

**A PLAN  
FOR RECEIPT AND EXPENDITURE OF MONIES  
SUBMITTED TO THE ARIZONA STATE FORESTRY DIVISION FOR  
COUNTY ENVIRONMENTAL PROGRAMS IMPACTING ECONOMIC DEVELOPMENT**

In 1999, Apache, Gila, Graham, Greenlee, and Navajo Counties ("Counties") agreed by vote of their Boards of Supervisors to expend State-appropriated monies and implement environmental programs impacting economic development through the Environmental Economic Communities Organization ("EECO"). Subsequently, the Counties submitted for approval a joint plan that directed the implementation of projects in the five Counties, projects which were designed to show the feasibility and necessity of the multiple uses of our natural resources and renewable energy.

In 2011-2012, the State Budget included a \$75,000 appropriation for EECO, subject to the submittal of a proposed plan that is approved by Arizona State Forester, Arizona State Forestry Division. In 2012, each of the Counties signed an updated Intergovernmental Agreement with the State Forestry Division which stipulates a plan be submitted for approval. This plan is show the projects and how the monies will be spent. The following is a description of the plans for expenditure of the FY 2011-2012 funds. A line item description of planned expenditures is attached to this plan.

Project 1: Attempts to Develop Biomass Projects

Project 2: Participation in the Mexican Gray Wolf Reintroduction Project

Project 3: Participation in Professional Organizations

Approved this 18<sup>th</sup> day of April, 2012



Mark C. Herrington, Chairman, EECO Board of Directors

Approved this 24 day of May, 2012.



Scott Hunt, Arizona State Forester

## EECO PROJECT 1

### PROJECT TITLE: ATTEMPTS TO DEVELOP BIOMASS PROJECTS

Projected FY 2011-2012 Cost: \$45,000

State Appropriation Total: \$30,500

- WHO:** EECO leadership and participation in efforts to develop the utilization of forest biomass for wood products, heating, electrical generation and other innovative uses. Beneficiaries might include the Apache-Sitgreaves, Tonto, Coronado, Kaibab, and Coconino National Forests, local-based forest products industries, entrepreneurs, and utilities, as well as other interested and impacted parties.
- WHERE:** Apache, Gila, Graham, Greenlee, Navajo and Coconino Counties
- WHAT:** The funds would be used to support the staff effort needed to prepare for, advocate, coordinate and undertake this effort. An effort will also be made to apply for any applicable federal biomass-related grants, should they become available.
- WHY:** EECO has a history of being involved in biomass utilization efforts. This current effort will take advantage of changes in technologies in the biomass area, as well as societal, institutional, and regulatory changes that provide incentives for utilization of biomass. For example, EECO was involved in the Arizona Corporation Commission's "Renewable Energy Standards and Tariff (REST). Recognizing the large unmet need for thinning and restoration in the respective national forests, EECO has been highly involved from the start in the Four Forest Restoration Initiative (4FRI), an ambitious plan to restore 2.4 million acres of ponderosa pine in northern Arizona by creatively incorporating industry.
- WHEN:** Periodic scheduled meetings during the year of the 4FRI Stakeholders and various Working Groups of the 4FRI, as well as a myriad of special meetings and cajoling.
- OUTPUT:** The ideal outcome for this effort would be an operating industry capable of utilizing large volumes of biomass. EECO has been urging the U.S. Forest Service to issue the long-awaited large stewardship contract for 4FRI, based on the responses to their RFP. Such a contract will help establish a viable market for wood in northern Arizona. There will be a project progress report at the end of the year to the Arizona State Forestry Division.

## EECO PROJECT 2

### PROJECT TITLE: PARTICIPATION IN THE MEXICAN GRAY WOLF REINTRODUCTION PROJECT

Projected FY 2011-2012 Cost: \$38,000

State Appropriation Total: \$23,500

- WHO:** EECO participation in the Mexican Gray Wolf Reintroduction Project. This project of national interest is lead by the U.S. Fish and Wildlife Service (USFWS), in conjunction with the Arizona Game and Fish Department, the U.S. Forest Service, the federal Wildlife Services, the White Mountain Apache Tribe, the San Carlos Tribe, and Greenlee, Graham, and Navajo Counties. There is an interagency group, operating under a Memorandum of Understanding (MOU) that coordinates and makes recommendations to USFWS. Additionally, EECO sits on the recently-formed 11 member "Mexican Wolf Interdiction Fund Stakeholder Council" that is charged with planning and funding livestock losses by ranchers due to wolf activity.
- WHERE:** Graham, Greenlee, and Navajo Counties, and New Mexico. The only area in the nation currently designated for initial release of Mexican Gray Wolves is a portion of Greenlee County (the "Blue Range Wolf Recovery Area"). A "secondary" recovery area is in eastern New Mexico. The meetings of the interagency group and the Interdiction Council take place at varied locations in eastern Arizona and western New Mexico.
- WHAT:** The funds would be used to support the staff effort needed to prepare for, travel to, and participate in meetings.
- WHY:** The relatively new MOU developed and signed, after a period of a couple of years of contention and faltering of the recovery program, is still very much a "work in progress." EECO, while not a signatory to the MOU, played a role in facilitating a new MOU and will play a role in its implementation.
- WHEN:** Scheduled periodic meetings , with special meetings called as needed.
- OUTPUT:** The ideal outcome of this effort would be a smooth functioning, well-managed Mexican Wolf Introduction Program that meets the needs of the various respective stakeholders, especially the ranchers adversely impacted by wolves. The Minutes and other reports of the interagency group and the Interdiction Council should reflect EECO's participation and contribution. There will be a project progress report at the end of the year to the Arizona State Forestry Division.

### EECO PROJECT 3

#### PROJECT TITLE: PARTICIPATION IN PROFESSIONAL ORGANIZATIONS

Projected FY 2011-2012 Cost: \$39,000

State Appropriation Total: \$21,000

- WHO:** Ongoing EECO leadership and participation in: the Governor's Forest Health Council, the White Mountains Natural Resources Working Group, US Forest Service plan revision efforts, the White Mountain Stewardship Monitoring Board, the 5-County Resource Advisory Council (RAC), the Northern Arizona Wood Products Association, and others as necessary
- WHERE:** Apache, Gila, Graham, Greenlee, Navajo and Coconino Counties. The meetings of these organizations take place at varied locations around the State.
- WHAT:** The funds would be used to support the staff effort needed to prepare for, travel to, and participate in these meetings.
- WHY:** The participation of EECO in these groups has been recognized as valuable and is reflected in the appointment of EECO staff to certain boards, as well as the signing of Memoranda of Understanding with certain groups. The unique regional perspective that EECO is able to bring to these groups facilitates greater collaboration and cooperation.
- WHEN:** Periodic scheduled meetings during the year for some organizations, with special meetings called as needed for others.
- OUTPUT:** The adopted Minutes and other reports of these organizations should reflect EECO's participation and contributions. In addition, the Arizona State Forestry also is a member of some of these organizations and thus will have firsthand knowledge of EECO's contributions. There will be a project progress report at the end of the year to the Arizona State Forestry Division.

ENVIRONMENTAL ECONOMICS COMMUNITIES ORGANIZATION (EECO)  
 A PLAN FOR EXPENDITURE OF MONIES FOR FY 2011-2012 FOR  
 COUNTY ENVIRONMENTAL PROGRAMS IMPACTING ECONOMIC DEVELOPMENT

| PROJECTS  | Executive Director |              |             |             |             | TOTAL        |
|-----------|--------------------|--------------|-------------|-------------|-------------|--------------|
|           | Salary             | Benefits     | Supplies    | Travel      | Other       |              |
| Project 1 | \$ 22,000.00       | \$ 6,600.00  | \$ 400.00   | \$ 1,000.00 | \$ 500.00   | \$ 30,500.00 |
| Project 2 | \$ 17,000.00       | \$ 5,100.00  | \$ 300.00   | \$ 700.00   | \$ 400.00   | \$ 23,500.00 |
| Project 3 | \$ 15,000.00       | \$ 4,500.00  | \$ 400.00   | \$ 700.00   | \$ 400.00   | \$ 21,000.00 |
| TOTALS    | \$ 54,000.00       | \$ 16,200.00 | \$ 1,100.00 | \$ 2,400.00 | \$ 1,300.00 | \$ 75,000.00 |