

Minutes of the Telephonic Meeting of the
Arizona Game and Fish Commission
Monday, March 17, 2014 – 10:00 a.m.
Arizona Game and Fish Department
5000 W. Carefree Highway
Phoenix, Arizona 85086

PRESENT: (Commission)

(Director's Staff)

In person:
Vice Chairman Robert E. Mansell
Commissioner Kurt R. Davis

In person:
Director Larry D. Voyles
Deputy Director Ty E. Gray

Via telephone:
Chairman John W. Harris
Commissioner Edward "Pat" Madden
Commissioner James R. Ammons

Via telephone:
Assistant Attorney General Jim Odenkirk

Vice Chairman Mansell, acting as Chairman, called the meeting to order at 10:00 a.m. and led those present in the Pledge of Allegiance. Vice Chairman Mansell conducted roll call and confirmed that all Commissioners were present. Several members of the public and Department staff were present. This meeting followed an agenda dated March 14, 2014.

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1. Call to the Public

There were no requests to speak on the call to the public.

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2. State and Federal Legislation

Presenter: Presenter: Jorge Canaca, Legislative Liaison

Mr. Canaca provided a PowerPoint presentation and briefing on the proposed "strike-everything" amendment to HB2127; game and fish; operations; maintenance (attached). This legislation would permit the Arizona Game and Fish Commission the flexibility to use Heritage Fund property acquisitions monies for the maintenance and operation of Heritage Fund acquired properties. In the past, the Commission has expressed concerns about the increasing financial burden from continued acquisition of Heritage properties and the associated costs placed on other funding sources, including Capital Improvement Fund, Game and Fish Fund, Wildlife Conservation Fund, and Pittman-Robertson Funds. The Commission has previously directed the Department to explore opportunities and identify solutions to the financial burden associated with the operations and maintenance of properties. When the opportunity presented itself in the 2013 legislative session through HB2127, the two Legislative Commissioners were made aware and under their direction, the "strike-everything" amendment to HB2127 was offered. Because the final language had not posted, the strike-everything amendment was not presented to the full

Commission at the March 7-8, 2014 Commission meeting. The proposed amendment adds operation and maintenance as a potential use of the Heritage Property Acquisition Fund.

The Department recommends that the Commission vote to not offer the strike-everything amendment to HB2127 titled Game and Fish Operations/Maintenance.

Chairman Harris stated that there have been concerns and issues with operations and maintenance since he first started as a Commissioner, so for five years now, the Commission has repeatedly discussed this and directed the Department to find solutions. If the striker is withdrawn, the operation and maintenance issues will still be there and need to be dealt with.

Commissioner Mansell commented that the Heritage Fund was created in 1993 and that the monies are still distributed in the same way, so now we are quickly approaching a crisis. Commissioner Mansell requested that the Department present an overview and status update of the Heritage Fund and how those funds are used.

Director Voyles stated that the Department will develop a presentation and provide a matrix of how the various funding sources are used to deliver products and services, and what a shift in funding does in terms of other programs. This will give the Commission a good foundation and understanding of how these things work and how a given decision would affect the entire matrix.

Public Comment

Thomas Hulen, Arizona Heritage Alliance, expressed his organization's opposition to striker amendment HB2127. The Arizona Heritage Alliance believes it is a violation of the intent of the law to divert money intended for acquisition to operation and maintenance. The Arizona Heritage Alliance is open to working with the Department and others to develop a solution to the issues.

Bob Vahle, Arizona Wildlife Federation, expressed AWF concerns regarding striker amendment HB2127. This bill was written and introduced with no input from the Heritage Advisory Committee, the public, and the number of stakeholders and organizations that are on record for supporting the Heritage Fund. AWF is opposed to this legislation.

Sandy Bahr, Chapter Director, Sierra Club – Grand Canyon Chapter, stated her opposition to striker amendment HB2127. This bill would divert important habitat dollars that help to protect some of our state's most imperiled species. This bill would allow Game and Fish to use all of the Heritage Fund acquisition dollars for operation and maintenance. The Commission should actually look at asking for an increase in Heritage Funds rather than diverting existing dollars from the fund.

Patrick Graham, State Director, The Nature Conservancy, addressed the Commission in opposition to striker amendment HB2127, and provided a letter to each Commissioner (attached).

Commissioner Mansell noted that comments in opposition to striker amendment HB2127 were received by the Department via email from Lynn Ashby of Phoenix, Arizona.

Commissioner Davis stated that the objective of this discussion is to have a viable and strong Heritage Fund program well into the future. In order to do that we have to discuss how the finances of this program work. Times change and acquisitions have an impact on current and future financial operations. Future acquisitions also have long term financial impact that has to be part of the decision making process. With that said, Commissioner Davis offered a motion.

Motion: Davis moved and Mansell seconded THAT THE COMMISSION VOTE TO APPROVE THE FOLLOWING: THAT THE COMMISSION ACCEPT THE DEPARTMENT'S RECOMMENDATION TO WITHDRAW THE STRIKE-EVERYTHING AMENDMENT TO HB2127; THAT THE DEPARTMENT PROVIDE A PRESENTATION TO THE COMMISSION IN MARCH/APRIL ON THE CURRENT FUNDING AND EXPENDITURE ALLOCATIONS RELATED TO HERITAGE; THAT THE DEPARTMENT FREEZE NEW ACQUISITION WORK UNTIL THE ISSUE OF OPERATIONS AND MAINTENANCE IS SETTLED; THAT THE DEPARTMENT BRING POTENTIAL SOLUTIONS TO THE COMMISSION BY SEPTEMBER 1, 2014 FOR CONSIDERATION AND ACTION (BECAUSE OF DEADLINES RELATED TO PROVIDING LEGISLATIVE PROPOSALS AND TO BUILD APPROPRIATE SUPPORT BEFORE THE LEGISLATIVE SESSION BEGINS); AND THAT THE SOLUTIONS BE GOVERNED BY THE FOLLOWING TENETS 1) CREATE A SOLUTION THAT PROTECTS THE DEPARTMENT'S ABILITY TO OPERATE CURRENT PROPERTIES AND PROGRAMMING; 2) THAT HERITAGE FUNDS FOR ANY FUTURE POTENTIAL ACQUISITIONS HAVE APPROPRIATE OPERATION AND MAINTENANCE BUILT INTO THOSE ACQUISITIONS; 3) THAT FURTHER USE OF SPORTSMEN'S DOLLARS FOR OPERATION AND MAINTENANCE ARE AVOIDED AS WELL AS THE USE OF DOLLARS THAT WOULD NEGATIVELY IMPACT THE DEPARTMENT'S NONGAME BRANCH; 4) THAT THE DEPARTMENT NOT BRING FORWARD RECOMMENDATIONS TO USE UNRELIABLE SOURCES SUCH AS FEDERAL WILDLIFE GRANTS; AND 5) THAT THERE BE FLEXIBILITY FOR THE COMMISSION TO MAKE APPROPRIATE FINANCIAL DECISIONS TO PROTECT CURRENT AND FUTURE ACQUISITIONS.

The Commission discussed the motion with the Director and Department staff.

Director Voyles clarified with Commissioner Davis that his reference to the Nongame Branch was not intended to mean the organizational Nongame Branch, but was intended to mean the nongame programs and the capacity to keep the nongame management and science intact.

Mr. Odenkirk stated that the reference in the motion to freeze new acquisitions goes beyond the scope of the agenda item and recommended that it be removed from the motion, and that it be placed on a future agenda.

Motion: Davis moved and Mansell seconded THAT THE COMMISSION VOTE TO AMEND THE MOTION TO REMOVE THE REFERENCE TO FREEZE NEW ACQUISITIONS AND THAT THE DEPARTMENT BE DIRECTED TO BRING THAT BACK AT THE NEXT COMMISSION MEETING, WHETHER A REGULAR OR SPECIAL MEETING.

Vote: Unanimous

Amended Motion: Davis moved and Mansell seconded THAT THE COMMISSION VOTE TO APPROVE THE FOLLOWING: THAT THE COMMISSION ACCEPT THE DEPARTMENT'S RECOMMENDATION TO WITHDRAW THE STRIKE-EVERYTHING AMENDMENT TO HB2127; THAT THE DEPARTMENT PROVIDE A PRESENTATION TO THE COMMISSION IN MARCH/APRIL ON THE CURRENT FUNDING AND EXPENDITURE ALLOCATIONS RELATED TO HERITAGE; THAT THE DEPARTMENT BRING POTENTIAL SOLUTIONS TO THE COMMISSION BY SEPTEMBER 1, 2014 FOR CONSIDERATION AND ACTION (BECAUSE OF DEADLINES RELATED TO PROVIDING LEGISLATIVE PROPOSALS AND TO BUILD APPROPRIATE SUPPORT BEFORE THE LEGISLATIVE SESSION BEGINS); AND THAT THE SOLUTIONS BE GOVERNED BY THE FOLLOWING TENETS 1) CREATE A SOLUTION THAT PROTECTS THE DEPARTMENT'S ABILITY TO OPERATE CURRENT PROPERTIES AND PROGRAMMING; 2) THAT HERITAGE FUNDS FOR ANY FUTURE POTENTIAL ACQUISITIONS HAVE APPROPRIATE OPERATION AND MAINTENANCE BUILT INTO THOSE ACQUISITIONS; 3) THAT FURTHER USE OF SPORTSMEN'S DOLLARS FOR OPERATION AND MAINTENANCE ARE AVOIDED AS WELL AS THE USE OF DOLLARS THAT WOULD NEGATIVELY IMPACT THE DEPARTMENT'S NONGAME PROGRAMS (MANAGEMENT AND SCIENCE); 4) THAT THE DEPARTMENT NOT BRING FORWARD RECOMMENDATIONS TO USE UNRELIABLE SOURCES SUCH AS FEDERAL WILDLIFE GRANTS; AND 5) THAT THERE BE FLEXIBILITY FOR THE COMMISSION TO MAKE APPROPRIATE FINANCIAL DECISIONS TO PROTECT CURRENT AND FUTURE ACQUISITIONS.

Vote: Unanimous

The Commission discussed with Director Voyles that the Department can be prepared to provide a review and status update of the Heritage Fund by March 28, 2014.

Chairman Harris requested that the subject of freezing new acquisitions until the issues are resolved be an additional item on the March 28 agenda.

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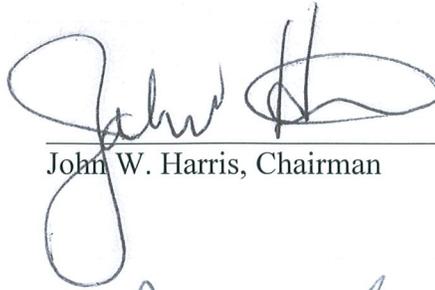
Motion: Madden moved and Davis seconded THAT THE COMMISSION VOTE TO ADJOURN THIS MEETING.

Vote: Unanimous

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Meeting adjourned at 11:10 a.m.

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John W. Harris, Chairman



Robert E. Mansell, Vice Chair



Kurt R. Davis, Member

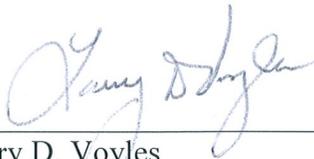


Edward "Pat" Madden, Member



James R. Ammons, Member

ATTEST:



Larry D. Voyles
Secretary and Director

PROPOSED AMENDMENT

SENATE AMENDMENTS TO H.B. 2127

(Reference to printed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Section 17-298, Arizona Revised Statutes, is amended to
3 read:

4 17-298. Expenditures from fund; purpose and amounts; annual
5 report

6 A. Monies received pursuant to section 5-572 shall be spent as
7 follows:

8 1. Five per cent on public access, including maintenance and operation
9 expenses.

10 2. Sixty per cent on the identification, inventory, acquisition,
11 protection and management, including maintenance and operations, of sensitive
12 habitat. At least forty per cent of the monies available under this
13 paragraph shall be spent on the acquisition , OPERATION AND MAINTENANCE of
14 sensitive habitat utilized by endangered, threatened and candidate
15 species. The commission may dispose of any lands acquired for use as habitat
16 by an endangered, threatened or candidate species under this paragraph when
17 the species no longer qualifies as an endangered, threatened or candidate
18 species. The Arizona game and fish commission shall dispose of the land in a
19 manner consistent with the preservation of the species of concern. The
20 disposal may include conservation easements and fee simple transfers with
21 associated instruments of protection. The commission shall follow the
22 guidelines established pursuant to section 37-803 relating to the disposition
23 of real property by a state agency. In addition, disposal shall include a
24 written agreement between the commission and the purchaser requiring the
25 purchaser to incorporate management actions to ensure proper maintenance of
26 the species of concern. Management actions may include maintenance of
27 habitat, selective control of nonnative species, maintenance of genetic

1 viability, monitoring of populations and habitat, coordinating conservation
2 activities, funding conservation actions and assessing conservation progress.

3 3. Fifteen per cent on habitat evaluation or habitat protection.

4 4. Fifteen per cent on urban wildlife and urban wildlife habitat
5 programs.

6 5. Five per cent on environmental education.

7 B. All monies earned as interest on monies received pursuant to
8 section 5-572 shall be spent only in the percentages and for the purposes
9 described in subsection A of this section or for costs of administering the
10 Arizona game and fish commission heritage fund in such amounts as determined
11 by the Arizona game and fish commission.

12 C. On or before December 31 each year the commission shall submit its
13 annual report to the president of the senate, the speaker of the house of
14 representatives and the chairmen of the senate and house of representatives
15 committees on natural resources and agriculture, or their successor
16 committees. The annual report shall include information on:

17 1. The amount of monies spent or encumbered in the fund during the
18 preceding fiscal year and a summary of the projects, activities and
19 expenditures relating to:

20 (a) Property acquisition, OPERATION AND MAINTENANCE.

21 (b) Identification, inventory, protection and management of sensitive
22 habitat.

23 (c) Habitat evaluation and protection.

24 (d) Urban wildlife.

25 (e) Environmental education.

26 (f) Public access.

27 2. The number and location of parcels of property acquired during the
28 preceding fiscal year.

29 3. For personal and real properties acquired with fund monies during
30 the preceding fiscal year, the amount of property tax revenue paid to each
31 taxing jurisdiction during the last full tax year prior to acquisition.

1 4. The amount of money spent from the fund during the preceding fiscal
2 year for employee personal services.

3 5. The number of full-time employees employed in the preceding fiscal
4 year in connection with property acquisition, including survey, appraisal and
5 other related activities.

6 6. The total number of full-time employees employed in the preceding
7 fiscal year for the programs listed in subsection A of this section.

8 7. A list of the grants awarded during the preceding fiscal year
9 including information on the recipients, purposes and amounts.”

10 Amend title to conform

STEVE PIERCE

3/6/14
12:33 PM
S: LL/lis