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April 18, 2002

Suzanne Pfister, Chair
Arizona State Parks Board
1300 West Washington
Phoenix, Arizona 85007



Dear Ms. Pfister,

The Arizona Department of Agriculture (ADA) has reviewed all applications that were submitted for the 2002 Growing Smarter Open Space Reserve (GSOSR) grant program. This letter outlines the review process, the results, and our recommendations.

Each application was publicly read into record on March 1, 2002. There were 66 applications (Attachment A).

The evaluation team included Kathy Killian, ADA, Kathleen Ryan, ADA, and Sue Hilderbrand, Arizona State Parks (ASP). The evaluation sheet (Attachment B) was used by the team to determine eligibility and point assignments for ranking.

According to the ASPB interpretation of A.R.S. §41-511.23.G. 2., priority would be given to applicants that demonstrated a required reduction of herd population on public land for public benefit. Therefore, a certificate from the land management agency was required stating that the reduction of livestock was required and that it provided a public benefit. Also, each page of the three-page application had to be completed. If the application was incomplete, the reduction was voluntary, or public benefit was not indicated, the application was deemed ineligible. Attachment C lists the applications that were deemed ineligible and the specific reason for each judgement.

Each application was evaluated based on the criteria approved by Arizona State Parks Board (ASPB) at the January 18, 2001, meeting. The criteria are:

- ❖ the length of time that the reduction is required, current and future
- ❖ the percentage of head reduced in relation to the total herd size

The evaluation sheet was completed by one member of the evaluation team and checked by each of the other two members. In addition, the calculation for the

requested amount, originally calculated by the applicant, was checked by each member of the evaluation team.

At the end of the evaluation period, all three evaluators were in agreement with the applicants that were deemed ineligible, the points awarded to each applicant, and the requested amount.

The statistical information for the applications, including point spread, requested amounts, and applicant numbers, is listed in Attachment D. There were 66 applicants. Five of those had two applications each. We separated the applications on a single-lease basis. Therefore we had 71 applications and five of those were ineligible.

The applications include two eligible applicants in Maricopa County. Due to the distribution of the Growing Smarter Land Acquisition Fund awards, eligible applicants in Maricopa County cannot receive more than \$105,685 in combined funding. These applications will be addressed further, below.

The ADA used the evaluation sheets to develop recommendations. ADA developed three scenarios for consideration. Below is a description of all three scenarios and why or we did or did not recommend them.

The first scenario is to impose a \$50,000 cap on each award. This cap amount was chosen because we had reported to applicants that a \$50,000 cap would be recommended to ASPB. This cap was considered in anticipation of receiving a large number of applications.

According to the grant manual, the cap would be applied per person. Therefore, those applicants with more than one application would be considered as one individual with combined awards not to exceed \$50,000.

Each of the two eligible Maricopa County applicants would receive \$50,000, which will not exceed the county limit.

In the scenario with a \$50,000 cap:

- ❖ All eligible applicants would receive some funding up to \$50,000
- ❖ The remaining funds for this year would be \$170,562.30

This scenario is not being recommended. First, this scenario leaves a large sum of money not obligated. Second, the rank of eligible applicants, based on the rating criteria, is irrelevant in this scenario. For instance, eligible applicants with six total ranking points would receive 100% of their request under this scenario. However, nine

of the sixteen eligible applicants who received 22 points would only receive from 11% to 63% of their request.

The second scenario provides awards to eligible applicants solely on the basis of their ranking with no cap. Eligible applicants with 20-28 points would receive 100% of their requests, except the Maricopa County applicants. Maricopa County applicants would receive the maximum award allowable under the county cap (see next paragraph). Eligible applicants with 18 points would receive 75% of their request. Eligible applicants with 16 or less points would not receive an award.

There are two eligible applicants in Maricopa County. The first Maricopa County applicant has 100% of the lease in Maricopa County. The second Maricopa County applicant has a lease that is 75% in Maricopa County and 25% in Yavapai County. The request for the first applicant was added to 75% of the request for the second applicant. The combined amount represents the total request for funding from Maricopa County, which must be less than \$105,685. Then, each request was reduced by a proportional amount. The proportionally decreased request for the second applicant was added to the portion of the lease in Yavapai County. Under the no cap scenario, the first applicant receives 19% of the requested amount and the second applicant receives 39% of the requested amount.

In this scenario where no cap is set:

- ❖ A total of 29 eligible applicants would receive an award for this year. Thirty-seven applicants would not receive funding.
- ❖ The remaining funds for this year would be \$1,454.37

This scenario is not being recommended. In this scenario, less than half (44%) of the eligible applicants would receive funding.

The third scenario (Attachment E) has a graduated \$90,000 cap with a graduated percentage award. Both the cap and the percentage of the award are reduced as the rating points decrease. For example, an eligible applicant would receive 100% funding of his/her request up to \$90,000 if he/she received 24-28 points. However, if he/she received fewer points (e.g. 20 points), then he/she would receive only a percentage (85%) of the request up to a portion of the cap (85% or \$76,500).

The first Maricopa County applicant's modified request is subject to reduction by the cap. However, the second applicant's modified request is not.

This scenario also provides each eligible applicant an award. Additionally, in this scenario applicants with high rankings would receive higher percentages of their requests than applicants with lower rankings.

In the scenario where there is a \$90,000 graduated cap with a graduated percentage award:

- ❖ All eligible applicants would receive some funding, based upon their ranking
- ❖ The remaining funds for this year would be \$662.79

This scenario is being recommended. First, the amount of funds left after awards are made is the lowest of all three scenarios. Second, funds are distributed more widely because all eligible applicants receive some funding. Third, this scenario effectively utilizes the rating criteria by graduating the awards based on point ranking.

Per my discussion with Arizona State Parks Director, Kenneth Travous, on Wednesday, April 17, I am providing to you Attachment E, which shows the name, county, ranking, requested amount, and proposed grant award for each eligible applicant. In addition, I am sending all applicants addresses (Attachment F) so that your staff may invite them to your May Board meeting. An electronic version of this list has been given to the State Parks Staff.

All application information during the evaluation process has been kept confidential, as required by A.R.S. §41.2702.E. We have acknowledged receipt of applications to those applicants who submitted a postcard.

A representative of ADA will attend the May 16 Board meeting to address any questions the Board may have concerning this recommendation.

Thank you.

Sincerely,



Brett E. Cameron
Assistant Director

cc: Kenneth Travous, Director, Arizona State Parks
Sheldon R. Jones, Director, Arizona Department of Agriculture

Attachments