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TO: Mayor and Council

FROM: Bob Holmes
Stephanie Smith

RE: Washington, DC Council Trip Re-cap

DATE: February 29, 2016

CC: Josh Copley
Barbara Goodrich
Shane Dille
Kathi Becker

Mayor and Council:

In lieu of the ordinary monthly report, we thought it would be advantageous to briefly summarize our meetings in Washington, DC in order to strategize and determine what steps we might pursue in order to be successful in our federal lobbying efforts.

The trip was very productive and achieved many of our goals. The issues we focused on included:

1. Rio de Flag, including funding of the 100 percent design (\$600,000) and timely completion of the LRR;
2. BNSF reversionary transfer legislation (H.R. 4601) that was introduced by Congressman Gosar and Congresswoman Kirkpatrick on February 24th;
3. Forest Health with regard to 4FRI and FWPP;
4. VA Home funding;
5. Navajo-Hopi Water Settlement negotiations, and;
6. Transportation priorities.

Here is a brief summation of each of the meetings and some potential action items to follow-up with the interested parties.

Under Secretary for Agriculture Robert Bonnie – Due to flight delays, we attended this meeting without Mayor Nabours and Councilmember Evans. Our asks from Undersecretary Bonnie were quite simple: Region 3 staff funding for continued implementation of the FWPP and quicker action by Good Earth on their task orders. He said he was frustrated by the

inaction by Good Earth and that they would entertain the possibility of allowing new contractors to bid on the work to speed up implementation. In contrast, we let him know that since the ROD was issued in October 2015 on FWPP that we are moving quickly on the project and by 2018 will have cleaned up more acreage on the 13,000 acre FWPP project than the 300,000 acre 4FRI project. We pointed out that we have valued our important relationship with the Forest Service and we've been able to leverage an additional \$2.5 million for the FWPP from the Forest Service, which has been incredibly helpful and successful. Undersecretary Bonnie would discuss Region 3 staff funding with the Regional Forester Cal Joyner to see what could be done but he said the additional \$10 million dedicated to the Southwest should be helpful and that staff is doing much more with much less these days. Undersecretary Bonnie made a big push for the fire prevention bill (that was introduced by Senator Wyden last year) and came very close to passing as important tool to help the Forest Service prevent fires as opposed to constantly battling them out west with suppression funding. In short, he was very enthusiastic about 4FRI and FWPP as models for the future. We stressed the importance of these projects succeeding lest these models won't be emulated nationally. He certainly understood the importance and implications of these projects.

Erica Rhoad, Majority Staff Director for the House Natural Resources Subcommittee on Public Lands and Environmental Regulations – The sole purpose of this meeting was to educate Erica about the reversionary interest on the TRAX land and to encourage her subcommittee to hold a hearing and mark-up (aka vote) on the legislation. She stated that while she couldn't make any promises it was her intention to hold a hearing and mark-up the bill by the August recess (that starts on July 29th). This is very good news as nearly a thousand bills are referred to the Committee each year and less than 100 make it to a vote in committee.

Congresswoman Ann Kirkpatrick and Ken Montoya of her staff – We are extremely fortunate to have Congresswoman Kirkpatrick representing us. She continues to be a tireless and successful advocate for the City. In the meeting, we thanked her for her efforts in obtaining \$1.25 million in FY 2016 workplan funding for Rio de Flag and for questioning General Bostic and Assistant Secretary (ASA) Darcy in the House Transportation and Infrastructure Committee in which General Bostic committee to a "three-level concurrent review" (Region, HQ and ASA) of the LRR that could save months in completing the final document. We discussed the importance of forest health and pushing for quicker action on 4FRI and contrasted it with the success we have been having on FWPP. She clearly understood our frustration and we pressed her on pushing Good Earth to either finish their task orders or allowing new contractors to complete the work. Ken mentioned that they were meeting with Colonel Gibbs next week. I've already sent him a memo detailing the ask to Colonel Gibbs, which, in short, is expedited completion of the LRR (with the \$125,000 designated to it in the FY 2016 workplan) and \$600,000 to complete the 100 percent design this year either through reprogrammed or new funds within the district, reprogramming part of our \$1.25 million work plan funds, accelerated and/or contributed funds from the City (which may or may not be reimbursable or count

towards our five percent cash contribution), or through direct/indirect contracting with our design firm, TetraTech. Finally, we discussed with Ken the importance of a VA home in Flagstaff. We told her how the City made great strides since discussing this with her last year by designating the land and being very close to securing the state match of \$10 million. She was very encouraged by these developments and stated that she would help us obtain the necessary federal funds to complete the project and would ensure that we will now be listed as Priority 1 on the VA's priority list.

Senator John McCain and Nick Matiella, Jeremy Hayes and Austin Kennedy of his staff –

Senator McCain was very gracious with his time and supportive of our projects. We first discussed forest health with him and our frustrations with how little has been done by Good Earth on 4FRI. He stated that he would talk to folks within the Forest Service about this and directed Nick of his staff to look into this further. We also had the opportunity to discuss our frustrations with Rio de Flag and thanked him for his letter to the Senate Energy and Public Works (EPW) Committee in support of an increased authorization for Rio de Flag. He was upset about how long it was taking to get the LRR and said he would use his position as Chairman of the Senate Armed Services Committee to question the proposed Secretary of the Army about the long delays in completing the document. We also educated Senator McCain about H.R. 4601, the BNSF reversionary interest transfer legislation. Specifically, we asked him to attach the bill to his committee's National Defense Authorization Act (NDAA), which is must-pass legislation in his committee. He stated that non-defense related bills couldn't be attached to the base bill (which the BNSF bill clearly is not). However, we were able to successfully tie-in the fact that the Camp Navajo provision that will be a part of the bill uses the same rail line where our problem lies. He responded: "That's good enough for me," and went on to explain that he had a 95 percent chance of attaching it to the final bill. That is probably too rosy a picture but Senator McCain is a powerful Chairman so I know he will do everything he can to help. We finally discussed the Veterans home and he expressed support for the project and stated that the one place that there is ample money is in the veteran's budget. Finally, we thanked him for jumpstarting the Navajo-Hopi water settlement talks again and we looked forward to participating in the talks at ADWR on Monday, March 28th.

Congressman Paul Gosar – Like Congresswoman Kirkpatrick, Congressman Gosar continues to be one of our strongest allies. We began by thanking him for his introduction of the BNSF legislation, H.R. 4601, and told him that the Committee was hopeful that it could hold a hearing and mark-up the bill by the August recess. We also filled him in about our conversation with Senator McCain in which he expressed support to attach this provision to the NDAA bill. He was encouraged by both of these developments. We also thanked him for his help on forest health issues and he stated that he would continue to press this issue on the House Natural Resources Committee. We mentioned our frustration with the slow pace of Good Earth on their task orders and he stated that he was going to be meeting with Forest Service Chief Tidwell and will discuss this with him. We mentioned to him the great progress we have made with FWPP and the important partnership and funds from the Forest Service. Finally, we discussed the importance of the VA home in Flagstaff and the important progress we have been making on that front. Finally, we thanked the

congressman for his letter and support for the \$1.25 in FY 2016 work plan funding for Rio de Flag and our continuing struggles with the Corps in completing the LRR. He stated that they were meeting this week with Colonel Gibbs and he would ask for a progress report regarding the LRR.

Bradd Schwichtenberg, Deputy Civil Chief of the South Pacific Division of the Army Corps – Our goal was twofold in this meeting: to press for \$600,000 to complete the 100 percent design this year for Rio de Flag and press for expedited completion of the LRR. We began by thanking him for his support in helping us obtain the \$1.25 million in the FY 2016 workplan. We asked him to fund the 100 percent design using four potential resources: unallocated FY 2016 funding, reprogrammed funds, reallocating Rio work plan funds to the design, or accelerated/contributed funds (which the City may or may not receive credit for as part of its cash contribution). Bradd stated that there were no unallocated funds and that reprogramming funds has become increasingly difficult in this environment and has become a long, cumbersome process. He also stated that since the work plan was specific as to what was to be funded, he said it would be difficult to transfer funds within the project. He suggested that the city look into funding it through accelerated/contributed funds. That may be our best and only option. He also stated that the LRR will be completed by September 2016 despite the fact that General Bostic stated in response to a question from Congresswoman Kirkpatrick in the House Transportation and Infrastructure Subcommittee on Water Resources and the Environment that the Region, Headquarters and ASA would be conducting a “three-level review.” We stressed the importance of finishing the 100 percent design this year so that we can remove contingencies on the project and push the BCR above 1:1 (the LRR currently has the project at about .94:1 and most projects don’t qualify unless they are above parity). He understood the predicament and, again, suggested that the quickest way to do it would be to accelerate or contribute funds from the City. We mentioned the fact that we can’t qualify for WRDA 2016 until the LRR was completed and he was sympathetic to this fact and hoped that the Corps would be able to send a supplemental report adding projects if the LRR was completed before the WRDA 2016 bill was passed. Finally, Bradd suggested we hold at least quarterly meetings with the LA District executive team.

Senator Jeff Flake and Chuck Podolak of his staff – We began the meeting by thanking Senator Flake for his leadership on forest health and our support for legislation that would dedicate additional money to prevention as opposed to suppression, a concept that the the Senator strongly supports. He didn’t know if he and Senator McCain were going to re-introduce their Forest Stewardship bill and the Wildfire Protection bill, but would continue to be supportive of efforts that focused on prevention as opposed to suppression. We also thanked Senator Flake and Chuck for their help, support and guidance with the bill, H.R. 4601, that would transfer the BNSF reversionary interest. Senator Flake stated that he would help in any way to ensure this legislation becomes law.

Congressman Raul Grijalva and Glenn Miller of his staff – As the Ranking Member of the House Natural Resources Committee, it was important to ensure that Congressman Grijalva supports our BNSF reversionary interest transfer legislation, H.R. 4601. Both Congressman Grijalva and Glenn stated that they had no problem with

the legislation and would, in fact, ask Congressman Gosar to unanimous consent the bill (a tactic used on non-controversial legislation to expedite it through the Committee process). Following our meeting, Congressman Grijalva signed on as a co-sponsor to the bill, which should give it added momentum.

Ben DeLeon, Deputy Associate Administrator for Airports, Victoria Wei, Deputy Director of Airport Planning and Programs, and Frank San Martin, Manager of Airport Planning and Programming Assistance at FAA – We began the meeting by

explaining to FAA how much we valued our partnership with them. We also told him that the city was taking the initiative in funding the road around the airport which is considered a “priority 3” funding project in the Airport Improvement Program (AIP) and likely wouldn’t have been funded through the AIP. Ben and his team were very impressed and thankful that we were doing that. We also pushed for the \$3.3 million request for striping and repaving of the runway, which is a “priority 1” funding project and he was receptive, especially in light of the fact that the runway hasn’t been repaved since 2007 and is delaminating (meaning the pebbles are coming off of the asphalt). Ben asked if we had provided pictures to Mike Williams, the Phoenix ADO. In a follow-up conversation with Barney Helmick, he stated that they have not only provided them with pictures but have also given the FAA Phoenix office a tour of the runway.

Eric Hansen, Deputy Assistant Secretary of the Army (Management and Budget) – Our final meeting of the DC trip took us to the Pentagon to discuss the Rio de Flag project with Eric Hansen. We wanted to impress upon him the fact that we haven’t been able to qualify for work plan funding for the last several years because the LRR hadn’t been completed. He was completely perplexed about why it had taken so long and wanted to know why. We told him we would like to know why too. His knowledge of the project was limited to knowing that the dam had to be rebuilt, so we walked him through the City demographics, the effects of a 100-year flood, and a history of the project. We also pushed him for \$600,000 to finish the 100 percent design through reprogramming, new unallocated funds, or by transferring work plan fund to the design. Similar to Bradd, he thought the City had very little chance to fund the design except on the City’s own through accelerated or contributed funds.

Again, it was a great series of meetings this week with Mayor Nabours and Councilmember Evans. We moved many of our priorities forward and many of our objectives were achieved. If you have any questions or concerns, please don’t hesitate to contact us. Have a great week!