



NOTICE OF PUBLIC MEETING & AGENDA

UPPER VERDE RIVER WATERSHED PROTECTION COALITION BOARD MEETING

Wednesday, October 26 - 2:00 p.m.
Prescott City Hall – Council Chambers
201 S. Cortez - Prescott, Arizona

ITEM NO 1. Call to Public (Chairperson Nye)

Consideration and discussion of general unscheduled comments from the public: Those wishing to address the Coalition need not request permission in advance. Any such remarks shall be addressed to the Coalition as a whole and not to any member thereof. Such remarks shall be limited to three (3) minutes unless additional time is granted by the Chair. At the conclusion of the unscheduled comments, individual members of the Coalition may respond to the item addressed at the discretion of the Chair, or they may ask Staff to review the matter or ask that the matter be placed on a future agenda.

ITEM NO 2. Discussion & Possible Action – Approval of Board Meeting Minutes – July 27, 2016 attached (Chairman Nye)

ITEM NO 3. Discussion – TAC Meeting Summary – August 3rd, September 6th and October 5th, 2016 attached (Munderloh)

ITEM NO 4. Presentation, Discussion & Possible Action - Biomass Feedstock Supply Availability Assessment for Yavapai County (Tad Mason, TSS Consultants)

ITEM NO 5. Presentation, Discussion & Possible Action - Grasslands Savannah Pre-investment Watershed Analysis (GSPWA) and Woodlands Thinning Demonstration Project (Rich Vandemark, Southwest Forestry Inc.)

ITEM NO 6. Discussion & Possible Action – Coalition and Partner Projects

- a. State Forester Update (Jeff Whitney, State Forester)
- b. Labor Market Analysis (Munderloh)
- c. November 15 Event (Munderloh)
- d. Other

ITEM NO 7. Discussion & Possible Action – Grant Contract Amendment with Az Department of Forestry and Fire Management for Drake Co-fire Test, attached (Munderloh & Vandemark)

ITEM NO 8. Discussion and Possible Action – Executive Board Resolution to support Grant Application to Arizona Water Protection Fund, attached (Munderloh)

ITEM NO 9. Next Meeting Day/Time (January 25th, 2017)/ Agenda Items (Munderloh)

ITEM NO 10. Adjourn Meeting



MINUTES OF THE UPPER VERDE RIVER WATERSHED PROTECTION COALITION BOARD HELD ON JULY 27, 2016, in PRESCOTT CITY HALL, 201 SOUTH CORTEZ STREET, Prescott, Arizona.

Chairman Nye called the meeting to order at 2:00 p.m.

Members Present:

Chairman Lora Lee Nye, Town of Prescott Valley
Member Steve Blair Prescott City Council (arrived at 2:02 p.m.)
Member Ernie Jones, Yavapai-Prescott Tribe
Member Craig Brown, Yavapai County
Member Chris Marley, Chino Valley

Members Absent: None

Staff present:

Leslie Graser, City of Prescott
John Munderloh, Town of Prescott Valley
Peter Bourgois, Yavapai-Prescott Indian Tribe
Melody Reifsnyder, Grants Administrator
Rhonda Basore, City of Prescott

ITEM NO 11. Call to the Public

Chairperson Nye called the meeting to order and made the announcement.

Leslie Hoy, Media Coordinator for Citizens Water Advocacy Group, asked if the notice and agenda could be posted on the Coalitions' website by Sunday before the meeting. This way people can decide if they wish to attend the meeting. She mentioned that only the agenda, not the packet had not been posted on the website for this meeting. Staff indicated they would be more aware of the posting. She also invited everyone to attend the CWAG 2016 Candidate Forum, which would be held on August 6, Granite Peak Unitarian Universalist Congregation. She said water issues would be discussed.



ITEM NO 12. Discussion & Possible Action – Approval of Board Meeting Minutes – April 27, 2015

MEMBER BROWN MOVED TO APPROVE THE UVRWPC BOARD MINUTES OF APRIL 27, 2016, SECONDED BY MEMBER BLAIR; PASSED UNANIMOUSLY.

ITEM NO 13. Discussion – TAC Meeting Summary – June 6, 2016 and July 13, 2016

John Munderloh, Town of Prescott Valley, Water Resource Manager, presented for the record the TAC Meeting Summaries for June 8 and July 13, 2016.

ITEM NO 14. Discussion – Presentation and Discussion – Coalition and Partner Projects

a. Update – YCCA Home & Garden Show Booth

Leslie Graser, City of Prescott, Water Resource Manager, presented for the record the 2016 Home and Garden Show Recap. She said the main focus at the Home and Garden Show in 2016 was UVRWPC Frequently Asked Questions and water conservation education. She thanked Peter Burguois and John Munderloh for their efforts.

Member Brown said there was a great job manning the booth.

Chair Nye said it was rewarding to see people waiting in line to hear about conservation efforts.

b. Update – PNF Chino District Restoration Project

Sarah Tomsy, District Ranger for the Bradshaw Ranger District, Prescott National Forest, said the District was collaborating with a number of partners to roll out the Chino District Restoration Project. She said the Chino District Restoration Project encompassed a series of actions targeting watershed function, wildlife habitat, vegetation conditions, and natural fire regime. She said the goal was to move the landscape towards desired conditions described in the 2015 land and resource management plan for the Prescott National Forest. She said for more information on the project visit <http://www.fs.usda.gov/prescott/>.

Member Brown said he was glad to see different agencies working together to protect the forest's future. He thanked Ms. Tomsy for her efforts.

Chair Nye thanked Ms. Tomsy for her time and efforts.



c. Update – Biomass Feedstock Analysis

John Munderloh recognized partners in the audience.

Jim Holt, Groundwater Users Advisory Committee

Russell Shumate, Northwest District Manager for Arizona Department of Forestry and Fire Management

Phil Heilman, Tucson Agriculture Resource Service

Larry Geare, Active Member of Watershed Task Force Committee

Sarah Tomsky, District Ranger for the Bradshaw Ranger District, Prescott National Forest

Rich Heath, Greater Prescott Regional Economic Partnership (GPREP)

Keith Watkins, Senior VP, Economic and Rural Development

Mr. Munderloh presented an update on Biomass Feedstock Analysis. He said the Coalition had received a grant from Arizona Forestry to perform a biomass feedstock analysis. He said the work was moving forward and hoped to have a draft product completed by late August. He said the Coalition and State forestry were working together on the project. He said that data from Ponsse harvesting demonstration project would be incorporated into the biomass feedstock analysis.

Member Marley asked where the test harvesting was being performed. Mr. Munderloh said that the Ponsse Harvesting demonstration sites were in the Big Chino Sub-basin

Member Brown asked if the information would be shared with the forest service. Mr. Munderloh said yes.

d. Update – Rural Conservation Partnership Program

John Munderloh said the Coalition had a grant in partnership with the Arizona Game and Fish Department that was managed by the USDA Natural Resource Conservation Service. He said to date the money received had gone towards cleaning approximately 1300 acres at the JWK Foundation Ranch. He said there is another 1200 acres identified for next year (year 2) to clear and approximately \$850,000 left of grant money for years 3, 4, and 5.

e. Notice of Grant Award from Arizona Commerce Authority Grant for Labor Market Analysis

John Munderloh said the Coalition recently received a “notice of award” from Arizona Commerce Authority for labor market analysis. He said the Coalition would hire a local contractor to conduct the analysis. The Labor Market analysis is another part of the information needed for the forest products industry to have confidence to invest in harvesting material.



Member Brown asked if the information would be available to other entities. Mr. Munderloh said yes.

f. Other

Mr. Munderloh said the Coalition recently received word that Drake Cement had agreed to open their rail spur for shipping purposes. He said the Coalition was helping the State Forestry apply for a grant opportunity regarding capturing the lowest value of the junipers for erosion mitigation measures.

ITEM NO 15. Presentation – Arizona Commerce Authority: Economic Development Briefing

Keith Watkins, Senior VP, Economic and Rural Development, ACA presented economic and rural development. He said the Arizona Commerce Authority (ACA) is the state's leading economic development organization with a streamlined mission to grow and strengthen Arizona's economy. The ACA uses a three-pronged approach to advance the overall economy: recruit, grow, create – *recruit* out-of-state companies to expand their operations in Arizona; work with existing companies to *grow* their business in Arizona and beyond; and partner with entrepreneurs and companies large and small to *create* new jobs and businesses in targeted industries.

- ACA: Strategic framework
- Vision of Arizona – best location for high-quality business growth
- Mission – grow and diversify Arizona's economy and create quality jobs for its citizens by supporting and attracting business in targeted, high-growth clusters, with an emphasis on the base industries
- Recruit, grow, create
- Action plan and make Arizona preferred place

He recapped what happened in FY 2016.

- Rural communities, be competitive, attract projects, worked with companies over last four years to create over 2700 jobs
- Certified sites, co-op advertising program for rural communities
- Participants in Yuma, Greater Prescott, Casa Grande, Pinal County and Flagstaff Region

He talked about the Apache Railway, retention of 98 year old railway. He said it went bankrupt and was left vacant for many years. Recently someone showed interest and



the railroad became active. He said ACA was working with the company for needed financing to expand. He talked about pellet companies interested in relocating to the area. He said the analysis data would help attract these companies. He said ACA was very invested in helping the rural communities be competitive for employment purposes.

Member Brown asked if he saw any movement by the State in regards to transportation issues and funding of projects. Mr. Watkins said to refer all questions to John S. Halikowski, Director of ADOT. Member Brown said Highway 69 was at a critical point. He said something needed to be done soon, or people would not come to the area. He said people would not want to work in the area if they could not get around easily.

Chair Nye said she felt he was the right man for the position. She felt he took his job to heart and had the vision that was needed. She thanked him for his time and efforts.

Item 7 and 8 were heard before Item 6.

ITEM NO 7. Discussion and Possible Action – Resolution for Collaboration with Congressman Gosar

Mr. Munderloh presented the resolution for collaboration with Congressman Gosar. He said the Coalition was seeking support and cooperation from the federal government to forward its goals and planned activities.

- Streamline NEPA clearance (sections 111-114 of S.2902)
- Simplifying federal administrative process to complete archaeological surveys
- Federal designation of biomass as a renewable energy resource
- Facilitating good neighbor authority agreements between Arizona Dept of Forestry and Fire Management and the Prescott National Forest
- Facilitating acquisition of funding from federal agencies through grants and/or cooperative agreements
- Fund forest health and watershed restoration activities in the UVRWPC and throughout Yavapai County specifically including federally owned lands
- Assigning a liaison to the Coalition Watershed Taskforce
- Assist with addressing transportation and distribution issues

Chair Nye said Congressman Gosar's staff had seen the resolution and were aware and accepted the items.

MEMBER MARLEY MOVED TO APPROVE A RESOLUTION OF THE EXECUTIVE BOARD OF THE UPPER VERDE RIVER WATERSHED PROTECTION COALITION, REQUESTING SUPPORT FROM UNITED STATES REPRESENTATIVE PAUL GOSAR TO ADDRESS PRESSING NATURAL RESOURCE CONCERNS



NEGATIVELY IMPACTING UPPER VERDE RIVER WATERSHED; SECONDED BY MEMBER BLAIR. (APPROVED 4-1; BROWN DISSENTING)

Member Brown explained he was voting no because he had not seen the resolution. Staff mentioned the resolution was included in the packet. Member Brown discovered the resolution in the packet at the meeting and reviewed the resolution. After reviewing the resolution Member Brown changed his vote to yes.

MEMBER MARLEY MOVED TO APPROVE A RESOLUTION OF THE EXECUTIVE BOARD OF THE UPPER VERDE RIVER WATERSHED PROTECTION COALITION, REQUESTING SUPPORT FROM UNITED STATES REPRESENTATIVE PAUL GOSAR TO ADDRESS PRESSING NATURAL RESOURCE CONCERNS NEGATIVELY IMPACTING UPPER VERDE RIVER WATERSHED; SECONDED BY MEMBER BLAIR. (APPROVED UNANIMOUSLY)

ITEM NO. 8. Discussion and Possible Action – October Watershed Event

Mr. Munderloh said staff was looking for direction on the October Watershed Event. He said October is National Biomass Recognition month and the one year anniversary for the Coalition’s efforts to attract a biomass products industry to the area

Member Blair said it would be important to include the ranchers in the region. He said the ranchers had been put off many times by dialog from the State/Federal government. He felt it would be important to open the door, so the ranchers understand the coalition was trying to work with them, not against them.

Mr. Munderloh said he intended to invite the ranchers.

Chair Nye said she did not like when entities talk at landowners and not talk with landowners. She commented “where would we be without the ranchers”. She hoped this could be turned around and communication with the ranchers was improved.

Member Blair said the common sense approach needed to be taken. He said now was the time to turn this around.

Member Brown asked if the event was specific to Yavapai area or would other areas be invited to attend. Mr. Munderloh said the focus was on juniper woodland area.

Chair Nye asked if there was a consensus to move forward with the October Watershed Event. By nod of heads the Board gave their consensus to move forward.

ITEM NO 16. Discussion and Possible Action – Coalition Priorities for 2017



Mr. Munderloh presented coalition priorities for 2017:

- Grant funded projects - ongoing
- RCCP, Wood supply study
- Labor Markets Analysis
- K4 archaeological survey
- Slaughterhouse Gulch (outreach)
- Continue seeking funding
- Hydrologic analysis
- Juniper silt dams
- Individual rainwater harvesting and aquifer recharge

Member Brown said part of the goal for next year was for ADOT to proceed with the planning and study project for widening Highway 69 at Slaughterhouse Gulch.

Member Brown said the County had constructed rain water harvesting systems at the new library in Paulden, Cottonwood Health Department and Commerce annex.

Mr. Munderloh continued with the presentation.

- Outreach & communication
- Newsletter
- Radio sports
- Watershed event
- Home and garden event
- GUAC/coalition outreach
- Collaboration with Congressman Gosar

Chair Nye said she was on the Hussy Radio show. She said the group played a trick on her and asked how fast someone could say "Upper Verde River Water Shed Protection Coalition". She said it was a wonderful experience.

Member Blair said he gets frustrated on how long it takes to complete studies. He said what the coalition was doing was important to the region's economy and all government entities should work together.

Chair Nye asked the Board if they accepted 2017 goals. By nod of heads the Board agreed.

ITEM NO. 9. Next Meeting Day/Time (October 26th/Agenda Items)

Mr. Munderloh stated the next meeting was October 26, 2016 at 2:00 pm.



ITEM NO. 10, Adjourn Meeting

There being no further business to be discussed, the Upper Verde Watershed Protection Coalition meeting of July 27, 2016, was adjourned at 3:18 P.M.

Chairwoman Lora Lee Nye



NOTICE OF PUBLIC MEETING AGENDA

UPPER VERDE RIVER WATERSHED PROTECTION COALITION TECHNICAL ADVISORY COMMITTEE (TAC) MEETING

August 3rd, 2016 – 2:00 PM
YPIT Police Department Training Room
530 E Merrit St, Prescott AZ

Meeting Notes

Members Present: Amber Tyson (YPIT), Leslie Graser (City of Prescott), John Munderloh (Town of PV)

Others Present: Melody Reifsnyder (Sage Consulting)

Public Present: Sue Tone, Daily Courier

ITEM NO. 1 Discussion and Possible Action - Project Updates

- Collaboration with Rep. Gosar's office is underway
- Quarterly Report for Biomass Feedstock Analysis grant was completed and sent to Arizona Dept. of Forestry and Fire Management
- Minor contract issues with Labor Market Analysis are being worked out with anticipated date for PV Council approval on August 18.
- YPIT is awaiting go-ahead from ADEQ for public announcement regarding Slaughterhouse Gulch grant
- Munderloh and Reifsnyder met with NRCS Area Conservationist and staff engineers at proposed site for the Juniper Silt Dams project. They gained site specific knowledge and will adjust the grant budget accordingly

ITEM NO. 2 Discussion and Possible Action – Outreach and Communication

- August newsletter is underway, various articles for the newsletter were discussed
- Brochure for the Groundwater Users Advisory Committee/Coalition outreach to Prescott AMA water users is nearing completed draft status.

ITEM NO. 3 Discussion and Possible Action – October Watershed Event

- The Rodeo Grounds was determined to be insufficient for the event, YPIT will research available space, dates and costs at the Prescott Resort. We need to connect the location and dates with Governor's availability to set an event



date. Barring availability of the Governor, the State Forester will be keynote speaker and he will pick the dates. Funding for the event will likely have a significant offset from the Department of Forestry and Fire Management (DFFM). It will look a lot like a DFFM event. Coalition will focus on attracting the ranch community and documenting their concerns.

ITEM NO. 4 Communication from Members

- No additional communication

ITEM NO. 5 Next Meeting Time / Location / Agenda Items (next regular meeting is scheduled for September 7, 2016)

- This date does not work for all TAC members, will find a September date that works for all.



NOTICE OF PUBLIC MEETING AGENDA

UPPER VERDE RIVER WATERSHED PROTECTION COALITION TECHNICAL ADVISORY COMMITTEE (TAC) MEETING

September 6, 2016 – 2:00 PM
YPIT Police Department Training Room
530 E Merrit St, Prescott AZ

Meeting Notes

Members Present: Amber Tyson (YPIT), Leslie Graser (City of Prescott), John Munderloh (Town of PV)

Others Present: Rich Vandemark, Southwest Forestry Inc.

Public Present: Sue Tone, Daily Courier, Russ Pilcher, Peter Kroopnick, Leslie Hoy.

ITEM NO. 6 Discussion and Possible Action - Project Updates

- Various grant applications are moving forward to implement the Juniper Silt Dams concept on private and public properties within the watershed.
- Feedstock Analysis – Final report from TSS Consulting is expected in about 2 weeks
- Labor Market Analysis – Grant agreement approved and GSH Education Group hired to complete the analysis. Anticipated completion is around Thanksgiving
- Drake Cement Co-fire test – The Coalition has an opportunity to participate in the Drake Cement wood co-fire test slated for early October, 2016. Southwest Forestry Inc. (SFI) has convince Drake Cement to potentially substitute Juniper chips for Ponderosa chips on one day of the test if they can receive around 100- tons of chipped material. The Ponsse Harvester demonstration has produced approximately this amount of material that remains on the Cross U Ranch. This material has air-dried in place and is well suited for the test at Drake Cement if it can be chipped and transported. Although Drake is offsetting some of the costs, the reimbursement is not enough to pay for all of the costs of processing and delivering this material. SFI suggested that the Coalition could pay the marginal cost difference to chip and transport the Juniper from the Cross U Ranch to the Drake Cement Plan. Total project cost proposed is not to exceed \$7,000. When the Coalition Board approved



the Ponsse Demonstration project in October, 2015, the total approved budget was for \$25,000, of which only \$15,000 has been spent. The remaining \$10,000 was intended to pay SFI to analyze the results of the harvester experiment, but the State Forestry Division (now the Arizona Department of Forestry and Fire Management) covered the cost of that analysis. The TAC decided that the \$10,000 remaining in the budget is within the parameters approved by the Coalition Board for analyzing the results of the Ponsse Demonstration Project. The TAC agreed that SFI should move forward with processing and transporting the Juniper for the co-fire test at Drake Cement.

- Slaughterhouse Gulch Watershed Restoration – YPIT reported that the grant agreement with the Arizona Department of Environmental Quality is on hold pending resolution of administrative issues. YPIT has notified the engineer to proceed with final design of the improvements.

ITEM NO. 7 Discussion and Possible Action – Outreach and Communication

1. The August newsletter is expected in about a week.

ITEM NO. 8 Discussion and Possible Action –Watershed Event (November)

- i. The Biomass Harvesting and Watershed Restoration Event date has been set for November 15 at the Chapel Rock Conference Center. The Arizona Department of Forestry and Fire Management will be a major co-sponsor. Significant attendance and input from ranchers and landowners is expected to be a focus of the event.

ITEM NO. 9 Communication from Members

- a. No additional items were reported

ITEM NO. 10 Next Meeting Time / Location / Agenda Items (next regular meeting is scheduled for October 5, 2016)



NOTICE OF PUBLIC MEETING AGENDA

UPPER VERDE RIVER WATERSHED PROTECTION COALITION TECHNICAL ADVISORY COMMITTEE (TAC) MEETING

October 5, 2016 – 2:00 PM
YPIT Police Department Training Room
530 E Merrit St, Prescott AZ

Meeting Notes

Members Present: Amber Tyson (YPIT), Leslie Graser (City of Prescott), John Munderloh (Town of PV)

Others Present: Melody Reifsnnyder (Sage Consulting).

Public Present: Sue Tone, Daily Courier, Sandra Hurlbut

ITEM NO. 11 Discussion and Possible Action - Project Updates

- i. The Biomass Feedstock Supply Availability Assessment for Yavapai County is in final draft format and is ready to be presented to the Coalition Board for final approval.
- ii. The Grasslands Savannah Pre-investment Watershed Analysis (GSPWA) and Woodlands Thinning Demonstration Project Report are complete and ready to be presented
- iii. Labor Market Analysis is underway. GSH Education Group has been hired to complete the project.
- iv. Drake Cement Co-Fire test has been delayed. Az Dept of Forestry and Fire Management (ADFFM) is willing to pay for ½ the cost of the test. Coalition is working on a grant amendment with Az Dept of Forestry and Fire Management under existing grant for the Biomass Feedstock Supply Assessment project.

ITEM NO. 12 Discussion and Possible Action – Outreach and Communication

- i. Draft newsletter handed out for TAC review. Please provide any comments by end of week.

ITEM NO. 13 Discussion and Possible Action –Watershed Event (November)

- i. November 15 event will focus on input from Ranching and Landowner community, provide opportunity for discussion between federal, state and local agencies with Landowners and Biomass Industry representatives. The



Chino Winds and Triangle Natural Resource Conservation Districts have joined as event co-sponsors.

ITEM NO. 14 Discussion and Possible Action – Executive Board Agenda

- i. Topics for Board Meeting include:
 - Presentation and Discussion: Biomass Feedstock Supply Availability Assessment for Yavapai County (Tad Mason, TSS Consultants)
 - Presentation and Discussion: Grasslands Savannah Pre-investment Watershed Analysis (GSPWA) and Woodlands Thinning Demonstration Project (Rich Vandemark, Southwest Forestry Inc.)
 - November 15 Event (Munderloh)
 - Discussion & Possible Action – Grant Contract Amendment with Az Department of Forestry and Fire Management to include cost match for raw chip Drake Co-fire Test and cover costs to produce bio-coal product for Co-fire Test
 - Discussion and Possible Action – Executive Board Resolution to support Grant Application to Arizona Water Protection Fund (Munderloh)

ITEM NO. 15 Communication from Members

- i. YPIT is moving forward on Slaughterhouse Gulch project. Has hired an engineer to complete the design aspects.
- ii. Request to move TAC meeting time to 3:00 PM.

ITEM NO. 16 Next Meeting Time / Location / Agenda Items (next regular meeting is scheduled for November 2, 2016)

- i. Time for next meeting has changed to 3:00 PM



Drake Co-fire Test Project Proposal

Background: Drake Cement currently uses coal as part of its process to manufacture cement. Drake Cement could potentially replace some or all of its coal requirements with locally-sourced biomass from overstocked forests and woodlands throughout Northern Arizona. Drake Cement is planning to test biomass in its plant later this year to determine its suitability for manufacturing cement and to determine the effect of using biomass on air quality. The biomass will be mixed with coal in a process called “co-firing” to ensure that the appropriate temperatures are reached. Drake is planning to use Ponderosa Pine chips for several days of testing, but is also willing to try Juniper chips from Yavapai County.

Project Requirements: The Upper Verde River Watershed Protection Coalition (Coalition) has an opportunity to work with the Arizona Department of Forestry and Fire Management (ADFFM) to provide a sufficient amount of material for the Drake test in the form of both raw Juniper chips and bio-coal, a biomass product designed as a replacement to coal.

The woodlands thinning demonstration project conducted in March, 2106 produced several hundred tons of biomass (mostly Juniper) at three locations on private and State Trust Lands. The biomass is suitably dried to meet test requirements, but will need to be processed on-site into chips and then shipped to Drake Cement. The costs for chip production will be split equally between the Coalition and ADFFM and Drake Cement will pay for product shipping costs at \$40/ton. The bio-coal will be sourced from Missouri biomass and produced by Enginuity Worldwide. The difference in shipping costs from Missouri to Drake that are not covered by Drake Cement will be covered by ADFFM. Enginuity Worldwide is contributing costs for producing the bio-coal.

Project Costs: In October, 2015, the Coalition Board approved a budget expenditure of \$25,000 for the woodlands thinning demonstration project, however, the total expenditure for the Coalition on that project was \$15,000 (ADFFM covered the difference). The Coalition TAC suggests that testing the cut material for suitable uses is an appropriate extension of the woodlands thinning demonstration project and that the unused \$10,000 remaining in the budget could be dedicated for various testing purposes. The Drake Co-fire test is just one potential product test.

Current project cost estimates for the co-fire test are displayed below. Cost shares by the various project partners, including ADFFM, Drake Cement and Enginuity Worldwide are in the second table.



Drake Co-fire Test, Project Costs

Description	Cost
Biomass Processing - produce chips & bio-coal	\$ 15,000.00
Operations and management	\$ 6,500.00
Material Shipping, Freight, Equipment Transport	\$ 11,512.14
Total	\$ 33,012.00

Drake Co-fire Test, Cost Shares

Cost Share Partner	Contribution
ADFFM	\$ 10,512.14
Enginuity Worldwide	\$ 6,000.00
Drake (payment for material, delivered)	\$ 13,000.00
Coalition	\$ 3,500.00
Total	\$ 33,012.00

To facilitate project coordination, ADFFM would like to modify the existing Biomass Enterprise Grant Agreement between the Coalition and ADFFM. The Biomass Enterprise Grant is the cost-share grant used for the Biomass Feedstock Supply Availability Assessment for Yavapai County. The combined funding sources of ADFFM and the Coalition will pay for processing chips (including cost of machinery rental and transport), the cost differential for transporting bio-coal from Missouri and project management costs contracted through Southwest Forestry Inc.

Recommended Action: The Board has two recommended actions related to testing biomass:

1. Approve the use of \$10,000 from the Coalition budget for product testing of biomass sourced from within Yavapai County
2. Approve an amendment to the Biomass Enterprise Grant to include contributions from ADFFM as a cost-match for testing Juniper chips and bio-coal at the Drake Co-fire Test.



**Upper Verde River Watershed Protection Coalition
a formal partnership between Yavapai County, City of Prescott,
Towns of Prescott Valley and Chino Valley and Yavapai-Prescott Indian Tribe**

**Executive Board Resolution Supporting Submission of a Grant Application
to the Arizona Water Protection Fund for Fiscal Year 2017**

A resolution of the **EXECUTIVE BOARD OF THE UPPER VERDE RIVER WATERSHED PROTECTION COALITION** "Coalition" authorizing submittal of a grant application to the Arizona Water Protection Fund requesting funding to accomplish essential tasks associated with implementation of the Coalition Watershed Management and Restoration Plan and the proposed Juniper silt dam erosion control project.

WHEREAS, **THE UPPER VERDE RIVER WATERSHED PROTECTION COALITION**, hereinafter known as "The Coalition," is desirous of partnering with the Arizona Water Protection Fund;

WHEREAS, The Coalition is desirous of seeking outside funding sources to support its goals and planned activities;

WHEREAS, The Coalition has the professional expertise and financial ability to successfully implement the grant, including adherence to deadlines and reporting requirements;

WHEREAS, The Coalition understands its financial responsibility and has the resources, as included in the Project Budget, to implement the project.

NOW, THEREFORE, BE IT RESOLVED THAT the **EXECUTIVE BOARD OF THE UPPER VERDE RIVER WATERSHED PROTECTION COALITION** approves application to the Arizona Water Protection Fund and authorizes Project Director John Munderloh, Chair of the Coalition Technical Advisory Committee, to take all necessary steps to complete and submit said application.

Passed and adopted by the **EXECUTIVE BOARD OF THE UPPER VERDE RIVER WATERSHED PROTECTION COALITION** this 11TH day of October 2016.

By: _____

Lora Lee Nye
Executive Board Chair
Upper Verde River Watershed Protection
Coalition