Retrofitted Solar Well to an Existing Irrigation Well and Pipeline</td>
<td>Water Well Connection Report</td>
</tr>
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</table>

<table>
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<tr>
<th>TASK 5</th>
<th>DELIVERABLE</th>
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<tbody>
<tr>
<td>Install Fencing to Protect the Solar Panels and Reseed Disturbed Areas</td>
<td>Fence Installation Report and Reseeding of Location.</td>
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</table>

<table>
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<tr>
<th>TASK 6</th>
<th>DELIVERABLE</th>
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</thead>
<tbody>
<tr>
<td>Final Report and Oral Presentation</td>
<td>Project Final Report</td>
</tr>
</tbody>
</table>
SUMMARY

The Arizona Water Protection Fund Grant 2020 has improved functioning wells to supply water for livestock and wildlife, eliminate power costs for providing water at the sites, as well as improving distribution by providing a reliable source of water for wildlife and livestock and maintenance of the Willow tree project for the Flycatcher species.

Goals:

1) Provide additional water to the seasonal wetland ponds and established Willow trees

2) Reduce the cost of electricity, and provide year-round water source.
TASK 2

Retrofit a Solar Submersible Pump on an Existing Domestic Well

<table>
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<tr>
<th>DATE 2020</th>
<th>gals per minute</th>
<th>Pump depth, feet</th>
<th>Notes</th>
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<tr>
<td>August 26</td>
<td></td>
<td>20</td>
<td>100</td>
</tr>
<tr>
<td>September 1</td>
<td></td>
<td>17</td>
<td>140</td>
</tr>
<tr>
<td>September 3</td>
<td>*</td>
<td>*</td>
<td>100# dry ice put in well, well split up foam</td>
</tr>
<tr>
<td></td>
<td></td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>September 9</td>
<td>*</td>
<td>*</td>
<td>100# dry ice produced a geyser, 2X100# were</td>
</tr>
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<td></td>
<td></td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>October 5</td>
<td>27</td>
<td>190</td>
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<tr>
<td>October 11</td>
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<td>October 13</td>
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<td>December 30</td>
<td>32</td>
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</table>
TASK 3


TASK 4

Connect the Retrofitted Solar Well to an Existing Irrigation Well and Pipeline.

Water Well Connection Report.

Irrigation Well Certificate Update
TASK 5

Install Fencing to Protect the Solar Panels and Reseed Disturbed Areas.

Fence Installation Report
TASK 6

Final Report and Oral Presentation

Presentation: March 16, 2021

James Davenport – Project Coordinator
Katie Belk-Arenas – Member-Co-Manager
Blanton Belk – Member-Manager

THANK YOU ARIZONA
WATER PROTECTION FUND!
Hi Reuben,

That extension date sounds great – and yes, we will make sure that one/more of us will be at the meeting on the 16th of March.

Appreciate your flexibility on our request!

Rebecca

Rebecca Davidson
Southwest Region Director
Youth Program Director
National Forest Foundation
Mobile: [redacted]

---

From: Reuben Terán <rteran@azwater.gov>
Sent: Monday, February 8, 2021 9:10 AM
To: Rebecca Davidson <rdavidson@nationalforests.org>
Cc: Tracy Stephens <tracys@verderiver.org>; Sasha Stortz <sstortz@nationalforests.org>
Subject: Re: 2020 Fossil Creek plans; Grant No. 20-205WPF

Rebecca,

Thank you for the update. Based on the proposed deadlines it appears that a 7-month extension to agreement should be sufficient to complete all the tasks. This time frame will include a few months between the final deliverable and tentative contract expiration date of July 31, 2023. If there is another preferred expiration date please let me know. As I mentioned previously the Commission will need to approve an extension to the current grant agreement and their next meeting is scheduled for Tuesday, March 16, 2021. Please let me know if you or anyone from your staff would be available to present this request and/or answer any questions from the Commission. I will forward you a copy of the meeting agenda when it has been finalized. Thanks.

Reuben Terán | Executive Director
Arizona Water Protection Fund
Hope you had a great holiday and you are doing well these days.

I wanted to follow up on our discussion about a proposed contract extension with needing to shift dates/timing for our deliverables associated with the AWPF Fossil Creek Grant 20-205WPF.

As we discussed, a Forest Service permitting issue with herbicide treatment in Lower Fossil Creek within the Wilderness Area has required us to delay treatment in that reach until that permit is finalized (working on that now). And earlier COVID impacts delayed initial treatments for blackberry. Inasmuch, we propose the following date extensions by task:

Task 1 – Permits, Clearances, Authorizations, and Agreements:
- No Change Needed.

Task 2 – Develop Project Work Plans:
- No Change Needed.

Task 3 - Implement Monitoring and Initial Veg Treatment Plans in Lower Fossil Creek and Blackberry Phase I:
- October 31, 2020 – shifts to - **August 31, 2021**.
- July 31 2021 – shifts to - **February 28, 2022**.

Task 4 – Implement Monitoring and Retreatment Plans for all Fossil Creek Reaches and Blackberry Phase II:
- March 2022 – shifts to - 1) Middle Fossil Retreatment (Report **February 28, 2022**), 2) Blackberry Phase II Retreatment (Report **August 31, 2022**), 3) Lower Fossil Retreatment (Reporting **February 28, 2023**)

Task 5 – Final Report and Oral Presentation:
- Sept 30, 2022 – shifts to - **April 30, 2023**.

Please let us know if you have additional questions about this request, and let us know what next steps we should be working on.

As always, thanks for your support for this project work!

Kindly,

Rebecca

Rebecca Davidson
Southwest Region Director
Youth Program Director
National Forest Foundation

Mobile
Rebecca,

I have reviewed the plans and have no comments. To follow-up on our discussion last week, I understand all deliverables for Task #1 are currently being compiled and will be submitted ASAP. I also understand that no work has yet been implemented under Task #3 (Monitoring and Initial Vegetation Treatments in Lower Fossil Creek and Blackberry Phase I), and the National Forest Foundation is currently working with the USFS to address concerns regarding herbicide use and wilderness. Although the first deliverable due date for this Task was October 31, 2020 it is anticipated that this project work will be implemented in spring 2021. I further understand that the delay in getting project activities started as anticipated may necessitate a grant award contract extension to allow for the full two years of treatments and monitoring to take place. As I mentioned previously, this type of request will need to be provided in writing and approved by the AWPF Commission.

If the summary above does not accurately describe our discussion please clarify as necessary. Thank you and Happy Holidays.

Reuben Terán | Executive Director
Arizona Water Protection Fund
Arizona Department of Water Resources
1110 W. Washington Street, Suite #310 | Phoenix, AZ 85007
602-771-8525 | rteran@azwater.gov | www.azwpf.gov
Fossil Creek
Invasive Species Treatment and Restoration Project
Chartered by Congress, the National Forest Foundation was created in 1993 with a simple mission: bring people together to restore and enhance our National Forests and Grasslands.
Friends of the Verde River

Friends of Verde River works collaboratively for a healthy Verde River System.

We envision a healthy, flowing Verde River and tributaries that support our natural environment, vibrant communities, and quality of life for future generations.
Fossil Creek Invasive Species Plant Removal Project

**Project Area:** Fossil Creek, designated as a Wild and Scenic River and recognized in Arizona as an Outstanding Water.

**Direct Benefits:** This project will restore habitat conditions to **improve native riparian vegetation** and habitat, and improve **proper hydrologic conditions** and functions of Fossil Creek. This work would also **benefit the Verde River watershed by limiting the spread of targeted invasive plant species.**

**Indirect Benefits:** This project will also **support the economic and recreational resource** Fossil Creek provides, and will restore habitat needs for **native fish and wildlife** that depend on the Fossil Creek riparian corridor and landscape.

**Public Involvement:** Verde watershed stakeholders have developed the **Verde River Cooperative Invasive Plant Management Plan** and a community-based public-private partnership called the **Verde Watershed Restoration Coalition.** The Fossil Creek restoration effort is broadly supported by the Coalition.
Project activities occur on Coconino and Tonto National Forests, with Coconino National Forest taking management lead on overall management, NEPA and Arch Clearances.

**Upper Segment**: Monitored, focus on Himalayan blackberry pilot area

**Middle Segment**: Waterfall, downstream to the Mazatzal Recreation Site.

**Lower Segment**: From the Mazatzal Recreation Site downstream to the confluence with the Verde.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Objective</th>
<th>Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monitor/Retreat Middle Fossil Creek</td>
<td>Improve Riparian Function</td>
<td>5.0 Miles</td>
</tr>
<tr>
<td>Monitor/Treat Lower Fossil Creek</td>
<td>Improve Riparian Function</td>
<td>6 Miles</td>
</tr>
<tr>
<td>Monitor/Treat Himalayan Blackberry Upper Fossil Pilot</td>
<td>Minimize threats to Wilderness</td>
<td>0.5 Acres</td>
</tr>
</tbody>
</table>
Target Invasive Plant Species

- Tamarisk (Tamarix spp.)
- Russian Olive (Elaeagnus angustifolia)
- Tree of Heaven (Ailanthus altissima)
- Giant Reed (Arundo donax)
- Himalayan Blackberry (Rubus armeniacus)
Accomplishments to Date

• Monitoring and treatment of 520 acres of middle and upper Fossil Creek
• Monitoring of 2.1 river miles and 27.5 acres of lower Fossil Creek
• Initial treatment of the Himalayan Blackberry pilot project area
• Engaged 23 AZCC crew members
Challenges

COVID
• Delayed crew mobilization for initial blackberry treatment

Minimum Required Decision Guide for the Mazatzal Wilderness
• To meet minimum requirements of action to preserve wilderness character
• Process in progress, working with Coconino and Tonto National Forests and Regional Office
• MRDG timeframe: Complete MRDG by August 30, 2021
  • Will cover work for next 10-15 years once completed

Request for Approval to Extend the Arizona Water Protection Fund Grant Award Contract No. 20-205WPF
• New end date: July 31, 2023
## Original List of Tasks and Timelines

<table>
<thead>
<tr>
<th>Task 1</th>
<th>Task 2</th>
<th>Task 3</th>
<th>Task 4</th>
<th>Task 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permits/Clearances</td>
<td>Plan Development</td>
<td>Blackberry &amp; Lower Reach Monitoring/Treatment</td>
<td>Middle Reach Monitoring/Retreatment</td>
<td>Final Report</td>
</tr>
<tr>
<td>FVR – Work with CNF for final clearances</td>
<td>FVR – Coordinate with CNF, develop and submit monitoring and treatment plans</td>
<td>FVR – Conduct Pilot Blackberry removal/treatment project Upper Reach 0.5 acres Spring 2020</td>
<td>FVR – Retreat Blackberry as identified in plans. Spring 2021</td>
<td>FVR – Submit final report, including summary of all methods, outcomes of tasks, analysis of data, etc.</td>
</tr>
<tr>
<td>FVR – Contract with AZCC Crews</td>
<td></td>
<td>FVR – Implement Lower Reach Monitoring and Treatment 6 Miles Winter 2020/2021</td>
<td>FVR – Implement Upper, Middle, Lower Reaches Monitoring and Retreatment Winter 2021/2022</td>
<td></td>
</tr>
<tr>
<td><strong>Timing:</strong> Prior to fieldwork</td>
<td><strong>Timing:</strong> Prior to fieldwork annually</td>
<td><strong>Timing:</strong> Year 1 2020/2021</td>
<td><strong>Timing:</strong> Year 2 2021/2022</td>
<td><strong>Timing:</strong> 2022</td>
</tr>
<tr>
<td>No changes</td>
<td>No changes</td>
<td>Shift to 2021/2022</td>
<td>Shift to 2022/2023</td>
<td>Shift to April 2023 Grant end July 2023</td>
</tr>
</tbody>
</table>
Updated List of Tasks and Timelines

Task 1 – Permits, Clearances, Authorizations, and Agreements:
• No Change Needed.

Task 2 – Develop Project Work Plans:
• No Change Needed.

Task 3 – Implement Monitoring and Initial Veg Treatment Plans in Lower Fossil Creek and Blackberry Phase I:
• October 31, 2020 – shifts to - **August 31, 2021** (Reporting on Blackberry pilot project and monitoring of Lower Fossil Creek)
• July 31, 2021 – shifts to - **February 28, 2022** (Reporting on initial treatment of lower Fossil)

Task 4 – Implement Monitoring and Retreatment Plans for all Fossil Creek Reaches and Blackberry Phase II:
• March 31, 2022 – shifts to - 1) Middle Fossil Retreatment (Report **February 28, 2022**), 2) Blackberry Phase II Retreatment (Report **August 31, 2022**), 3) Lower Fossil Retreatment (Reporting **February 28 2023**)

Task 5 – Final Report and Oral Presentation:
• Sept 30, 2022 – shifts to - **April 30, 2023**.

New grant end date: **July 31, 2023**
Next Steps and Looking Ahead

Next Steps 2021

- **Late March** – Applying herbicide to blackberry regrowth in pilot project area
- **April** – Monitoring crew will monitor remainder of lower Fossil
- **August** – MRDG complete
- **November** – Initial treatment of lower Fossil, retreatment of middle Fossil

Looking ahead

- Protection of Fossil Creek’s unique natural and cultural resource – primary management goal for FS (as WSR).
- CNF is currently finalizing a Comprehensive River Management Plan, to identify and reduce threats to Fossil Creek.
- Desired Conditions: “Invasive plants rarely occur in the Fossil Creek Corridor, and where they exist their populations are declining.
  - Continue to monitor and retreat as necessary
Thank You

Contact:
Sasha Stortz
AZ Program Manager, Southwest Region
sstortz@nationalforests.org

nationalforests.org

National Forest Foundation
Mr. Reuben Teran, Executive Director  
Arizona Water Protection Fund  
Arizona Department of Water Resources  
1110 W. Washington Street Ste 310  
Phoenix, AZ 85007  
Reuben Teran <rteran@azwater.gov>  

4 March 2021

Mr. Teran:

The Museum of Northern Arizona (MNA) proposed to the Arizona Water Protection Fund (AWPF) to rehabilitate Coyote Springs, a small springs complex on MNA property. Funding by AWPF was approved on 1/7/2020 under AWPF Contract No. 19-199WPF, pending clarification of MNA’s water rights. Coyote Springs contains two spring boxes, one that is historic and will not be disturbed, and another that is a cracked and failing concrete box with corroded piping, and that wastefully leaks water away from the springbrook channel. Our proposal is to remove the leaking concrete tank, restore flow to the channel, and adjust the channel configuration slightly to improve wetland habitat conditions.

MNA has a water right for domestic use of Coyote Springs, it owns the land from which the springs emerge, and MNA obtained approval from the Army Corps of Engineers and the State Historic Preservation Office for the proposed rehabilitation of this small springs system. Documentation of those claims has been provided to AWPF. At the time of MNA’s proposal to AWPF, we were advised to seek a sever and transfer of the domestic water right in favor of wetland protection. Over the past year, uncertainty about the necessity, expense, and time required for that transfer caused us to reconsider our options. The first task of our proposal was to resolve, at no cost to AWPF, the water rights for this rehabilitation action.

Our existing water right and ownership of the land surrounding the springs, and the enthusiastic endorsement of the project by the adjacent Coyote Springs Homeowners Association (a downstream beneficiary of the springs flow) are sufficient to convince us that a sever and transfer change of water rights is unnecessary. We realize that our proposed minor modification of a portion of the springbrook channel on our land may render that small, modified portion of the springbrook no longer appurtenant to our land, but that minor change does not, in our view, constitute any substantial threat to MNA’s ability to continue to protect this portion of its property.

Therefore, we request the following of the AWPF Commission:

1) Permission to remove the Task 1a sever and transfer clause from the proposed Scope of Work Task 1 for this project
2) Permission to proceed with this small rehabilitation project by applying project funds for the remaining tasks
3) With funding approved, we do not anticipate further delays in the project moving forward; however, to ensure that all remaining compliance issues are fully resolved, we request
extension of the deliverables for Task 2 (Work, Monitoring, and Outreach plans) to 30 September 2021.

Please let us know if you have further questions about this water right solution and whether our requests are acceptable. Our Biology Department curator, Larry Stevens will be available during your 16 March 2021 meeting to address any additional questions that may arise about this springs ecosystem rehabilitation project.

Sincerely,

Mary Kershaw, Director and CEO
<table>
<thead>
<tr>
<th>Description</th>
<th>1302-WPF Grants</th>
<th>1303-WPF Administration</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td>Beginning Fund Balance - 7/1/2020</td>
<td>$3,387,615</td>
<td>$40,413</td>
<td>$3,428,028</td>
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<tr>
<td><strong>Revenues:</strong></td>
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<tr>
<td>Interest Income</td>
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<td>In-Lieu Fee Deposit</td>
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<tr>
<td>General Fund Appropriation</td>
<td>$187,500</td>
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<tr>
<td>Transfers - Administrative Expenses</td>
<td>($161,720)</td>
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<td><strong>Total - Revenues</strong></td>
<td>$25,780</td>
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<td><strong>Expenditures:</strong></td>
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<tr>
<td>Salary Expense</td>
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<td>Grantee Payments</td>
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<tr>
<td>Travel</td>
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<tr>
<td>Operating Expenses</td>
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<td>$0</td>
<td>$0</td>
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<tr>
<td><strong>Total - Expenditures</strong></td>
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<td>Fund Balance - February 28, 2021</td>
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<td>$100,900</td>
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<tr>
<td>Less: Existing Grant Obligations</td>
<td>($1,765,321)</td>
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<tr>
<td>Less: Pending FY 2021 Grants</td>
<td>$0</td>
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<tr>
<td><strong>Uncommitted Balance</strong></td>
<td>$635,611</td>
<td>$100,900</td>
<td>$736,512</td>
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</tbody>
</table>
HOUSE BILL 2035

AN ACT

APPROPRIATING MONIES TO THE ARIZONA WATER PROTECTION FUND.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Appropriation; Arizona water protection fund

The sum of $1,000,000 is appropriated from the state general fund in fiscal year 2021-2022 to the Arizona water protection fund established by section 45-2111, Arizona Revised Statutes.
FACT SHEET FOR H.B. 2035

appropation; Arizona water protection fund

Purpose

Appropriates $1,000,000 from the state General Fund (state GF) in FY 2022 to the Arizona Water Protection Fund (AWPF).

Background

Established in 1994, the AWPF is administered by the AWPF Commission (A.R.S. § 45-2111). AWPF monies are used: 1) for the development and implementation of measures to protect water of sufficient quantity and quality; 2) to maintain, enhance and restore rivers and streams and associated riparian habitats consistent with water law and water rights and measurers; and 3) to increase water availability (A.R.S. § 45-2101).

The Joint Legislative Budget Committee baseline includes $250,000 from the state GF in FY 2022 for the AWPF (JLBC).

H.B. 2035 appropriates $1,000,000 from the state GF in FY 2022 to the AWPF.

Provisions

1. Appropriates $1,000,000 from the state GF in FY 2022 to the AWPF.

2. Becomes effective on the general effective date.

House Action

APPROP 1/20/21 DP 13-0-0-0
3rd Read 1/28/21 55-4-1

Prepared by Senate Research
February 26, 2021
LMM/kja
Session Stats:
• 64th Day of Session
• 1,823 Bills
• 60 Passed (3.3%)
• 44 Signed
• 0 Bills Vetoed

Deadlines Upcoming:
• March 26, last day for consideration of bills in Committee
HB 2691 – ADEQ; water quality programs; WOTUS

Summary: Conforming legislation to the federal Clean Water Act and adoption of surface water protections following the federal changes to the navigable water protection rule.

Disposition: 3/10 Passed Senate Nat Res, Energy & Water Committee
SB 1442 - hazardous vegetation removal; state forester

**Summary:** The State Forester is authorized to enter into an intergovernmental agreement with other public agencies to remove hazardous vegetation.

**Disposition:** Signed into Law
Invasive Species Legislation

HB 2079 – conservation districts; water; invasive vegetation

Summary: NRCD’s powers are expanded to include invasive species work.

Disposition: 3/9 passed Senate Rules
Invasive Species Legislation

HB 2034 – noxious weeds; government projects

Summary: political subdivisions of the State are authorized to remove “noxious weeds” as part of routine maintenance operations.

Disposition: 2/12 signed by Governor
Water Protection Fund Legislation

HB 2035 – appropriation; Arizona water protection fund

Summary: appropriates $1m to the Water Protection Fund

Disposition: 3/3 Passed Senate Appropriations Committee
• Legislative Update Memo’s
• ADWR Weekly Legislative Update – a summary of water related legislation moving through the legislature
• Legislative 101 – Citizen’s Guide to the Legislative Process
Questions?

Ben Alteneder
Chief Legislative Liaison

Phone: 602-364-2650
Email: balteneder@azwater.gov

@BenAlteneder

PROTECTING ARIZONA'S WATER SUPPLIES for CURRENT & FUTURE GENERATIONS
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.
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).
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.
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.
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*
## Arizona Water Protection Fund Commission

Fiscal Year 2022 PROPOSED Grant Application Process Schedule

<table>
<thead>
<tr>
<th>FY2022 Proposed Grant Application Process Schedule*</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applications / Online submission portal available</td>
<td>July 2021 (on-going)</td>
</tr>
<tr>
<td>Application workshop</td>
<td>July 2021</td>
</tr>
<tr>
<td>Pre-application consultations (depending on staff availability)</td>
<td>July - August 2021</td>
</tr>
<tr>
<td><strong>Final date and time to submit applications</strong></td>
<td><strong>September 2021 at 5:00 PM</strong></td>
</tr>
<tr>
<td>Public comment period for applications</td>
<td>45-Days</td>
</tr>
<tr>
<td>Staff review comments to applicants / Commission</td>
<td>No later than November 2021</td>
</tr>
<tr>
<td>Applicant presentations / Commission grant selections</td>
<td>November 2021</td>
</tr>
<tr>
<td>Applicants notified of funding status</td>
<td>December 2021</td>
</tr>
<tr>
<td>Staff begins writing grant contracts</td>
<td>December 2021 / January 2022</td>
</tr>
</tbody>
</table>

*The Commission reserves the right to adjust this schedule if necessary.