

FS Agreement No. 14-MU-11030407-037
Cooperators' Agreement Nos. _____

MEMORANDUM OF UNDERSTANDING
Between
SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER
DISTRICT
NATIONAL FOREST FOUNDATION
TOWN OF PAYSON
USDI BUREAU OF RECLAMATION, PHOENIX AREA OFFICE
And The
USDA, FOREST SERVICE
COCONINO NATIONAL FOREST

This MEMORANDUM OF UNDERSTANDING (MOU) is hereby made and entered into by and between the parties: Salt River Project Agricultural Improvement and Power District, hereinafter referred to as "SRP", National Forest Foundation, hereinafter referred to as "NFF", Town of Payson, hereinafter referred to as "Payson", Bureau of Reclamation, Phoenix Area Office, hereinafter referred to as "Reclamation," and the USDA, Forest Service, Coconino National Forest, hereinafter referred to as the "U.S. Forest Service."

Background: The health of the National Forest System (NFS) lands in northern Arizona affects municipal water supplies, including C. C. Cragin Reservoir (formerly known as Blue Ridge Reservoir); public safety; recreation, natural resources, and the economic vitality of the surrounding communities. Forest and watershed restoration activities can help reduce the threat of crown fires, flood volumes, sedimentation impacts and risk of future wildfires. This partnership reflects the spirit of the Western Watershed Enhancement Partnership, which was created to combat the risks of wildfire to the West's water supplies.

Title: Restoration of C. C. Cragin Reservoir Watersheds

- I. PURPOSE:** The purpose of this MOU is to document the cooperation between the parties to establish a joint program to proactively improve the health and resiliency of the forest and watersheds, in accordance with the below provisions. Particular emphasis will be on the general area that drains into and surrounding the C. C. Cragin Reservoir (as per H.R. 489). That general area, hereinafter referred to as "the Project Area," includes the three, sixth code watersheds that drain into C. C. Cragin Reservoir (East Clear Creek-Blue Ridge Reservoir, Miller Canyon, and Bear Canyon), as well as the surrounding local forested areas where restoration treatments are needed.



II. STATEMENT OF MUTUAL BENEFIT AND INTERESTS:

The SRP operates and maintains a system of seven dams and water storage reservoirs in central Arizona. Two reservoirs exist on the Verde watershed, four reservoirs on the Salt watershed, and one reservoir, C. C. Cragin, on the upper portion of the Project Area. The combined watershed area of 8,365,000 acres provides runoff for storage in to the reservoir system. SRP manages the water in the reservoir system for the benefit of shareholders of the Salt River Valley Water Users' Association and other water rights holders in the Salt River Valley and Northern Gila County.

The NFF, chartered by Congress, engages America in community-based and national programs that promote the health and public enjoyment of the 193 million acres of NFS lands. NFF administers private gifts of funds and land for the benefit of the National Forests and Grasslands. Together, NFF and its community partners bring about solutions in community-based forestry, recreation, watershed restoration, and wildlife habitat. NFF is committed to facilitating local involvement through business engagement and grassroots participation in forest stewardship.

Payson will receive municipal water supplies from C. C. Cragin Reservoir. Execution of an agreement between SRP and Payson in 2008, and subsequent action by the Arizona Department of Water Resources, resulted in Payson receiving a water right for the use of up to 3,000 acre feet per year in C. C. Cragin Reservoir. Currently underway is a process between the public water provider for the Mesa del Caballo subdivision and Tonto Apache Tribe to establish a water right for the use of water in C. C. Cragin Reservoir.

Reclamation's Lower Colorado Region's Phoenix Area Office administers water management projects and programs throughout Arizona, including the Salt River Project, the Central Arizona Project, water supply and salinity studies, water conservation activities, and technical assistance to Native American Tribes. Reclamation is responsible for oversight of C. C. Cragin Reservoir as part of the SRP Federal Reclamation Project.

The U.S. Forest Service administers more than 1.8 million acres of NFS lands in northern Arizona within the Coconino National Forest. NFS lands within the Project Area supply water to the C. C. Cragin Reservoir and impact public safety and the economic vitality of the area. Management of the public lands for forest and watershed health is key to protecting reservoir storage capacity, minimizing sedimentation load, enhancing ecosystem health, maintaining recreational values and public safety, and providing high quality water for municipal uses. In the Organic Administration Act of 1897, a principal purpose for establishment of the Forest Reserves (predecessor to the NFS) was to "secure favorable conditions of water flows."



To achieve mutual benefits in the Project Area, the parties agree to work together to:

- a. Support the creation and continued refinement of assessments to determine which areas and treatments will have the greatest benefit for protecting the municipal water supply and minimizing wildfire and flood risk;
- b. Plan projects for future implementation, such as forest thinning, prescribed fire, tree planting, riparian vegetation improvements, stream, spring and channel restoration, road decommissioning, road improvements, and other forest and watershed health treatments on NFS lands within the Project Area;
- c. Collaboratively develop and update annually a 5-year Action Plan which specifies not only treatment zones and planned restoration and protection activities within the Project Area but also accomplishment targets and funding commitments in accordance with the Provision VII. F. below;
- d. Develop other partnerships that will provide additional support, as appropriate; and;
- e. Develop a shared communications and media campaign to increase public awareness and understanding of:
 - The importance of forest health for municipal water supplies, flood control, and public safety; and
 - The environmental and economic benefits of a proactive approach to restoring forest and watershed health.

In consideration of the above premises, the parties agree as follows:

III. SRP SHALL:

- A. Support projects identified in the 5-year Action Plan within the Project Area, as applicable and appropriate; if funding is available, work with NFF, Payson, and Reclamation to administer such funds.
- B. Participate in routine and regular planning and evaluation meetings with NFF, Payson, Reclamation, and the U.S. Forest Service regarding implementation of this MOU.
- C. Coordinate with NFF, Payson, Reclamation, and the U.S. Forest Service on the implementation of any approved projects within the Project Area that may impact the operations of, and water supply to, C. C. Cragin Reservoir.

IV. NFF SHALL:

- A. Support projects identified in the 5-year Action Plan within the Project Area, as applicable and appropriate; if funding is available, work with SRP, Payson, Reclamation, and the U.S. Forest Service to administer such funds.



- B. Participate in routine and regular planning and evaluation meetings with SRP, Payson, Reclamation, and the U.S. Forest Service regarding implementation of this MOU.
- C. Coordinate with SRP, Payson, Reclamation, and the U.S. Forest Service on the implementation of any approved projects within the Project Area that may impact the operations of, and water supply to, C. C. Cragin Reservoir.
- D. Receive and manage funds from SRP, Payson, and other interested investors that support implementation of projects in the 5-year Action Plan.
- E. Administer NFF grants, contracts, and partnership agreements when applicable and appropriate with the SRP, Payson, Reclamation, and the U.S. Forest Service to implement projects identified in the 5-year Action Plan.
- F. Establish a separate agreement, when applicable and appropriate, with SRP, Payson, Reclamation, and/or the U.S. Forest Service to support planning and implementation of the projects identified in the 5-year Action Plan.

V. PAYSON SHALL:

- A. Support projects identified in the 5-year Action Plan within the Project Area, as applicable and appropriate; if funding is available, work with SRP, NFF, Reclamation, and the U.S. Forest Service to administer such funds.
- B. Participate in routine and regular planning and evaluation meetings with SRP, NFF, Reclamation, and the U.S. Forest Service regarding implementation of this MOU.
- C. Coordinate with SRP, NFF, Reclamation, and the U.S. Forest Service on the implementation of any approved projects within the Project Area that may impact the operations of, and water supply to, C. C. Cragin Reservoir.

VI. RECLAMATION SHALL:

- A. Support projects identified in the 5-year Action Plan within the Project Area, as applicable and appropriate.
- B. Participate in routine and regular planning and evaluation meetings with SRP, NFF, Payson, and the U.S. Forest Service regarding implementation of this MOU.
- C. Coordinate with SRP, NFF, Payson, and the U.S. Forest Service on the implementation of any approved projects within the Project Area that may impact the operations of, and water supply to, C. C. Cragin Reservoir.



- D. Initiate the Cooperating Agency status process with the U.S. Forest Service to be able to participate in NEPA compliance activities that may impact the operations of, and water supply to, C. C. Cragin Reservoir.
- E. Enter into a separate agreement or contract when applicable and appropriate, with SRP, NFF, Payson, and/or the U.S. Forest Service to provide funding and staff resources to further the intent of this MOU as appropriations and resources allow.

VII. THE U.S. FOREST SERVICE SHALL:

- A. Support projects identified in the 5-year Action Plan within the Project Area, as applicable and appropriate; if funding is available, work with NFF, Payson, and Reclamation to administer such funds.
- B. Participate in routine and regular planning and evaluation meetings with SRP, NFF, Payson, and Reclamation regarding implementation of this MOU.
- C. Coordinate with SRP, NFF, Payson, and Reclamation on the implementation of any approved projects within the Project Area that may impact the operations of, and water supply to, C. C. Cragin Reservoir.
- D. Meet requirements to oversee and administer all work conducted on NFS lands within the Project Area boundaries, including planning and survey work needed to ensure activities meet applicable laws and regulations.
- E. Identify project work approved under the Four Forest Restoration Initiative (4FRI) or other U.S. Forest Service initiatives that can be accelerated with SRP, NFF, Payson, and/or Reclamation funds, or funds managed by these parties, provided such funds are available.
- F. Identify forest and watershed improvement projects throughout the Project Area to complement SRP, NFF, Payson, and/or Reclamation-funded treatments, as federal funding allows.

VIII. IT IS MUTUALLY UNDERSTOOD AND AGREED BY AND BETWEEN THE PARTIES THAT:

- A. PRINCIPAL CONTACTS. Individuals listed below are authorized to act in their respective areas for matters related to this agreement.

**Principal SRP Contacts:**

SRP Program Contact	SRP Administrative Contact
Bruce Hallin, Director, Water Rights & Contracts, Salt River Project PO Box 52025 Mail Stop PAB110 Phoenix, AZ 85072-2025 Phone: 602-236-3212 FAX: 602-236-2159 Email: bruce.hallin@srpnet.com	Charles Ester III, Manager, Water Resource Operations, Salt River Project PO Box 52025 Mail Stop PAB120 Phoenix, AZ 85072-2025 Phone: 602-236-2587 Cell: 602.359.4093 FAX: 602-236-2720 Email: ceester@srpnet.com

Principal NFF Contacts:

NFF Program Contact	NFF Administrative Contact
Mary Mitsos, Executive Vice President National Forest Foundation Bldg. 27, Suite 3, Fort Missoula Road Missoula, MT 59804 Phone: 406-830-3359 FAX: 406-542-2810 Email: mmitsos@nationalforests.org	Sheree Bombard, Director of Administration National Forest Foundation Bldg. 27, Suite 3, Fort Missoula Road Missoula, MT 59804 Phone: 406-830-3351 FAX: 402-542-2810 Email: sbombard@nationalforests.org

Principal Payson Contacts:

Payson Program Contact	Payson Administrative Contact
LaRon Garrett, PE, Assistant Town Manager Town of Payson 303 N Beeline Highway Payson, AZ 85541 Phone: 928-474-5242 ext 283 FAX: 928-472-7490 Email: lgarrett@paysonaz.gov	Debra Galbraith, Town Manager Town of Payson 303 N Beeline Highway Payson, AZ 85541 Phone: 928-474-5242 ext 262 FAX: 928-472-7490 Email: dgalbraith@paysonaz.gov

Principal Reclamation Contacts:

Reclamation Program Contact	Reclamation Administrative Contact
Alexander Smith, Chief Environmental Resource Mgmt Division Bureau of Reclamation, Phoenix Area Office 6150 West Thunderbird Road Glendale, AZ 85306-4001 Phone: 623-773-6250, Cell: 602-370-0742 FAX: 623-773-6486 Email: alexandersmith@usbr.gov	John McGlothlen, Environmental Protection Specialist Environmental Resource Mgmt Division Bureau of Reclamation, Phoenix Area Office 6150 West Thunderbird Road Glendale, AZ 85306-4001 Phone: 623-773-6256 FAX: 623-773-6486 Email: jmcglothlen@usbr.gov

**Principal U.S. Forest Service Contacts:**

U.S. Forest Service Program Manager Contact	U.S. Forest Service Administrative Contact
Linda Wadleigh, District Ranger Mogollon Rim Ranger District 8738 Ranger Road Happy Jack, AZ 86024 Phone: 928-477-5001 FAX: 928-527-8282 Email: lwadleigh@fs.fed.us	Emily Williams, Grants Management Specialist Coconino NF, Supervisor's Office 1824 S Thompson Street Flagstaff, AZ 86001-2693 Phone: 928-527-3477 FAX: 928-527-3620 Email: emilywilliams@fs.fed.us

- B. **NOTICES.** Any communications affecting the operations covered by this agreement given by the U.S. Forest Service or SRP, NFF, Payson, or Reclamation is sufficient only if in writing and delivered in person, mailed, or transmitted electronically by e-mail or fax, as follows:

To the U.S. Forest Service Program Manager, at the address specified in the MOU.

To SRP, NFF, Payson, or Reclamation, at SRP, NFF, Payson, or Reclamation's address shown in the MOU or such other address designated within the MOU.

Notices are effective when delivered in accordance with this provision, or on the effective date of the notice, whichever is later.

- C. **PARTICIPATION IN SIMILAR ACTIVITIES.** This MOU in no way restricts the U.S. Forest Service or SRP, NFF, Payson, or Reclamation from participating in similar activities with other public or private agencies, organizations, and individuals.
- D. **ENDORSEMENT.** Any of SRP, NFF, Payson, or Reclamation's contributions made under this MOU do not by direct reference or implication convey U.S. Forest Service endorsement of SRP, NFF, Payson, or Reclamation's products or activities, and does not by direct reference or implication convey SRP, NFF, Payson, or Reclamation's endorsement of the U.S. Forest Service products or activities.
- E. **NONBINDING AGREEMENT.** This MOU creates no right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity. The parties shall manage their respective resources and activities in a separate, coordinated and mutually beneficial manner to meet the purpose(s) of this MOU. Nothing in this MOU authorizes any of the parties to obligate or transfer anything of value.



Specific, prospective projects or activities that involve the transfer of funds, services, property, and/or anything of value to a party requires the execution of separate agreements and are contingent upon numerous factors, including, as applicable, but not limited to: agency availability of appropriated funds and other resources; cooperator availability of funds and other resources; agency and cooperator administrative and legal requirements (including agency authorization by statute); etc. This MOU neither provides, nor meets these criteria. If the parties elect to enter into an obligation agreement that involves the transfer of funds, services, property, and/or anything of value to a party, then the applicable criteria must be met. Additionally, under a prospective agreement, each party operates under its own laws, regulations, and/or policies, and any Forest Service obligation is subject to the availability of appropriated funds and other resources. The negotiation, execution, and administration of these prospective agreements must comply with all applicable law

Nothing in this MOU is intended to alter, limit, or expand the agencies' statutory and regulatory authority.

- F. NONBINDING AGREEMENT - RECLAMATION: Under a prospective agreement, each party operates under its own laws, regulations, and/or policies, and any Reclamation obligation is subject to the availability of appropriated funds and other resources.
- G. USE OF SRP, NFF, PAYSON, RECLAMATION, AND THE U.S. FOREST SERVICE INSIGNIAS. In order for SRP, NFF, Payson, Reclamation, or the U.S. Forest Service to use the any or all of the parties' insignias on any published media, such as a Web page, printed publication, or audiovisual production, permission must be granted from the parties' Office of Communications. A written request must be submitted and approval granted in writing by the Office of Communications prior to use of the insignia.
- H. MEMBERS OF U.S. CONGRESS. Pursuant to 41 U.S.C. 22, no U.S. member of, or U.S. delegate to, Congress shall be admitted to any share or part of this agreement, or benefits that may arise therefrom, either directly or indirectly.
- I. FREEDOM OF INFORMATION ACT (FOIA). Public access to MOU or agreement records must not be limited, except when such records must be kept confidential and would have been exempted from disclosure pursuant to Freedom of Information regulations (5 U.S.C. 552).
- J. TEXT MESSAGING WHILE DRIVING. In accordance with Executive Order (EO) 13513, "Federal Leadership on Reducing Text Messaging While Driving," any and all text messaging by Federal employees is banned: a) while driving a Government owned vehicle (GOV) or driving a privately owned vehicle (POV) while on official Government business; or b) using any electronic equipment supplied by the Government when driving any vehicle at any time. All



cooperators, their employees, volunteers, and contractors are encouraged to adopt and enforce policies that ban text messaging when driving company owned, leased or rented vehicles, POVs or GOVs when driving while on official Government business or when performing any work for or on behalf of the Government.

- K. PUBLIC NOTICES. It is the U.S. Forest Service's policy to inform the public as fully as possible of its programs and activities. SRP, NFF, Payson, and Reclamation are encouraged to give public notice of the receipt of this agreement and, from time to time, to announce progress and accomplishments. Press releases or other public notices should include a statement substantially as follows:

"U.S. Forest Service, Coconino National Forest, Salt River Project, National Forest Foundation, Town of Payson, and Bureau of Reclamation, Phoenix Area Office, are working together to improve the health of the Project Area..."

SRP, NFF, Payson, and Reclamation may call on the U.S. Forest Service's Office of Communication for advice regarding public notices. SRP, NFF, Payson, and Reclamation are requested to provide copies of notices or announcements to the U.S. Forest Service Program Manager and to the U.S. Forest Service's Office of Communications as far in advance of release as possible.

- L. SRP, NFF, PAYSON, RECLAMATION, AND THE U.S. FOREST SERVICE ACKNOWLEDGED IN PUBLICATIONS, AUDIOVISUALS AND ELECTRONIC MEDIA. All parties shall acknowledge SRP, NFF, Payson, Reclamation, and the U.S. Forest Service support in any publications, audiovisuals, and electronic media developed as a result of this MOU.
- M. NONDISCRIMINATION STATEMENT – PRINTED, ELECTRONIC, OR AUDIOVISUAL MATERIAL. SRP, NFF, Payson, and Reclamation shall include the following statement, in full, in any printed, audiovisual material, or electronic media for public distribution developed or printed with any Federal funding.

In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discriminating on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited bases apply to all programs.)

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.



If the material is too small to permit the full statement to be included, the material must, at minimum, include the following statement, in print size no smaller than the text:

"This institution is an equal opportunity provider."

- N. TERMINATION. Any of the parties, in writing, may terminate this MOU in whole, or in part, at any time before the date of expiration.
- O. DEBARMENT AND SUSPENSION. SRP, NFF, Payson, and Reclamation shall immediately inform the U.S. Forest Service if they or any of their principals are presently excluded, debarred, or suspended from entering into covered transactions with the federal government according to the terms of 2 CFR Part 180. Additionally, should SRP, NFF, Payson, or Reclamation, or any of their principals, receive a transmittal letter or other official Federal notice of debarment or suspension, then they shall notify the U.S. Forest Service without undue delay. This applies whether the exclusion, debarment, or suspension is voluntary or involuntary.
- P. MODIFICATIONS. Modifications within the scope of this MOU must be made by mutual consent of the parties, by the issuance of a written modification signed and dated by all properly authorized, signatory officials, prior to any changes being performed. Requests for modification should be made, in writing, at least 30 days prior to implementation of the requested change.
- Q. COMMENCEMENT/EXPIRATION DATE. This MOU is executed as of the date of the last signature and is effective through 5 years from the date of last signature, at which time it will expire unless extended by an executed modification, signed and dated by all properly authorized, signatory officials.
- R. AUTHORIZED REPRESENTATIVES. By signature below, each party certifies that the individuals listed in this document as representatives of the individual parties are authorized to act in their respective areas for matters related to this MOU. In witness whereof, the parties hereto have executed this MOU as of the last date written below.



BRUCE HALLIN, Director, Water Rights and Contracts
Salt River Project Agricultural Improvement and Power District

7/8/14

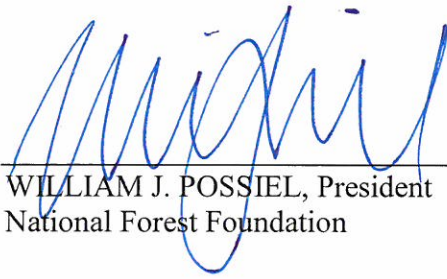
Date

Approved as to form:

Attorney, Salt River Project Agricultural Improvement and Power District

7/8/14

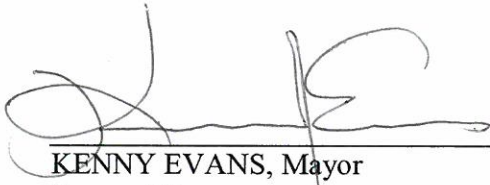
Date

A large, stylized handwritten signature in blue ink, which appears to read 'William J. Possiel'.

WILLIAM J. POSSIEL, President
National Forest Foundation

7-8-14

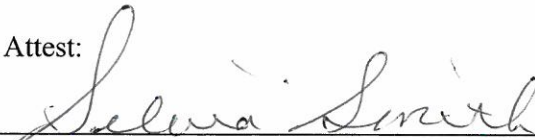
Date



KENNY EVANS, Mayor
Town of Payson

7/16/14

Date

Attest: 

Clerk, Town Council

7-11-14

Date

Approved:



Attorney, Town of Payson

7/11/14

Date



Randy N. Chandler

RANDY N. CHANDLER, Area Manager
Bureau of Reclamation, Phoenix Area Office

7-9-14

Date



July 2. 2014
For SCOTT RUSSELL, Acting Forest Supervisor
U.S. Forest Service, Coconino National Forest

7/17/14
Date

The authority and format of this agreement have been reviewed and approved for signature.

Susan L. Brown
SUSAN L. BROWN
U.S. Forest Service Grants Management Specialist

7/17/14
Date



Burden Statement

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0596-0217. The time required to complete this information collection is estimated to average 3 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call toll free (866) 632-9992 (voice). TDD users can contact USDA through local relay or the Federal relay at (800) 877-8339 (TDD) or (866) 377-8642 (relay voice). USDA is an equal opportunity provider and employer.