

PURSUANT TO A.R.S. SECTION 38-431.01, THE GILA COUNTY BOARD OF SUPERVISORS WILL HOLD AN OPEN MEETING IN THE SUPERVISORS' AUDITORIUM, 1400 EAST ASH STREET, GLOBE, ARIZONA. ONE OR MORE BOARD MEMBERS MAY PARTICIPATE IN THE MEETING BY TELEPHONE CONFERENCE CALL OR BY INTERACTIVE TELEVISION VIDEO (ITV). **ANY MEMBER OF THE PUBLIC IS WELCOME TO ATTEND THE MEETING VIA ITV WHICH IS HELD AT 610 E. HIGHWAY 260, BOARD OF SUPERVISORS' CONFERENCE ROOM, PAYSON, ARIZONA.** THE AGENDA IS AS FOLLOWS:

WORK SESSION - TUESDAY, NOVEMBER 26, 2013 - 10:00 A.M.

- 1 **CALL TO ORDER - PLEDGE OF ALLEGIANCE**
- 2 **REGULAR AGENDA ITEMS:**
 - A Information/Discussion/Action to approve Gila County becoming a cooperator on the June 30, 2010, Memorandum of Understanding (MOU) between various County, Federal, State, and Tribal agencies that: (a) have regulatory jurisdiction and management authority over Mexican wolves (*Canis lupus baileyi*) or the lands that Mexican wolves occupy in Arizona and New Mexico; or (b) are responsible for representing constituency interests while striving to make reintroduction compatible with current and planned human activities, such as livestock grazing and hunting, and authorize the Chairman's signature on the MOU, the Rules and Responsibilities, and the Addendum. **(Jacque Griffin)**
 - B Information/Discussion to consider individuals for appointment to a Gila County Citizens' Committee to explore all options regarding the extension of a transportation excise tax for an additional 20 years. **(Don McDaniel)**
 - C Information/Discussion/Action to adopt Resolution No. 13-11-07 accepting the resignations of five (5) governing board members of the Pine Strawberry Water Improvement District (PSWID); revoking the authority of the PSWID; naming the Gila County Board of Supervisors as the Board of Directors for the PSWID; and reserving the authority to call for new elections for the PSWID. **(Eric Mariscal)**
- 3 **CALL TO THE PUBLIC:** Call to the Public is held for public benefit to allow individuals to address the Board of Supervisors on any issue within the jurisdiction of the Board of Supervisors. Board members may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to Arizona Revised Statute §38-431.01(H), at the conclusion of an open call to the public, individual members of the Board of Supervisors may respond to criticism made by those who have addressed the Board, may ask staff to review a matter or may ask that a matter be put on a future agenda for further discussion and decision at a future date.

IF SPECIAL ACCOMMODATIONS ARE NEEDED, PLEASE CONTACT THE RECEPTIONIST AT (928) 425-3231 AS EARLY AS POSSIBLE TO ARRANGE THE ACCOMMODATIONS. FOR TTY, PLEASE DIAL 7-1-1 TO REACH THE ARIZONA RELAY SERVICE AND ASK THE OPERATOR TO CONNECT YOU TO (928) 425-3231.

THE BOARD MAY VOTE TO HOLD AN EXECUTIVE SESSION FOR THE PURPOSE OF OBTAINING LEGAL ADVICE FROM THE BOARD'S ATTORNEY ON ANY MATTER LISTED ON THE AGENDA PURSUANT TO A.R.S. SECTION 38-431.03(A)((3).

THE ORDER OR DELETION OF ANY ITEM ON THIS AGENDA IS SUBJECT TO MODIFICATION AT THE MEETING.

Work Session**Meeting Date:** 11/26/2013**Submitted For:** Jacque Griffin, Asst. County
Manager/Librarian**Submitted By:** Jacque Griffin,
Asst. County
Manager/Librarian,
Asst County
Manager/Library
District**Department:** Asst County Manager/Library District

InformationRequest/Subject

Approval of a Memorandum of Understanding (MOU) for cooperative management of the Mexican Wolf Reintroduction Project

Background Information

This MOU and the two addendums provide guidance to the Mexican Wolf MOU Cooperators regarding their roles and responsibilities in implementing the Mexican Wolf Reintroduction Project, and are inclusive of the their designee to the Middle Management Team (MMT).

The original MOU cooperators included the Arizona Game and Fish Department, Eastern Counties Organization, Graham County, Greenlee County, Navajo County, USDA Animal and Plant Health Inspection Service/Wildlife Services, USDA Forest Service, USDA Fish and Wildlife Service, and White Mountain Apache Tribe.

The following paragraphs are background taken from the November 2012 Addendum that summarize the purpose, roles and responsibilities of a Cooperator to this MOU:

"A Memorandum of Understanding (MOU) for cooperative management of the Mexican Wolf Reintroduction Project was developed and signed in 2010 by cooperating Federal, State, County, and Tribal agencies (MOU Cooperators). The primary purpose of the MOU is to provide a framework for collaboration that is based in sound science and which enables the Signatories to develop a mutually-agreeable, long-term collaboration in reintroduction of Mexican wolves in Arizona and New Mexico within the Mexican Wolf Experimental Population Area (hereafter MWEPA) as defined in the 1996 Final Environmental Impact Statement for the Mexican Wolf within its Historic Range in the Southwestern United States (EIS) and the Final 10(j) Rule for the Establishment of a Nonessential Experimental Population of the Mexican Gray Wolf in Arizona and New Mexico (63 FR 1752; January 12, 1998) (10(j) Rule).

Objectives of the MOU, included:

- Committing to developing documents such as: (a) Signatory authorities, roles, and functions (i.e. responsibilities or duties) consistent with applicable statute, policy, or regulation; (b) other processes or procedures by which signatories will coordinate and manage the Project, including mechanisms, formats, and priorities for inter-agency work planning, budgeting, outreach, wolf management

(including nuisance or depredation response, interdiction, and compensation), performance reporting, and evaluation; and (c) processes or procedures by which signatories will enable the public to participate in this project.

- Ensuring that efforts toward Mexican wolf conservation are productively integrated with, and appropriately balanced by, programs that prevent, reduce or mitigate any negative impacts that Mexican wolf reintroduction might have on lawful multiple or other uses of public lands, private lands or participating Federal Indian Trust Lands. Toward that end, the signatories will strive to stabilize existing funding for such measures and to develop additional funding to implement a comprehensive voluntary interdiction program among livestock producers that are affected by Mexican wolf reintroduction. In addition to the Mexican Wolf Interdiction Fund, the signatories will apply any other program that can help reduce wolf/livestock conflicts or alleviate the impacts of livestock depredation by wolves, while enabling progress toward the project's wolf population objective and reintroduction success.
- Fostering cooperation which improves the science-based foundation for project success by actions that include revision of the: (a) 1982 Mexican Wolf Recovery Plan; (b) 10(j) Rule; (c) USFWS 1998 Mexican Wolf Management Plan; and (d) annual and long-term population objectives for the reintroduction effort.

Framework:

1. The purpose of this document is to provide guidance to the Mexican Wolf MOU Cooperators regarding their roles and responsibilities in implementing the Mexican Wolf Reintroduction Project. MOU Cooperator authorities, roles, and functions (i.e. responsibilities or duties) are consistent with applicable statute, policy, or regulation. MOU Cooperators consist of those entities that are signatory to the 2010 MOU, inclusive of their designee to the Middle Management Team (MMT).
 - a. Each signatory to the MOU, or their designee, will serve as an Executive Decision Maker.
 - b. Each signatory to the MOU will designate a representative(s) to the MMT. The MMT will be routinely updated on Mexican Wolf recovery planning and Reintroduction Project activities. The MMT will review or develop:
 - i. Interagency work plans
 - ii. Budgets
 - iii. Standard Operating Procedures (SOP's)
 - iv. Outreach materials and processes
 - v. Annual reports
 - vi. Interagency Field Team (IFT) major proposals (e.g., removals, releases, trans-locations, and major shifts in management paradigms)
 - c. IFT members will consist of MOU Cooperator employees, whose primary duties involve on-the-ground management."

Evaluation

This MOU and Addendums are more involved with the ongoing management of the Mexican Wolf Experimental Population Area (MWEPA) and have been in effect since 2010. Since Gila County is currently impacted by the MWEPA and will perhaps be more affected by the current proposed changes to the management of this population, it is logical that Gila County become involved in this MOU. The prior Cooperating Agency MOU that was signed by Gila County deals strictly with the development of the Environmental Impact Statement and Management Plan for the Mexican Wolf population should it be designated as a separate sub-species with 10(j) Rule protections. This MOU concerns more of the ongoing, on the ground management decisions of the population.

Conclusion

By becoming a cooperator with this agreement, Gila County will have more opportunity to give input and affect decisions involving the MWEPA. The original MOU States: "This Memorandum of Understanding (hereafter Agreement) is made and entered into by and among the following County, Federal, State, and Tribal agencies that: (a) have regulatory jurisdiction and management authority over Mexican wolves (*Canis lupus baileyi*) or the lands that Mexican wolves occupy in Arizona and New Mexico; or (b) are responsible for representing constituency interests while striving to make reintroduction compatible with current and planned human activities, such as livestock grazing and hunting."

Recommendation

Staff recommends that the Gila County Board of Supervisors approve this Memorandum of Understanding, along with the Roles and Responsibilities for Mexican Wolf MOU Cooperators, and the Addendum.

Suggested Motion

Information/Discussion/Action to approve Gila County becoming a cooperator on the June 30, 2010, Memorandum of Understanding (MOU) between various County, Federal, State, and Tribal agencies that: (a) have regulatory jurisdiction and management authority over Mexican wolves (*Canis lupus baileyi*) or the lands that Mexican wolves occupy in Arizona and New Mexico; or (b) are responsible for representing constituency interests while striving to make reintroduction compatible with current and planned human activities, such as livestock grazing and hunting, and authorize the Chairman's signature on the MOU, the Rules and Responsibilities, and the Addendum. **(Jacque Griffin)**

Attachments

MOU Wolf 2010

MOU 2010 Wolf Roles and Responsibilities

MOU Wolf 2010 Addendum of 2013

Memorandum of Understanding
by and among the
**Arizona Game and Fish Department, Graham County (AZ),
Greenlee County (AZ), Navajo County (AZ),
Animal and Plant Health Inspection Service/Wildlife Services,
U.S.D.A. Forest Service, U.S.D.I. Fish and Wildlife Service, and
White Mountain Apache Tribe**

Final: June 30, 2010
Updated to Reflect Current Signatories: January 2013

This Memorandum of Understanding (hereafter Agreement) is made and entered into by and among the following County, Federal, State, and Tribal agencies that: (a) have regulatory jurisdiction and management authority over Mexican wolves (*Canis lupus baileyi*) or the lands that Mexican wolves occupy in Arizona and New Mexico; or (b) are responsible for representing constituency interests while striving to make reintroduction compatible with current and planned human activities, such as livestock grazing and hunting.

1. Arizona Game and Fish Department (AGFD), as authorized to enter into agreements as the administrative agent of the Arizona Game and Fish Commission, i.e. A.R.S. Title 17-231.B.7; as authorized by Arizona Revised Statutes (Title 17) and by a Cooperative Agreement executed in 1985 by AGFD and USFWS, pursuant to Section 6 of the Endangered Species Act of 1973, as amended (ESA); a Memorandum of Understanding executed in 2008 with USFWS for ESA implementation in Arizona; and as authorized under permits issued to AGFD by USFWS under ESA Section 10;
2. New Mexico Department of Agriculture (NMDA), as authorized to enter into agreements in accordance with 76-1-2-F NMSA 1978;
3. U.S.D.A. Animal and Plant Health Inspection Service, Wildlife Services (WS), as authorized to enter into agreements, i.e. Animal Damage Control Act of March 2, 1931, as amended (46 Stat. 1468; 7 USC 426-426b and 426c);
4. U.S.D.A. Forest Service Southwestern Region (USFS), as authorized under the Multiple-Use Sustained-Yield Act of 1960 (16 U.S.C. 528 (note 528-531)), and the Endangered Species Act of 1973 (16 U.S.C. 1531-1536, 1538-1540);
5. U.S.D.I. Fish and Wildlife Service Region 2 (USFWS), as authorized to enter into agreements, i.e. the Endangered Species Act, 1531 USC et seq.;
6. White Mountain Apache Tribe (WMAT), as authorized to enter into agreements, i.e. Article IV Section 1 of the Tribal Constitution;
7. The Arizona Counties of Graham (GRAHCO), Greenlee (GRECO), and Navajo (NACO), as authorized by the State of Arizona, enabling counties to protect the health, safety, and welfare of its citizens, pursuant to Arizona Revised Statutes 11-806(b), as well as County laws, including County land-use plans, water and watershed plans, and environmental, natural resource, and cultural resource laws and policies; and

Collectively, all parties to this Agreement are hereafter referred to as Signatories.

Witnesseth

WHEREAS, ESA declared the policy of Congress to be “that all Federal departments and agencies shall seek to conserve endangered species and threatened species and shall utilize their authorities in furtherance of the purposes of this Act;”

WHEREAS, USFWS, a Federal land management and regulatory agency, has a primary responsibility for initiating, conducting, and supporting programs for recovery of species listed under ESA, including the Mexican wolf; USFWS is responsible for providing guidance and coordinated information to all interested parties relative to Mexican wolf reintroduction, in accordance with: ESA; a 1996 Final Environmental Impact Statement (FEIS) on Reintroduction of the Mexican Wolf in the Southwest; a 1997 Record of Decision (ROD) for the FEIS; a 1998 Mexican Wolf Nonessential Experimental Population Rule (50 CFR 17.84(k); hereafter Final Rule); and a USFWS-approved “1998 Mexican Wolf Interagency Management Plan;”

WHEREAS, WMAT is authorized to manage Mexican wolves on the Fort Apache Indian Reservation, in accordance with sovereign rights under Treaty with the United States and statements of relationship and agreements with, USFWS, and WMAT has a Mexican Wolf Management Plan for the Fort Apache Indian Reservation that has been agreed to separately by WMAT and USFWS;

WHEREAS, USFS, a Federal land management agency has responsibility under the National Forest Management Act of 1982 to provide for the diversity of plant and animal communities, manage fish and wildlife habitat to maintain viable populations, and, under Section 7(a)(1) of the ESA, to further conservation and recovery of Federally-listed species on National Forest Lands;

WHEREAS, WS, a Federal program, is responsible for providing Federal leadership and expertise to resolve conflicts between humans and wildlife, including threatened and endangered species, in cooperation with Federal, State and Tribal agencies, individuals and other public and private agencies, organizations and institutions;

WHEREAS, Arizona Counties are legally responsible for the protection of health, safety, and welfare of individuals and communities that may be affected by reintroduction and recovery of the Mexican wolf, and they are participating in this Agreement under County authorities to manage natural resources within the boundaries of the Counties;

WHEREAS, the Signatories are committed to establishing and maintaining an ecologically and socially appropriate balance between the conflicting pressures of establishing a wild Mexican wolf population and preventing or alleviating any negative impacts that wolf depredation might have on livestock or wildlife; and

WHEREAS, many Signatories have participated in Mexican wolf reintroduction since 2003 or earlier under previous interagency agreements; in December 2009, USFWS determined that it considers the most recent interagency agreement (executed in October 2003) to have expired in October 2008; other Signatories have continued working under the 2003 agreement; all parties have agreed it would best serve all interests to establish a new agreement that includes USFWS in order to create a new long-term framework for collaboration in Mexican wolf reintroduction.

NOW THEREFORE, the Signatories enter into this Agreement to accomplish its purpose and objectives as stated below:

Purpose

The primary purpose of this Agreement is to provide a framework for collaboration that is based in sound science and which enables the Signatories to develop a mutually-agreeable, long-term collaboration in reintroduction of Mexican wolves in Arizona and New Mexico within the Mexican Wolf Experimental Population Area (hereafter MWEPA¹) as defined in the 1998 Final Rule governing reintroduction.

Objectives

The objectives of this Agreement are as follows:

1. Further conservation and wild persistence of the Mexican wolf through long-term effort to reestablish a wild population in the Blue Range Wolf Recovery Area (BRWRA) and on participating contiguous Federal Indian Trust Lands.
2. Manage Mexican wolves that occur within the MWEPA as a result of reintroduction in the United States, including captive-reared individuals released into the wild, individuals born in the wild to released wolves, or their progeny.
3. Commit to developing documents such as: (a) Signatory authorities, roles, and functions (i.e. responsibilities or duties) consistent with applicable statute, policy, or regulation; (b) other processes or procedures by which Signatories will coordinate and manage the Project, including mechanisms, formats, and priorities for interagency work planning, budgeting, outreach, wolf management (including nuisance or depredation response, interdiction, and compensation), performance reporting, and evaluation; and (c) processes or procedures by which Signatories will enable the public to participate in this Project.
4. Ensure that efforts toward Mexican wolf conservation are productively integrated with, and appropriately balanced by, programs that prevent, reduce or mitigate any negative impacts that Mexican wolf reintroduction might have on lawful multiple or other uses of public lands, private lands or participating Federal Indian Trust Lands. Toward that end, the Signatories will strive to stabilize existing funding for such measures and to develop additional funding to implement a comprehensive voluntary interdiction program among livestock producers that are affected by Mexican wolf reintroduction. In addition to the Mexican Wolf Interdiction Fund, the Signatories will apply any other program that can help reduce wolf/livestock conflicts or alleviate the impacts of livestock depredation by

¹ The MWEPA includes the area in which Mexican wolves were initially reintroduced in 1998: the Blue Range Wolf Recovery Area, consisting of non-tribal lands in portions of east-central Arizona and west-central New Mexico. Reintroduction is now occurring over a broader area, including the Fort Apache Indian Reservation in Arizona. Mexican wolves originating from this reintroduction effort may also occur at least occasionally (and temporarily) on the San Carlos Apache Indian Reservation in Arizona and/or within portions of the MWEPA outside the Blue Range Wolf Recovery Area and the Fort Apache and San Carlos reservations. Although a variety of jurisdictional wolf management plans cover the cumulative area, for convenience and clarity the reintroduction effort in general is referenced collectively. Such reference has no effect on concurrent or exclusive jurisdictions for land and wildlife management within the overall project area, including Federal Indian Trust Lands and non-tribal lands.

wolves, while enabling progress toward the Project's wolf population objective and reintroduction success.

5. Foster cooperation which improves the science-based foundation for Project success by actions that include revision of the: (a) 1982 Mexican Wolf Recovery Plan; (b) Final Rule governing reintroduction in Arizona and New Mexico; (c) USFWS 1998 Mexican Wolf Management Plan; and (d) annual and long-term population objectives for the reintroduction effort.
6. Link Signatory commitment of sufficient resources (including funding, staff, equipment, etc.) to mutually-agreeable Project guidance, practices, performance and results in each of the areas delineated above.

The Signatories in this Agreement agree to:

1. Strive to achieve the purpose and objectives set forth in this Agreement; and
2. Process requests to authorize² activities or access for activities the Signatories jointly or individually conduct pursuant to this Agreement.

It is Mutually Agreed and Understood by and among the Signatories in this Agreement that:

1. The Signatories are primarily a coordinating body but have agreed through this Agreement to collaborate in developing decision alternatives that will be subject to acceptance by the appropriate jurisdictional agency. Collaboration pursuant to this Agreement shall not abrogate nor shall it be construed to abrogate the jurisdictional or other legal authorities of any Signatory or of any other entity, including State and Tribal trust authorities for wildlife and wildlife management. Although the Signatories may make recommendations to USFWS, both USFWS and the Signatories recognize the Signatories have no decision-making authority over USFWS with regard to the Mexican Wolf Recovery Program.
2. The terms of this Agreement are contingent upon sufficient resources being available to the Signatories for performance of this Agreement. The Signatories will develop work plans each year, develop budgets and, as funding is available from all sources, assess priorities and apply the available funding to those priorities. Decisions as to whether sufficient resources are available to each Signatory shall be determined by each Signatory, shall be accepted by all other Signatories and shall be final.
3. Specific work projects or activities that involve transfer of funds, services or property among the Signatories shall require execution of separate agreements or contracts and be contingent upon the availability of appropriated or other funds. Appropriate statutory authority must independently authorize such activities; this Agreement does not provide such authority. Negotiation, execution and administration of each such agreement must

² Issuance of authorizations is subject to compliance with applicable agency and tribal policies and procedures, as well as applicable state, tribal and federal laws and regulations.

comply with all applicable statutes and regulations. Nothing in this Agreement shall obligate the Signatories to obligate or transfer any funds, expend appropriations, or to enter into any contract or other obligations.

4. This Agreement is non-binding and establishes no duty or obligation on any party; this Agreement is not intended to, and does not create or establish, any substantive or procedural right, benefit, trust responsibility, claim, cause of action enforceable at law, or equity in any administrative or judicial proceeding by a party or non-party against any party or against any employee, officer, agent, or representative of any party.
5. The Signatories in this Agreement and their respective agencies and offices will handle their own activities and use their own resources, including the expenditure of their own funds, in pursuing the objectives of this Agreement. Each party will carry out its separate activities in a coordinated and mutually beneficial manner. Employee assignment to the Project is subject to approval by the employing agency.
6. Any information provided to the Federal Agencies under this instrument may be subject to release under the Freedom of Information Act (5 U.S.C. 552). However, nothing in this Agreement shall be construed to affect the applicability of the exemptions set forth in 5 U.S.C. Section 552 (b).
7. This instrument in no way restricts the Signatories from participating in similar activities with other public or private agencies, organizations and individuals. This Agreement does not modify or supersede other existing agreements between or among any of the Signatories.
8. This Agreement takes effect on the date of the last signature of approval and shall remain in effect for five years. The Signatories will review the Agreement prior to its scheduled expiration and extend it if so desired. All such actions shall be discussed in a public meeting of the Signatories to ensure transparency for the public. However, such public discussion shall not substitute for nor shall it violate any Signatory's obligation to seek approval from its governing body through separate process. Any Signatory may withdraw from this Agreement with a 60-day written notice to the other Signatories. Withdrawal by one party shall not obligate any other Signatory to withdraw nor shall it affect continued cooperation among remaining parties to this Agreement. Further:
 - a. In accordance with the laws of the State of Arizona, all parties are hereby put on notice that State of Arizona participation this Agreement is subject to cancellation pursuant to A.R.S. § 38-511.
 - b. In accordance with the laws of the State of New Mexico, this Agreement is subject to approval by the Department of Finance and Administration. If any money has been contributed by the parties to this Agreement, after completion of the Agreement's purposes any surplus money on hand shall be returned in proportion to the contributions made. No property shall be acquired as the result of the joint exercise of powers under this Agreement.
9. This Agreement may be amended at any time to include additional Signatories. An entity requesting Signatory status shall submit its request to the Signatories in the form of a

document defining the requesting agency's proposed responsibilities pursuant to this Agreement. Inclusion of additional Signatories shall be approved by majority voice concurrence of current Signatories present in a public meeting of the Signatories. On approval, the new Signatory must comply with all aspects of the Agreement as it was structured when its request for Signatory status was approved.

10. Conflicts between or among Signatories concerning this Agreement that cannot be resolved at the lowest possible level shall be referred to the next higher level, et seq., as necessary, for resolution.
11. Each Signatory shall identify principal implementation and contract administration contacts for this Agreement and provide their contact information to the other Signatories. Agencies may change their contact(s) by written notification to all Signatories. Contact changes by one Signatory shall not require concurrence of other Signatories.
12. This Agreement is not a Federal contract, rule or regulation. This Agreement shall not be construed as or interpreted to be final Federal agency action.
13. This Agreement is subject to all Federal statutes relating to nondiscrimination. These include, but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352); and (b) Title IX of the Education Amendments of 1972 (20 U.S.C. 1681-1683 and 1685-1686).
14. No member of or delegate to Congress shall be entitled to any share or part of this Agreement, or to any benefit that may arise from it.
15. The provisions of any statutes and/or regulations cited in this Agreement contain legally binding requirements. The Agreement itself does not alter, expand, or substitute for those provisions or regulations, nor is it a regulation itself. Thus, this Agreement does not impose legally-binding requirements on the Parties, nor does it create a legal right of action for the Parties or any third party.
16. Nothing in this Agreement may be construed as creating any sort of exclusive arrangement between an agency or agencies, tribes and the non-federal Signatory.
17. Unless expressly provided by law, personnel or volunteers of one Signatory shall not be considered to be agents or employees of the other Signatory for any purpose, and no joint venture or principal-agent relationship shall be deemed to exist. The personnel and volunteers of one Signatory are not entitled to any of the benefits that the other Signatory provides for its employees or volunteers. This Agreement shall not make or be deemed to make employees of one Signatory subject to supervision by employees of another Signatory.
18. On behalf of itself, its officers, directors, members, employees, agents and representatives, each Signatory agrees that it will be responsible for its own acts and omissions and the results thereof and that it shall not be responsible for the acts or omissions of the other Signatory, nor the results thereof. Each Signatory therefore agrees that it will assume the

risk and liability to itself, its agents, employees and volunteers for any injury to or death of persons or loss or destruction of property resulting in any manner from the conduct of the Signatory's own operations and/or the operation of its agents, employees and/or volunteers under this Agreement. Each Signatory further releases and waives all claims against the other Signatory for compensation for any loss, cost, damage, expense, personal injury, death, claim, or other liability arising out of the performance of this Agreement, including without limitation any loss, cost, damage, expense, personal injury, death, claim or other liability arising out of the other Signatory's negligence, provided, however, that either Signatory may agree to voluntarily compensate the other for damage to equipment.

19. [Additional stipulation specific to USFS and AGFD]. In lieu of provision #18 (above) as currently written, the Forest Service hereby cites the following:

FOREST SERVICE LIABILITY. The United States Federal Government does not have the authority to indemnify and hold harmless the State of Arizona {and other cooperators} from any and all claims, liabilities, losses, damages, charges, etc. The State of Arizona does not have the authority to indemnify and hold harmless the United State Federal Government from any and all claims, liabilities, losses, damages, charges, etc. The State of Arizona will be responsible for errors, omissions and negligence of its employees. The United States Federal Government will be responsible for errors, omissions and negligence of its employees to the extent provided by Congress under the Federal Tort Claims Act [28 U.S.C. 1346(b), 2401(b), 2671-2680, as amended by P.L. 89-506, 80-Stat. 306)

IN WITNESS WHEREOF:

The Signatories hereto have executed the Agreement as of the last written date below.

Larry D. Voyles

Larry D. Voyles, Director
Arizona Game and Fish Department

June 25, 2010

Date

Jeffrey S. Green

Jeffrey S. Green, Regional Director, Western Region
USDA APHIS/Wildlife Services

September 20, 2010

Date

C.L. Newman Jr.

Corbin L. Newman, Regional Forester
USDA Forest Service Southwestern Region

August 6, 2010

Date

Benjamin N. Tuggle

Benjamin N. Tuggle, Director, Region 2
U.S. Fish and Wildlife Service

July 13, 2010

Date

Ronnie Lupe

Ronnie Lupe, Chairman
White Mountain Apache Tribe

November 23, 2010

Date

Mark Herrington

Mark Herrington, Chair
Graham County (AZ) Board of Supervisors

July 6, 2010

Date

Hector Ruedas

Hector Ruedas, Chair
Greenlee County (AZ) Board of Supervisors

July 6, 2010

Date

Jesse Thompson

Jesse Thompson, Chair
Navajo County (AZ) Board of Supervisors

July 13, 2010

Date

Pascal Berlioux

Pascal Berlioux, Executive Director
Eastern Arizona Counties Organization

February 5, 2013

Date

Michael Pastor, Chair
Gila County (AZ) Board of Supervisors

Date

MEXICAN WOLF BLUE RANGE REINTRODUCTION PROJECT¹

ROLES AND RESPONSIBILITIES FOR MEXICAN WOLF MEMORANDUM OF UNDERSTANDING COOPERATORS

FINAL NOVEMBER 2012

BACKGROUND:

A Memorandum of Understanding (MOU) for cooperative management of the Mexican Wolf Reintroduction Project was developed and signed in 2010 by cooperating Federal, State, County, and Tribal agencies (MOU Cooperators). The primary purpose of the MOU is to provide a framework for collaboration that is based in sound science and which enables the Signatories to develop a mutually-agreeable, long-term collaboration in reintroduction of Mexican wolves in Arizona and New Mexico within the Mexican Wolf Experimental Population Area (hereafter MWEPA) as defined in the 1996 Final Environmental Impact Statement for the Mexican Wolf within its Historic Range in the Southwestern United States (EIS) and the Final 10(j) Rule for the Establishment of a Nonessential Experimental Population of the Mexican Gray Wolf in Arizona and New Mexico (63 FR 1752; January 12, 1998) (10(j) Rule).

Objectives of the MOU, included:

- Committing to developing documents such as: (a) Signatory authorities, roles, and functions (i.e. responsibilities or duties) consistent with applicable statute, policy, or regulation; (b) other processes or procedures by which signatories will coordinate and manage the Project, including mechanisms, formats, and priorities for interagency work planning, budgeting, outreach, wolf management (including nuisance or depredation response, interdiction, and compensation), performance reporting, and evaluation; and (c) processes or procedures by which signatories will enable the public to participate in this project.
- Ensuring that efforts toward Mexican wolf conservation are productively integrated with, and appropriately balanced by, programs that prevent, reduce or mitigate any negative impacts that Mexican wolf reintroduction might have on lawful multiple or other uses of public lands, private lands or participating Federal Indian Trust Lands. Toward that end, the signatories will strive to stabilize existing funding for such measures and to develop additional funding to implement a comprehensive voluntary interdiction program among livestock producers that are affected by Mexican wolf reintroduction. In addition to the Mexican Wolf Interdiction Fund, the signatories will apply any other program that can help reduce wolf/livestock conflicts or alleviate the impacts of livestock depredation by wolves, while enabling progress toward the project's wolf population objective and reintroduction success.

¹The Reintroduction Project (Project) is a collaborative effort among signatories of the MOU relating to Mexican Wolves.

- Fostering cooperation which improves the science-based foundation for project success by actions that include revision of the: (a) 1982 Mexican Wolf Recovery Plan; (b) 10(j) Rule; (c) USFWS 1998 Mexican Wolf Management Plan; and (d) annual and long-term population objectives for the reintroduction effort.

FRAMEWORK:

1. The purpose of this document is to provide guidance to the Mexican Wolf MOU Cooperators regarding their roles and responsibilities in implementing the Mexican Wolf Reintroduction Project. MOU Cooperator authorities, roles, and functions (i.e. responsibilities or duties) are consistent with applicable statute, policy, or regulation. MOU Cooperators consist of those entities that are signatory to the 2010 MOU, inclusive of their designee to the Middle Management Team (MMT).
 - a. Each signatory to the MOU, or their designee, will serve as an Executive Decision Maker.
 - b. Each signatory to the MOU will designate a representative(s) to the MMT. The MMT will be routinely updated on Mexican Wolf recovery planning and Reintroduction Project activities. The MMT will review or develop:
 - (i) Interagency work plans
 - (ii) Budgets
 - (iii) Standard Operating Procedures (SOP's)
 - (iv) Outreach materials and processes
 - (v) Annual reports
 - (vi) Interagency Field Team(IFT) major proposals (e.g., removals, releases, translocations, and major shifts in management paradigms)
 - c. IFT members will consist of MOU Cooperator employees, whose primary duties involve on-the- ground management.
 - d. Tribes: The U.S. Fish and Wildlife Service (USFWS) will continue government -to - government collaboration with Tribal entities in a fashion consistent with Statements of Relationships, Secretarial Order 3206, Tribal Wolf Management Plans, and Information Management Protocols. The Tribes have broad police and management authorities for wildlife inherent in treaty rights and the above agreements. For example, the USFWS and the White Mountain Apache Tribe manage wolves under a cooperative agreement which recognizes tribal authority on the Fort Apache Indian Reservation. Tribes may voluntarily be involved in other processes associated with the signatories. The rest of this document does not address the San Carlos Apache Tribe or the White Mountain Apache Tribe; however, Tribal entities can at any time further define their desired interaction with the USFWS and other MOU Cooperators.

- e. USFWS is responsible for recovery of the Mexican wolf and for implementation of the Mexican Wolf Reintroduction Project. USFWS will: 1) develop a revised Mexican Wolf Recovery Plan that will provide recovery and delisting criteria; 2) develop a proposed revision to the existing nonessential experimental population rule pursuant to section 10(j) of the Endangered Species Act (ESA); 3) lead the development of appropriate National Environmental Policy Act documents for the Recovery Program and Reintroduction Project; 4) provide a Mexican Wolf Field Projects Coordinator to the IFT to serve as USFWS lead field representative; 5) manage the captive breeding program to ensure appropriate wolves (in terms of genetics and behavior) are available for releases and translocations, and 6) provide all necessary USFWS authorizations and permits to all Signatories on a timely basis, as sanctioned under applicable laws.
- f. The Arizona Game and Fish Commission (Commission) is responsible for the management of wildlife for the state of Arizona. The Arizona Game and Fish Department (AGFD), acting on behalf of the Commission, is responsible for implementing the Reintroduction Project on non-Tribal lands in Arizona and providing assistance on Tribal lands in Arizona as requested by the appropriate Tribe. The AGFD provides a Field Team Leader to serve as the AGFD lead field representative and other full time staff and provides all necessary AGFD authorizations and permits to all Signatories on a timely basis, as sanctioned under applicable laws.
- g. U.S. Department of Agriculture-APHIS-Wildlife Services will continue to assist with Project research needs through their research branch and to provide Depredation Specialist(s) to the IFT, who will: 1) investigate depredations; 2) trap and manage wolves involved in depredations; and 3) provide assistance and input on IFT issues and priorities.
- h. The U.S. Forest Service (USFS) is the primary land manager in the Blue Range Wolf Recovery Area. The mission of the USFS is "To sustain the health, diversity, and productivity of the Nation's forests and grasslands to meet the needs of present and future generations". As set forth by law, the USFS mission is to achieve quality land management under the sustainable multiple-use management concept to meet the diverse needs of the people. Under the Endangered Species Act, as amended, all Federal agencies are charged with using their authorities to conserve and promote the recovery of threatened and endangered species. The USFS will continue to provide a liaison to the IFT to: 1) serve as the primary liaison between the IFT and USFS on all project-related issues that pertain to USFS-managed lands, USFS permittees, and others Forest users; 2) provide coordination between the various USFS District Rangers/Wildlife Staff and the IFT on project-related activities and issues; 3) provide assistance and input on IFT issues and

priorities; and 4) facilitate project needs for obtaining necessary USFS authorizations, permits, environmental analyses, and closure orders.

- i. Counties will: 1) enhance communication with other interested parties and the public to keep them informed on the Project and the Recovery Program; 2) provide logistical and other support as necessary for the Reintroduction Project; 3) coordinate impact assessments and mitigation measures that may occur from reintroduction and recovery of the Mexican wolf, on health, safety, and welfare of the Counties and their residents.
2. The States have broad police and management authorities for wildlife in their respective states. The States have been granted authorities for threatened and endangered species under section 6 of the ESA as follows:
 - a. Any employee or agent of the USFWS, any other Federal land management agency, the National Marine Fisheries Service, or a State conservation agency, who is designated by his agency for such purposes, may, when acting in the course of his official duties, take endangered wildlife without a permit if such action is necessary to:
 - (i) Aid a sick, injured or orphaned specimen; or
 - (ii) Dispose of a dead specimen; or
 - (iii) Salvage a dead specimen which may be useful for scientific study; or
 - (iv) Remove specimens which constitute a demonstrable but non-immediate threat to human safety, provided that the taking is done in a humane manner; the taking may involve killing or injuring only if it has not been reasonably possible to eliminate such threat by live-capturing and releasing the specimen unharmed, in a remote area.
 - b. Any taking under this section must be reported in writing to the USFWS, Office of Law Enforcement, 4401 North Fairfax Drive, LE-3000, Arlington, VA 22203, within 5 days. The specimen may only be retained, disposed of, or salvaged under directions from the Office of Law Enforcement.
 - c. Any qualified employee or agent of a State Conservation Agency which is a party to a Cooperative Agreement with the USFWS in accordance with section 6(c) of the ESA, who is designated by his agency for such purposes, may, when acting in the course of his official duties take those endangered species which are covered by an approved cooperative agreement for conservation programs in accordance with the Cooperative Agreement, provided that such taking is not reasonably anticipated to result in:

- (i) The death or permanent disabling of the specimen;
 - (ii) The removal of the specimen from the State where the taking occurred;
 - (iii) The introduction of the specimen so taken, or of any progeny derived from such a specimen, into an area beyond the historical range of the species; or
 - (iv) The holding of the specimen in captivity for a period of more than 45 consecutive days.
- 3. Recognizing the balance of authorities between the State(s), the USFWS, and other MOU cooperators, as outlined above, operational decisions for the Project will be made by the following processes (note: see also “section 9. Dispute Resolution”).
 - a. For all day-to-day management issues, within the guidance of SOP’s (e.g., non-aerial population monitoring, trapping for monitoring purposes, food caches, depredation assignments):
 - (i) Consistent with coordination and input from the entire IFT, the jurisdictional IFT lead (IFTL) and the FWS Field Projects Coordinator (FPC) will address these management issues through informal discussion and inform the MOU Cooperators of the decision, as appropriate. The IFTL will have final authority provided that any disagreement with the FPC is not so severe as to require dispute resolution.
 - (ii) For issues that require dispute resolution, the IFT will refer to the “section 9 Dispute Resolution” section of this document.
 - b. For decisions that require additional coordination and/or higher levels of authority (i.e. releases, translocations, and management removals), the FPC and jurisdictional IFTL will seek to develop a joint recommendation consistent with coordination and input from the entire IFT. In cases where a joint recommendation cannot be achieved the issue will go through the dispute resolution process, as described in “section 9 Dispute Resolution” below.
 - (i) The recommendation will incorporate input from all IFT members, but at a minimum will capture concerns and/or recommendations from the IFT lead representatives of the agencies.

- (ii) The recommendation will be forwarded from the IFT to the jurisdictional agency and USFWS MMT members for distribution to the entire MMT. After receiving comments from the MMT, the recommendation would be forwarded to appropriate Executive(s) for decision, as described in the corresponding SOP.
 - (iii) Situations that require an immediate management response will be implemented by the USFWS with notification to the MMT as soon as possible.
 - (iv) A memorandum of decision will be issued from the appropriate decision making authority when a decision has been made and forwarded to the other MOU Cooperators.
- 4. On non-Tribal lands and in the absence of a state lead, the USFWS's intent is to move forward with management of Mexican wolves in accordance with the EIS and 10(j) Rule.
- 5. All SOP's should be reviewed by the MMT and be updated as necessary with new information and processes and in accordance with appropriate state/Federal level decisions and coordination.
- 6. New SOP's can be requested by any cooperating agency or the IFT. The USFWS, in collaboration with MOU Cooperators, will lead the development of any new SOP for Mexican wolves.
- 7. Coordination:
 - a. IFT will meet a minimum of every other month.
 - b. MMT will meet in person at least twice each year; at least one of these meetings will be in conjunction with an executive meeting. Additional meetings may occur in person or via other technology.
 - c. The MMT will explore work group paradigms to effectively incorporate a wide diversity of opinions to achieve Project goals.
 - d. The Executives will meet at least twice each year. At least one of these meetings will be in person.
 - e. Outreach to non-tribal landowners and the public will continue to be coordinated by the jurisdictional lead agency and the USFS, if possible, or by the USFWS and the USFS absent state involvement.
 - f. Press releases will be provided to MOU Cooperators prior to their release to the media.

8. Annual and long-term population objectives for the reintroduction effort.
 - a. The MOU Cooperators will assist in the development of direction for Mexican wolf population objectives and management responses.
 - b. The MMT and IFT will assist in the development of a score card for determining success criteria.

9. Dispute Resolution and Decision Making

IFT disputes will be raised to the USFWS and jurisdictional lead agency MMT members for resolution. If the dispute cannot be resolved, it will be forwarded to involved Executives, as defined in Section 1 above, for resolution. MMT members will format IFT recommendations and provide any additional information necessary for Executive's consideration.

Larry D. Voyles, Director	Date
Arizona Game and Fish Department	

Jeffrey S. Green, Regional Director, Western Region	Date
USDA APHIS/Wildlife Services	

Corbin L. Newman, Regional Forester	Date
USDA Forest Service Southwestern Region	

Benjamin N. Tuggle, Director, Region 2	Date
U.S. Fish and Wildlife Service	

Ronnie Lupe, Chairman

Date

White Mountain Apache Tribe

James Palmer, Chair

Date

Graham County (AZ) Board of Supervisors

Richard Lunt, Chair

Date

Greenlee County (AZ) Board of Supervisors

J.R. DeSpain, Chair

Date

Navajo County (AZ) Board of Supervisors

Pascal Berlioux, Executive Director

Date

Eastern Arizona Counties Organization

Michael Pastor, Chair

Date

Gila County (AZ) Board of Supervisors

MOU Mexican wolf roles and responsibilities Final November 2012.docx

ADDENDUM

to the June 30, 2010 Memorandum of Understanding
by and among the

Arizona Game and Fish Department, Eastern Arizona Counties Organization, Graham County (AZ), Greenlee County (AZ), Navajo County (AZ), U.S.D.A. Animal and Plant Health Inspection Service/Wildlife Services, U.S.D.A Forest Service, U.S. D. I. Fish and Wildlife Service, and White Mountain Apache Tribe,

The signatories to the June 30, 2010 Memorandum of Understanding (2010 MOU) have approved this Addendum in accordance with provisions of the 2010 MOU and agree that this Addendum is intended solely to clarify the roles of, and provide guidance to, agencies cooperating in carrying out the purpose for which this Addendum is intended (see **Purpose**, below). Authorities, roles, and responsibilities of signatories to the June 30, 2010 MOU are further clarified in the document *Mexican Wolf Blue Range Reintroduction Project Roles and Responsibilities for Mexican Wolf Memorandum of Understanding Cooperators* dated November 2012. Those descriptions of Authorities are incorporated here by reference. Agencies that have agreed to participate in carrying out this Addendum have indicated such agreement by signature below. Collectively, all signatories to this Addendum are hereinafter referred to as Parties.

Purpose: The purpose of this Addendum is for the signatory Federal, State, County, and Tribal entities to cooperatively prepare an Environmental Impact Statement (EIS), pursuant to the National Environmental Policy Act (NEPA). The proposed rule to revise the 1998 Mexican wolf nonessential experimental population rule (63 FR 1752) (1998 Final Rule) will be the proposed action of our EIS. We will analyze the effects to the human environment, including the socioeconomic consequences, from implementation of the proposed action and alternatives. The EIS will analyze proposed revisions to the Mexican Wolf Experimental Population Area (MWEPA) and Blue Range Wolf Recovery Area (BRWRA), and to some aspects of currently authorized regulations for management of the experimental population of Mexican wolves in Arizona and New Mexico. The new rule may replace and supersede the 1998 Final Rule, pursuant to section 10(j) of the Endangered Species Act (Act). The EIS will also analyze alternatives that include implementing a management plan to authorize take of endangered Mexican wolves in areas of Arizona and New Mexico external to the MWEPA. The management plan would be implemented through a U.S. Fish and Wildlife Service (Service) permit.

Furthermore, for the purposes of collaborative planning and the production of an EIS that will analyze a range of alternatives, this MOU:

A. Confirms the formal designation of the Service as the Lead Federal Agency with responsibility for completion of the EIS and Record of Decision (ROD). The Lead Federal Agency shall:

- (1) Request the participation of each Cooperating Agency in the NEPA process at the earliest possible time.

- (2) Use the environmental, including socioeconomic, analysis and proposals of Parties with jurisdiction by law and/or special expertise, to the maximum extent possible consistent with its responsibility as Lead Federal Agency.
- (3) Meet, either in person or teleconferencing, with a Cooperating Agency at the latter's request.

B. Acknowledges the trust responsibility and treaty obligations of the United States toward Indian tribes and tribal members and its government-to-government relationship with tribes in order to achieve the common goal of promoting and protecting the health of ecosystems, as defined by Secretarial Order 3206 *American Indian Tribal Rights, Federal-Tribal Trust Responsibilities* (June 5, 1997).

C. Formally designates the Parties as Cooperating Agencies. It is recognized that Cooperating Agencies have legal authority and/or special expertise applicable to the planning process. Each Cooperating Agency shall:

- (1) Participate in the NEPA process at the earliest possible time.
- (2) Provide information, data, and comments to the lead agency for developing and preparing environmental including socioeconomic, analyses including portions of the EIS in which the Cooperating Party has special expertise.
- (3) Make available staff support at the Lead Federal Agency's request to enhance the latter's interdisciplinary capability.

D. Formalizes and provides a framework for cooperation and coordination among the Parties that will be necessary in order to successfully complete the EIS in a timely, efficient, and thorough manner.

E. Describes the respective roles, responsibilities, jurisdictional authority, and expertise of each of the Parties in the planning process.

F. Ensures the working relationship between the Parties meets the purposes and intent of NEPA.

G. Provides a structural framework for coordination of the rule-making and NEPA processes.

Project Description – The Service proposes to revise the 1998 Final Rule and to implement a management plan for areas outside of the MWEPA. The EIS will analyze proposed revisions to: (1) the MWEPA and BRWRA, (2) some aspects of currently authorized regulations for management of the experimental population of Mexican wolves in Arizona and New Mexico, and (3) implement a management plan for Mexican wolves that are not part of the experimental

population. The Service and Cooperating agencies conducted 12 public scoping meetings in November and December of 2007. An EIS will analyze options for revising the 1998 Rule (including no action), and includes various geographic and management scenarios. The proposed 10(j) rule was published on June 13, 2013 (78 FR 357193, June 13, 2013). A Notice of Intent to Prepare an EIS was published on August 5, 2013 (78 FR 47268, August 5, 2013). A draft EIS will be published followed by a final EIS, ROD, and final 10(j) Rule (provided that the ROD does not select the No Action Alternative).

Recitals:

WHEREAS, the Service, on June 13, 2013, proposed in the Federal Register to revise the nonessential experimental population designation of Mexican wolves in order to correctly associate this designation with the properly listed entity and to improve implementation and conservation of the population through additional revisions and modifications. Additionally the Service proposes to implement a management plan for Mexican wolves that are outside of the nonessential experimental population area; and,

WHEREAS, Federal Regulations at 40 CFR part 1501 provide for full engagement in the interdisciplinary NEPA process by federal, state, local, and tribal authorities having jurisdiction by law or special expertise; and,

WHEREAS, Pursuant to Secretarial Order 3206, the Service recognizes, respects, and shall consider the value that tribal traditional knowledge provides to federal land management decision making processes;

NOW THEREFORE, the Parties hereto agree to cooperatively develop appropriate documentation in order to satisfy the requirements of NEPA, and further agree that;

I. The Service will:

- (a) serve as the Lead Federal Agency in coordinating the development of an EIS analyzing the environmental, including socioeconomic, impacts of a proposed new designation of a MWEPA and of implementation of a management plan external to the MWEPA, and alternatives thereto; and
- (b) provide guidance as to proper process, document format, and information required to satisfy NEPA requirements; and
- (c) determine the purpose and need of the project, the conclusions of the environmental, including socioeconomic, analysis, which alternatives are selected for analysis, and make final determinations on content relative to applicable statutory and regulatory requirements; and

(d) develop the EIS under the consistency requirements of Federal law and will incorporate, to the maximum extent possible consistent with its responsibility as Lead Federal Agency, the comments, recommendations, and/or data submitted by Parties in the EIS planning process; and

(e) provide available information and resources for development of the EIS; and

(f) provide timely review of the EIS in order to ensure compliance with Service guidelines for NEPA implementation; and

(g) give, to the maximum extent possible, a reasonable time frame for review and return of consolidated and comprehensive comments; and

II. The USFS is recognized to have jurisdiction by law and special expertise and will:

(a) facilitate the available information, data (and supporting analyses), comments, and resources for development of proper NEPA documentation and the EIS; and

(b) cooperate in timely review of the EIS in order to ensure compliance with Service guidelines for NEPA implementation; and

(c) help collect data to the maximum extent possible, participate in discussions about data assessment and technical reports, assist and provide input on preparation of selected sections, and provide technical expertise in order to assist in evaluating the effectiveness of all alternatives and the EIS; and

(d) review working drafts of the EIS and its alternatives and analyses for review and comment in relation to areas of jurisdictional responsibility and/or special expertise; and

(e) participate in the review of working drafts and return consolidated and comprehensive comments on working drafts to the Service in an agreed upon time frame consistent with the planning schedule; and

(f) help maintain an information repository at each of the supervisors offices; and

III. WS is recognized to have special expertise and will:

(a) provide available information, data (and supporting analyses), comments, and resources for development of proper NEPA documentation and the EIS; and

- (b) provide timely review of the EIS in order to ensure compliance with Service guidelines for NEPA implementation; and

- (c) help collect data to the maximum extent possible, participate in discussions about data assessment and technical reports, prepare selected sections, and provide technical expertise in order to assist in evaluating the effectiveness of all alternatives and the EIS; and

- (d) receive working drafts of the EIS and its alternatives and analyses for review and comment in relation to areas of jurisdictional responsibility and/or special expertise; and

- (e) return consolidated and comprehensive comments on working drafts to the Service in an agreed upon time frame consistent with the planning schedule; and

IV. The Arizona Game and Fish Commission is recognized to have jurisdiction by state law for management related to fish and wildlife within the state of Arizona; and the Arizona Game and Fish Department (AGFD) acts under the authority of the Commission, implements a co-management role by virtue of its authorities under Section 6 of the Endangered Species Act, and has special expertise. The Arizona Game and Fish Department will:

- (a) participate in scoping and provide available information, data (and supporting analyses), and resources for development of proper NEPA documentation and the EIS; and

- (b) provide timely review of the EIS in order to ensure compliance with Service guidelines for NEPA implementation; and

- (c) help collect data, participate in discussions about data assessment and technical reports, prepare selected sections, and provide technical expertise in order to assist in developing and evaluating the effectiveness of all alternatives and the EIS; and

- (d) receive working drafts of the EIS and its alternatives and analyses for review and comment in relation to areas of jurisdictional responsibility and/or special expertise; and

- (e) return consolidated and comprehensive comments on working drafts to the Service in an agreed upon time frame consistent with the planning schedule; and

(f) may meet with affected stakeholders and provide comments to the Service at any point in the development of the EIS, provided that internal draft documents are not disseminated (see VI.(e)).

V. The White Mountain Apache Tribe is recognized to have jurisdiction by law and special expertise and will have the opportunity to:

(a) participate in scoping and provide available information, data (and supporting analyses), and resources for development of proper NEPA documentation and the EIS; and

(b) provide timely review of the EIS in order to ensure compliance with Service guidelines for NEPA implementation; and

(c) help collect data, participate in discussions about data assessment and technical reports, prepare selected sections, and provide technical expertise in order to assist in developing and evaluating the effectiveness of all alternatives and the EIS; and

(d) receive working drafts of the EIS and its alternatives and analyses for review and comment in relation to areas of jurisdictional responsibility and/or special expertise; and

(e) return consolidated and comprehensive comments on working drafts to the Service in an agreed upon time frame consistent with the planning schedule; and

(f) may meet with affected stakeholders and provide comments to the Service at any point in the development of the EIS, provided that internal draft documents are not disseminated (see VI.(e)).

VI. The Eastern Arizona Counties Organization, Graham County (AZ), Greenlee County (AZ), and Navajo County (AZ) are recognized to have jurisdiction by law and special expertise, and jointly and individually will:

(a) participate in scoping and provide available information, data (and supporting analyses), and resources for development of proper NEPA documentation and the EIS; and

(b) provide timely review of the EIS in order to ensure compliance with Service guidelines for NEPA implementation; and

- (c) help collect data, participate in discussions about data assessment and technical reports, prepare selected sections, and provide technical expertise in order to assist in developing and evaluating the effectiveness of all alternatives and the EIS; and
- (d) receive working drafts of the EIS and its alternatives and analyses for review and comment in relation to areas of jurisdictional responsibility and/or special expertise; and
- (e) return consolidated and comprehensive comments on working drafts to the Service in an agreed upon time frame consistent with the planning schedule; and
- (f) may meet with affected stakeholders and provide comments to the Service at any point in the development of the EIS, provided that internal draft documents are not disseminated (see VI.(e)).

VII. It is also understood that:

- (a) This Addendum is subject to all covenants and stipulations of the June 30, 2010 MOU to which it is an Addendum, and does not replace or invalidate anything within the 2010 MOU, except to the extent to which the Addendum addresses developing an EIS. In the event of any conflict between the two documents, the Addendum shall be considered to supersede the relevant material within the 2010 MOU; and
- (b) This Addendum shall become effective upon written concurrence by the referenced Parties below, in accordance with the afore-referenced June 30, 2010 MOU; and
- (c) All Parties agree to cooperate fully with each other and conscientiously attempt to abide by a schedule to achieve the purpose of this Addendum; and
- (d) All Parties agree to participate in this planning process in good faith and make every reasonable effort to resolve any perceived areas of conflict. The Parties agree to fully explore issues before coming to conclusions and to commit to searching for opportunities for resolution designed to contribute to an effective outcome; and
- (e) All internal working draft documents for the development of the EIS are pre-decisional and the Parties will ensure that these documents will not be made available for review by individuals or entities other than Parties to this Addendum, unless otherwise required by applicable law; and

(f) All documents created, collected, or provided by the Parties in support of the development of the EIS are part of the official Service administrative record and may only be released by the Service to the extent allowed by the Freedom of Information Act and/or the Privacy Act; and

(g) For services related to plan development, all Parties agree not to employ any third party having a financial interest in the outcome of the EIS. The Parties also agree to take all necessary steps to ensure no conflicts of interest exist with any officers, agents (including consultants), or representatives they may employ in the development of the EIS; and

(h) The Parties recognize that nothing in this Addendum will be construed as limiting, affecting, or binding in any way the authority or legal responsibility of any of the Parties to perform beyond the respective authority of each, or as requiring any of the Parties to assume any obligation or expend any sum in excess of authorization and appropriations available. Nothing in this Addendum may be construed to obligate the United States, the Department of the Interior, or the Department of Agriculture to any current or future expenditure of resources in advance of the availability of appropriations from Congress; and

(i) The terms of this Addendum are contingent upon sufficient resources being available to the signatory Parties for the performance of this Addendum. The decision as to whether sufficient resources are available to each signatory Party shall be determined by each signatory, shall be accepted by all other signatories, and shall be final; and

(j) No Right of Action: This Addendum is strictly for internal management purposes for the Parties. It is not legally enforceable and shall not be construed to create any legal obligation on the part of the Parties or their respective agencies. This agreement shall not be construed to provide a private right or cause for action by any person or entity including third-parties. This MOU is neither a contract, Federal rule or regulation; and

(k) Press Releases. All Parties to this Addendum will coordinate with the other Parties all press releases, published advertisements, or other communications and statements intended for the public that refer to this Addendum or the EIS, or the name or title of any employee of any of the Parties in connection with this agreement; and

(l) Elected Officials Not to Benefit: No member of or delegate to Congress shall be entitled to any share or part of this Addendum, or to any benefit that may arise from it; and

(m) The Lead Federal Agency shall engage in government-to-government consultation with affected Indian tribe(s) during all phases of the planning process, in accordance with applicable federal statutes, regulations, and other authorities, including NEPA, the National Historic Preservation Act, the American Indian Religious Freedom Act, and Secretarial Order 3206. Status as a Cooperating Agency in no way affects the responsibility of the Lead Federal Agency, and the authority of affected tribe(s) to engage in these government-to-government consultations. To the extent that Parties to this Addendum receive any Indian Trust Asset data as a function of the requirement to conduct government-to-government consultations with affected Indian tribes, the Lead Federal Agency certifies that it will accord such data all necessary protection and security pursuant to applicable statutes, regulations, and policies, including those set forth in the context of any applicable litigation; and

(n) All notices, demands, or requests from one Party to another may be personally delivered, sent by facsimile/email, sent by recognized overnight delivery service, or sent by mail, certified or registered, postage prepaid, to the persons set forth below and addressed as follows or at such other address as any Party may from time to time specify to the other Parties in writing and shall be effective at the time of personal delivery, facsimile/email transmission, or mailing upon notification of delivery by a recognized overnight delivery service or the United States Postal Service:

- i. United States Fish and Wildlife Service
Attn: Sherry Barrett
New Mexico Ecological Services Field Office
2105 Osuna NE
Albuquerque, New Mexico 87113
Phone: 505-761-4748
- ii. U.S. Forest Service
Attn: Bobbi Barrera
333 Broadway SE
Albuquerque, New Mexico 87102
Phone: 505-842-3194
- iii. USDA APHIS – Wildlife Services
Attn: David Bergman

8836 N. 23rd Ave., Suite 2
Phoenix, Arizona 85021
Phone: 602-870-2081

- iv. Arizona Game and Fish Department
Attn: Jim deVos
5000 Carefree Highway.
Phoenix, Arizona 85086-5000
Phone: 623-236-7302
- v. White Mountain Apache Tribe
Attn: Cynthia Dale
P.O. Box 220
Whiteriver, Arizona 85941
928-338-4385
- vi. The Eastern Arizona Counties Organization
Attn: Pascal Berlioux
550 N. 9th Place
Show Low, Arizona 85901
928-637-3037
- vii. Graham County (AZ)
Attn: Drew John
921 Thatcher Blvd.
Safford, Arizona
928-428-3250
- viii. Greenlee County (AZ)
Attn: Ron Campbell
P.O. Box 908
Clifton, Arizona
928-865-4417
- ix. Navajo County (AZ)
Attn: Sylvia Allen
P.O. Box 668
Holbrook, AZ 86025
928-524-4053

(o) This Addendum becomes effective upon written concurrence by the referenced signatory Parties below, and may subsequently be amended in

accordance with the June 30, 2010 MOU to which it is an Addendum. Any Party may terminate its involvement in this Addendum by providing written notice of termination in accordance with the aforementioned MOU. If not terminated sooner, this Addendum will end upon agreement of all Parties once the EIS is final and the Service issues the ROD.

Addendum to June 30, 2010 MOU for Mexican Wolf Conservation
Re: Development of an EIS
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Signatory Parties to this Addendum:

Larry D. Voyles, Director
Arizona Game and Fish Department

Date

Regional Director, Western Region
USDA APHIS/Wildlife Services

Date

Cal Joyner, Regional Forester
USDA Forest Service Southwestern Region

Date

Benjamin N. Tuggle, Director, Region 2
U.S. Fish and Wildlife Service

Date

Ronnie Lupe, Chairman
White Mountain Apache Tribe

Date



Drew John, Chair
Graham County (AZ) Board of Supervisors

October 25, 2013

Date

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Re: Development of an EIS
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David Gomez, Chair
Greenlee County (AZ) Board of Supervisors

October 25, 2013

Date

Jonathan M. Nez, Chair
Navajo County (AZ) Board of Supervisors

October 25, 2013

Date



Pascal Berlioux, Executive Director
Eastern Arizona Counties Organization

October 25, 2013

Date

Michael Pastor, Chair
Gila County (AZ) Board of Supervisors

Date

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Re: Development of an EIS
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DOC: 054752 MW MOU Addendum for EIS-V4a.docx

ARF-2227

2- B

Work Session

Meeting Date: 11/26/2013

Submitted For: Don McDaniel Jr., County Manager

Submitted By: Marian Sheppard,
Clerk, BOS,
Clerk of the
Board of
Supervisors

Department: County Manager

Information

Request/Subject

Citizens' Committee Selection for Transportation Excise Tax Issue

Background Information

The current 1/2 Cent Transportation Excise Tax was approved by the voters in 1994 of which the tax will expire on December 31, 2014.

At the Board of Supervisors' Work Session on October 29, 2013, the issue of the Gila County 1/2 Cent Transportation Excise Tax was discussed. The issue at hand is whether or not the Board of Supervisors will consider placing the extension of the tax on the ballot for the November 2014 Election. During that meeting, Don McDaniel, County Manager, recommended that the Board of Supervisors establish a citizens' committee to review all options with regard to this issue and ultimately provide a recommended plan of action to the Board of Supervisors.

Evaluation

During the Board of Supervisors' meeting of October 29th, County Manager Don McDaniel requested that each Board member seek out citizens who may be willing to serve on a citizens' committee, which would be established by the Board to obtain information and present a recommendation to the Board with regard to placing the extension of the tax on the ballot for the November 2014 Election. At that time, he recommended that the Board members also obtain input from the cities and towns within Gila County.

Conclusion

N/A

Recommendation

It is recommended that the Board of Supervisors discuss the list of individuals who may be interested in serving on the citizens' committee.

Suggested Motion

Information/Discussion to consider individuals for appointment to a Gila County Citizens' Committee to explore all options regarding the extension of a transportation excise tax for an additional 20 years. **(Don McDaniel)**

ARF-2228

2- C

Work Session

Meeting Date: 11/26/2013

Submitted For: Eric Mariscal, Elections Director

Submitted By: Marian Sheppard,
Clerk, BOS,
Clerk of the
Board of
Supervisors

Department: Elections Department

Information

Request/Subject

Adoption of Resolution No. 13-11-07 regarding the Pine Strawberry Water Improvement District

Background Information

The Gila County Elections Department recently received resignation letters from five members of the Pine Strawberry Water Improvement District (PSWID) governing board. A copy of the board members' resignation letters are attached to this item.

Evaluation

The Board of Supervisors has statutory authority to take action with regard to the PSWID.

Conclusion

A.R.S. §48-1016 authorizes that the Board of Supervisors "may at any time revoke the authority of an elected board of directors in order to protect the residents of the district."

A.R.S. § § 48-1016 and 48-908 gives the Board of Supervisors authority to revoke the power of the PSWID governing board and to govern the PSWID as its Board of Directors.

A.R.S. §48-1016 also gives the Board of Supervisors acting as the PSWID Board of Directors authority to call for new elections for the PSWID Board of Directors.

Recommendation

It is recommended that the Board of Supervisors adopt Resolution No. 13-11-07.

Suggested Motion

Information/Discussion/Action to adopt Resolution No. 13-11-07 accepting the resignations of five (5) governing board members of the Pine Strawberry Water Improvement District (PSWID); revoking the authority of the PSWID; naming the Gila County Board of Supervisors as the Board of Directors for the PSWID; and reserving the authority to call for new elections for the PSWID.

(Eric Mariscal)

Attachments

Resolution No. 13-11-07

PSWID Resignation Letters



RESOLUTION NO. 13-11-07

A RESOLUTION OF THE BOARD OF SUPERVISORS OF GILA COUNTY, ARIZONA, ACCEPTING THE RESIGNATIONS OF FIVE (5) GOVERNING BOARD MEMBERS OF THE PINE STRAWBERRY WATER IMPROVEMENT DISTRICT (PSWID); REVOKING THE AUTHORITY OF THE PSWID; NAMING THE GILA COUNTY BOARD OF SUPERVISORS AS THE BOARD OF DIRECTORS FOR THE PSWID; AND RESERVING THE AUTHORITY TO CALL FOR NEW ELECTIONS FOR THE PSWID.

WHEREAS, the Board of Supervisors has been made aware that five (5) of the seven (7) board members of the Pine Strawberry Water Improvement District (hereinafter PSWID) have resigned their positions on the PSWID Board; and

WHEREAS, these five (5) board members are: Ray Pugel, Gary Lovetro, Richard Dickinson, Ron Calderon and Michael Claxton; and

WHEREAS, the PSWID Board will be unable to make a quorum of its board with its two (2) remaining board members; and

WHEREAS, without being able to make a quorum, the PSWID Board will be unable to appoint new members to its board and will therefore be unable to conduct business now or in the future; and

WHEREAS, the PSWID has and will have business that can only be conducted by a board and that without action by the Gila County Board of Supervisors, the PSWID will be unable to conduct its business that must be handled by a board; and

WHEREAS, A.R.S. § 48-1016 authorizes that the Gila County Board of Supervisors “may at any time revoke the authority of an elected board of directors in order to protect the residents of the district;” and

WHEREAS, the Gila County Board of Supervisors finds that due to the PSWID Board’s inability to make a quorum and thereby perform the responsibilities of the PSWID Board, it is necessary to revoke the authority of the PSWID Board; and

WHEREAS, pursuant to A.R.S. §§ 48-1016 and 48-908, the Gila County Board of Supervisors has authority to revoke the power of the PSWID Board and to govern the PSWID as its Board of Directors; and

WHEREAS, pursuant to A.R.S. § 48-1016 the Gila County Board of Supervisors acting as the PSWID Board has “the option of calling for new elections for the district board of directors.”

THEREFORE; BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF GILA COUNTY, ARIZONA:

1. That the Gila County Board of Supervisors accepts the resignations of Ray Pugel, Gary Lovetro, Richard Dickinson, Ron Calderon and Michael Claxton of the PSWID Board;
2. That pursuant to A.R.S. § 48-1016, the Gila County Board of Supervisors revokes the authority of the PSWID Board;
3. That pursuant to A.R.S. §§ 48-1016 and 48-908 the Gila County Board of Supervisors hereby assumes the authority to govern the PSWID as its Board of Directors; and
4. That the Gila County Board of Supervisors reserves its authority pursuant to A.R.S. § 48-1016 to call for new elections for the PSWID Board of Directors.

PASSED AND ADOPTED this 26th day of November 2013.

Attest:

GILA COUNTY BOARD OF SUPERVISORS

Marian Sheppard, Clerk

Michael A. Pastor, Chairman of the Board

Approved as to form:

Bryan Chambers
Deputy Attorney Principal



PINE-STRAWBERRY WATER IMPROVEMENT DISTRICT

November 15, 2013

Gila County Department of Elections
5515 S Apache Avenue Suite #900
Globe, AZ 85501

Attention: Eric Mariscal
Elections Specialist

Dear Eric,

Per your request enclosed is the original resignation letters which were hand delivered to my office on November 15, 2013 at approximately 7:30 a.m. Should you need any further information please feel free to contact me directly.

Sincerely,

Rebecca M. Sigeti
CH2MHill Employee on behalf of PSWID
Controller/Accounting Manager
acctgmanager@pswid.org

P.O. Box 134
Pine AZ 85544
#928-476-4222

To: Sent Via Fax 11-15-2013 8:00AM

Tommie Martin- Gila County Supervisor

cc: Supervisor Michael Pastor, Supervisor John Marcanti, Gila County Board of Elections

From: Ray Pugel

Gila County Supervisors;

I, Ray Pugel, hereby resign as a board member of the Pine-Strawberry Water Improvement District effective 7:30 am, Friday, November 15, 2013.

No doubt you are aware of the 20 years of turmoil that has been in Pine-Strawberry concerning the water situation. At this time, the most effective thing I can do to help my community, along with my fellow board members, is to resign and turn over the district to the Gila County Board of Supervisors under provisions of the Arizona Revised Code 48-1082 and 48-1086 so that we may have a year of calm reflection and constructive debate prior to the 2014 general elections.

As you may know, a small group of discontents including our fellow board member, Sam Schwalm and his wife, have started a recall effort against 4 board members. If they are successful with their effort to obtain signatures through misinformation it will cost the district upwards of \$20,000 for a special election when a general election would be 5 months hence. It is now my understanding that there is a recall effort against Sam Schwalm. At some point this madness has to stop.

It is important to note that Mr. Schwalm is currently under investigation for violating the Arizona open meeting law statutes. He would have violated the statutes again had he not been stopped by other board members. (copy attached) He started a small group called "Water for Pine-Strawberry" prior to his appointment to the board that with his help has continually dispersed false information and kept our community on edge since the days of Robert Hardcastle and Brooke Utilities.

Rather than risk being removed from office and letting this small group of malcontents destroy the good work that has been done, we hope that the Board of Supervisors can bring some sanity and unbiased information to our community.

My wife and I, along with our friends personally risked our retirement funds on the Milk Ranch well to prove a sustainable water supply. In a few short years, 4 deep wells have been drilled that have tapped into a once unknown aquifer. This has moved Pine-Strawberry from once being known for a lack of water to probably having one of the best and most sustainable supplies in Arizona. Under oath, a geologist testified that we have tapped into an aquifer with a probable reserve of 45 billion gallons of water. The summer hauling of water and the exorbitant hauling fees have been eliminated.

The board has replaced all the water meters in the communities of which some were approaching 60 years old. Industry standards recommend changing meters at least every 10 to 12 years. Back up generators have been installed at key points in the distribution system to insure a water supply during power outages. Funds have been budgeted to repair our main 300,000 gallon storage tank which is in danger of collapse. A leak detection survey has pinpointed over 50 leaks which result in a water loss of over a million gallons a month. We have an apolitical, international company, CH2MHill operating our water system. They bring untold expertise and experience. Last night we approved a comprehensive master plan for the future of our water system. The first one since Pine-Strawberry was founded.

Unfortunately as you know, negative news, even if incorrect overrides positive information. In the future, the community will have to come to the realization that we have a water system at risk. We have over 40 miles of water mains that are thin-wall sewer pipe and are 6 decades old. As described by one Century Link employee; "We are afraid when we have to dig around the water mains because the only thing holding them together is the dirt around them." The system has been put together piece by

piece over decades without planning. Our oldest and largest subdivision, Cool Pines, has 2" mains where the industry standard is a minimum of 6". During the Hardcastle years, instead of repairing leaks properly, small water lines were inserted into larger mains to avoid the expense of proper repairs. At some point another calamity is going to occur.

For the past 3 years the budgeted contingency fund has been all but depleted due to unexpected projects such as having to put water mains on Pine Creek Canyon Rd. and for unexpected events and repairs. We have replenished it to a minimum to ease public discontent, however, budgeting experts recommend a contingency fund reserve of \$500,000.

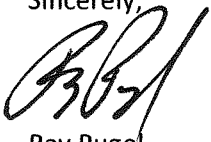
It has been an educational experience for me as to why levels of government operate by crisis instead of planning mode. In our particular case, it is difficult to inform the public and make them understand when water is flowing out of their kitchen faucet. The public wants a first class water system with fire hydrants but they are not willing to pay for it. If you have a crisis like we have had in the past, they are willing to spend any amount in our immediate fix-it world of today. Case in point, in my possession from the water hauling years are petitions authorizing the bonding of 12 million dollars to buy and repair the system.

If I may make some recommendations to you, John Nelson would be the appropriate person to be your liaison to the district manager, Brad Cole. He is familiar with the finances and needs of the district and will save the district money vs. bringing someone up to speed. Because of his and our financial managers expertise, we are within 1.39% of forecast. Fortune 500 companies do not do that well. In addition, our district's attorney, Dan Torrens, has been excellent and has charged us nominal rates.

No matter who serves next on our board, they will face the same financial challenges of a deteriorating infrastructure and seasonally fluctuating income stream whose costs must be spread over a small customer economic base. At some point, the community will be forced to face the realities of what must be done.

If you need my help in the transition to the county, I will be glad to give you my full cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'RP' or 'Ray Pugel', written over a horizontal line.

Ray Pugel

Former Board Chairman - PSWID



TOM HORNE
ATTORNEY GENERAL

OFFICE OF THE ARIZONA ATTORNEY GENERAL
CIVIL DIVISION/EDUCATION AND HEALTH SECTION

DEBRA STERLING
ASSISTANT ATTORNEY
GENERAL
DIRECT: (602) 542-8892
DEBRA.STERLING@AZAG.GOV

October 22, 2013

Mr. Ray Pugel
P.O. Box 699
Pine, AZ 85544

Re: Open Meeting Law Complaint
Pine Strawberry Water Improvement District
Received on July 26, 2013

Dear Mr. Pugel:

The Attorney General's Office Open Meeting Law Enforcement Team (OMLET) received your complaint against Pine Strawberry Water Improvement District ("Board") regarding an alleged Open Meeting Law. The complaint has been assigned to me for investigation. The complaint and the documentation for this Complaint was reviewed and presented to the Open Meeting Law Enforcement Team. We concluded that there was no evidence that there was a violation of the Open Meeting Law.

The allegation is that during the Board Member Report section of the meeting, Mr. Schwalm began to discuss a non-agenda item.

I have reviewed the agenda, the minutes and a videotape of the July 18, 2013 meeting. The agenda listed Item # 8 as Board Member Reports, without any specific matters listed. The minutes and the videotape demonstrate that upon Mr. Schwalm beginning his presentation, the Board appropriately voted to end the presentation. The Open Meeting Law requires that an agenda list the specific matters to be discussed, considered or decided at the meeting. Arizona Revised Statutes ("A.R.S.") § 38-431.02 (H). There are exception for discussion of an actual emergency, which is not applicable. The only other exception is that the chief administrator, presiding officer, or a member of the public body may present a brief summary of current events. A.R.S. § 38.431.02 (K). However, the public body may not discuss, deliberate or take any legal action on the matter presented. A presentation by a Board member to allegedly correct a factual issue from an earlier Budget Meeting and Hearing is not an appropriate matter under Board Members Report, as it is not a summary of current events. As the Board's counsel correctly stated, Board Member Reports are usually informational statements, such as reporting on public input to an individual Board member.

Letter to: Ray Pugel

Re: OML Complaint re Pine Strawberry Water Improvement District.

Date: October 22, 2013

Page 2 of 2

While the attempt to discuss the matter under the Board Member Reports was a potential violation of the Open Meeting Law, the Board promptly had the discussion ended, thereby avoiding a violation of the Open Meeting Law.

Thank you for your interest in the Open Meeting Law.

Sincerely,



Debra G. Sterling
Assistant Attorney General
Open Meeting Law Enforcement Team

It has been an honor and a privilege to serve on the Board of the PSWID for the last three years and nine months.

I have served as the Board Chairman and Vice Chairman for the last 10 months.

As a Board we have made tremendous progress providing unrestricted water to the communities of Pine and Strawberry. The Board has hired the most professional company in the world CH2MHill to manage the District. We have lifted the Meter moratorium, we have purchased two deep water wells, we have drilled a third deep water well and now completed the drilling of the fourth deep water well for the District. These four wells will provide enough water for the whole District for the next 15-20 years. We have refinanced the District's original purchase Loan at a cost of only \$70,000.00, saving several hundreds of thousands of dollars. We have installed 14 generators in the communities so customers would not be without water during the frequent power outages. We have made many infrastructure repairs to the system and have plans to make many more improvements this fiscal year. The District jointly with the County installed a new water main with fire hydrants in Pine Creek Canyon Road. We have completed the installation of 80% of the new water meters for the District. We have added a 40,000 gallon storage tank to Milk Ranch one. We have hired a company to develop a master plan and we have come in under budget on many projects for last fiscal year.

We have made many great accomplishments for the PSWID but there also have been a few disgruntled people that are still upset that their friends lost the recall election many years ago. These people continually complain and make accusations about me and my fellow Board members that simply are not true. This same group has never offered any constructive solutions but only complain. They have not given up and now because Sam Scwhalm is on the Board and he cannot always get his way his wife and Pam Mason have launched a recall against Four Board members including myself.

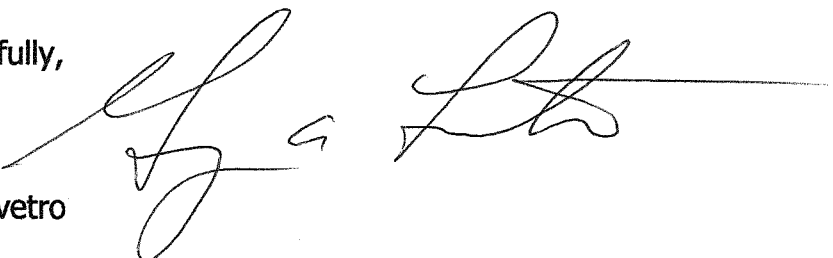
Just for info Sam is under an open Attorney General Investigation for 10 counts of violating the open meeting law. The attorney General has just closed another investigation against Sam for the Same violation.

I cannot in good faith let the district spend over \$20,000.00 on an unfounded spiteful recall election so with deep regret effective **November 15th, 2013, I offer my resignation.**

I would hope that the Board of supervisors will run the District till the November 2014 elections so there is time for some good candidates to come forward for the open Board positions.

I Know a great deal about the District operations so if there is anything I can do to help you with the transition please do not hesitate to call.

Respectfully,

A handwritten signature in black ink, appearing to read 'Gary Lovetro', with a long horizontal line extending to the right.

Gary Lovetro

Date: November 11, 2013
To: Gila County Board of Supervisors
From: Richard B. Dickinson, PSWID Board Secretary
Subject: Letter of Resignation

I have served the communities of Pine and Strawberry as an elected member and Secretary of the PSWID Board since January of 2008. During that time I participated in bringing many positive changes to the water District. We successfully acquired community ownership of the utility, eliminated summer weekend water shortages, eliminated water hauling charges, established ownership of 4 deep wells that should provide draught resistant water sources for the community for several years to come, and secured day to day management services from CH2MHill a fortune 500 company and leader in the field of water resource development and management. We also opened a local District office staffed daily and available to the water customers for "in person" interaction to address customer's needs.

Successful changes have not come easy, and there has always been a certain level of public controversy and misunderstanding. As a member of the Board I did my best to make decisions that were in the best interest of the public. In spite of encouraging public attendance at District meetings, providing informational videos and information on the District web site there remains controversy from a discontented group of citizens who disagree with the direction the District should take to address repairing and further developing the system infrastructure.

Recently the Board had no choice but to exhaust the contingency fund to pay for the Gila County project on Pine Creek Canyon Road, and to address a service outage created by pumps failing simultaneously. Water rate and property tax increases were required to replenish the contingency fund and prevent potential "special assessments" to the public. The decision for these increases was not made easily and not without consideration for financial difficulties that might be created for some. The Board Members have felt we were in a "no win" situation.

County election officials report the recent recall effort will cost the District an additional \$20,000 or more. Again we have wasted an opportunity to truly work together. Petty differences of opinion, rumor, and inaccurate biased articles in the newspaper support individual ego and self importance rather than a true sense of "community." I say ENOUGH!

I am submitting my resignation as PSWID Secretary and Member of the Board effective Friday, November 15, 2013. My last official duty for PSWID will be to complete the minutes for the PSWID Regular Board Meeting held on Thursday, November 14, 2013.

Respectively Submitted,

A handwritten signature in cursive script, reading "Richard B. Dickinson".

Richard B. Dickinson

November 15, 2013

I Ron Calderon

Resign from the Pine Strawberry Water Board as of November 15, 2013. I have been a board member since we bought out Brookes Utilities. There has never been a water shortage since the day we took over. The water system has been improved but we still have problems that need to be fixed since the system is very old and pipe need to be replaced. and fire hydrants need to be put in to protect this wonderful community.

The amount of water leaks that have been found makes us lose 33% of our water, these leaks need to be fixed.

A handwritten signature in cursive script that reads "Ron Calderon". The ink is dark and the signature is fluid, with the first and last names being more prominent than the middle name.

Ron Calderon

To The Gila County Board of Supervisors

As of November 15th 2013 I Micheal Claxton resign my position from the water board for the PSWT.

I can no longer serve on the water board and listen to Sam Schwalm make accusation about the other members and my friends that are untrue and unproven. Sam and his group have wasted thousands of dollars of the community's money with his false accusation towards some of the board members. And now wants to waste more by having a recall election.

I'm very proud to have served on the water board with Gary Lovetro, Richard Dickinson, Mike Greer, Ray Pugei and Ron Calderon. These men have spent countless hours trying to insure the water quality and its future for the communities of Pine and Strawberry. Without these men and their hard work Pine and Strawberry would still be paying to haul water and would continue to be suffering from water shortages.

Both communities owe these men a great deal of thanks for the work they have done to make the days of water hauling charges and outages a thing of the past. So please except my resignation from the water board affective as of November 15th 2013. And God help the community if the likes of Sam Schwalm and his group get there meat hooks into them.



11/15/13

Thank You Micheal Claxton.

Date 11/15/13