

Montana Fish & Wildlife Conservation Trust
Minutes from Joint State Federal Board
Meeting – June 29, 2017

Attendees:

David Allen, Chair (USFWS) david_allen@fws.gov
Roxanne Peterson, Co-Chair (Bureau of Reclamation) (repeterson@usbr.gov)
John Hagengruber, (USFS) (jhagengruber@fs.fed.us)
Sam Shepherd (MFWP) sshepherd@mt.gov
Bill Orsello, Chair, CAB (williamorsello@gmail.com)
Jane Ratzlaff, Montana's Outdoor Legacy Foundation (jratzlaff@gmail.com) conferenced in
Deb Lane, Recorder (deb@mtoutdoorlegacy.org)
Leroy Schramm PPLT board of director

Dave convened the meeting at 10:00 am.

The 4/27/2017 minutes were presented. The last sentence regarding the Deadman appraisal was stricken. Motion by Roxanne to approve as amended; Second by Rick; Vote to approve 4 – 0.

Financial:

The quarterly summary was presented by Jane. The Trust balance as of 5/31/17 was \$24,014,721. The portfolio is doing well in general stocks are up for the year so far.

Trust Manager Update:

Jane informed the JB that the Ortenberg settlement was slightly different than the requested amount for the Trust. They argued that the potential loss of revenue should be calculated from the court's decision date rather than the August date as originally requested by the Trust. The final amount agreed upon was \$4082. In addition FWP received a \$100,000 grant to reimburse travel and other expenses related to the Traveling Wild program. The Foundation received an invitation to apply for a \$100,000 grant which was approved by the Ortenberg Foundation. They submitted the Hooked on Fishing program and classroom learning. Mt. Wild has hired a person to get that started. Jane will send over a copy of the final agreement with the Ortenberg foundation to the JB.

The Trust Manager's review of DA Davidson's performance concluded that they have done as good a job as others may have done over the same period of time. The basis points are very similar to what others would charge for the same services. They will stay with DAD for another year.

YT Timber Request for Extension:

The Wild Sheep Foundation did request a two year extension but only one year is granted at a time. They have changed the boundaries and less acreage is included in the extension request. Bill will review the changes and let the JB know if the CAB still approves the project as now presented. The Joint Board voted to approve the extension contingent upon the CAB's approval of the updated project request. **Motion by Sam; Second by Roxanne; VOTE to approve contingent upon CAB's review and approval – 4 to 0.**

Conservation Servitude Attorney consultation:

David updated the JB on the conference call held on 6/28 with Sally Johnson, a conservation attorney from Missoula. She was up to speed on who we were and with helping us to assure the protection of the Trusts investments in the projects in perpetuity. She stated that there would need to be different tools available/utilized based upon the variances in the projects – easements, fee title, direct transfer to agencies, etc. The Jefferson River Canoe Trail’s project, Waterloo Grove, would best be protected by a Conservation Servitude (CS) which gives the Trust the ability to enforce areas such as access, structures, etc. rather than having those stipulations “buried” in a deed. A Conservation Servitude would be between the Trust and the project applicant and is recorded at closing by the title company. Sally will also create a template/s to use on future projects. She was willing to help with developing the Waterloo Grove CS since the closing was set for the end of July. Jane stated the TM will ratify the decision to pay the attorney fees recommended and approved by the boards.

2017 CAB project recommendations:

As the Trust moves forward with protecting their project investments in the future the JB has requested that the CAB develop the Grant Agreement along with their recommended stipulations for a project to be presented to the JB with their final funding recommendations. This will assist the JB in their decision to fund projects and will give the TM a secure way to monitor and protect the Trust investments in perpetuity.

Inside the area: Peaks to Creeks, was not fundable due to Trust policy.

Outside the target area:

Grosswiller Bird Viewing CE: This is a 2nd year funding request for the project. They have been continuing their fundraising efforts. The ask this year is \$40,000. This is a CE to preserve 328 acres of wetlands. The landowner will provide a donation to help fund the CE. FWP would hold the easement and provide road maintenance and manage the bird viewing area. The final Conservation Easement would need to be submitted and reviewed prior to closing. The CAB recommends funding in the amount of \$40,000 subject to review and approval of the final Conservation Easement.

Dillon High Trails: This is the 3rd year and final phase for this project. This project has provided the only public accessible land adjacent to the town of Dillon. They have huge community support. The first two phases are complete; the new trail system is in place; and they are working with the College and local schools to provide educational areas, etc. for their use. The organization would eventually like to convey the property to the County which is receptive to the idea. The CAB recommends funding in the amount of \$50,000. This project would be protected by a Conservation Servitude between Beaverhead Trails (501c3) and the Trust. This would cover the transfer and encumbrance on the property.

Whitefish Lake CE: This project is a conservation easement thru FWP. The project is a \$23 million dollar conservation easement with several funding partners involved. A deed of conservation easement would need to be submitted for review prior to closing. This project did score well and the CAB is recommending a funding level of \$50,000.

Teton River: This project was approved in 2016 for funding, however, Pheasants Forever chose to use those funds on their Mission Valley project. A landowner has gifted their property to PF and they are now attempting to “bookend” that property by purchasing the adjacent properties. A CS and review of the Management Plan is recommended by the CAB to assure that the property is open for public use and not just for PF members. The CAB recommends funding of \$50,000.

Wilson Park: RMEF is asking for a 2nd year funding for their Wilson Park project. It is for 362 acres in the Little Belts and it will be a pass thru straight to the Forest Service at closing. The CAB would recommend \$30,000 for funding. No stipulations are recommended.

Wild River: This is a project from Vital Ground. It would help to purchase a subdivision to help enhance and protect a wildlife corridor area used by grizzly bears and other wildlife. They have already generated most of the funding needed for the project. This was difficult as it has a very high cost per acre due to the subdivision potential. There is already an established public access point very close so it would not be opening up any new access to land. They also may close off access if the wildlife uses it as an access point to the river. The CAB is not recommending funding this project.

Yellowstone River Restoration Projects: This application was not for a specific project. There is \$10 million in remediation funds available from the settlement of the oil spill on the Yellowstone River. Trust funding along with remediation funding could help facilitate purchases of land and its rehabilitation in the area. Several individuals have already expressed interest in selling their land with two ready to begin the process. The CAB is suggesting \$100,000 be made available for projects within the remediation area. Each project when available will have to be submitted to the Trust for approval.

Waterloo Grove: Jefferson River Canoe has asked for \$195,000 to purchase 32 acres for a river access/camping site. The CAB does have some concerns regarding the clubs ability to own and maintain this site. They have done an exceptional job with their prior purchase (Shoshone Landing). FWP is not willing to take on another easement in this region, already over capacity for management of easements. BLM might be a better fit and may eventually be interested in a transfer in the future. The CAB recommends a Conservation Servitude on this property to assure the Trust's interest in the property. They are recommending full funding of \$195,000. Thomas Elpel from Jefferson River Canoe Trail informed the JB that a closing date of 7/31/17 has been set with the owner. The group has raised almost \$40,000 in additional funding to help pay for the property. Some private funds from the members may be necessary to fulfill the final purchase price.

Bill stated that there is \$877,450 remaining funds available inside the target area. He is working on 3 Forest Service potential projects within the area at this time and is looking at an FWP project also. The return of the Triple 8 funding this year contributed to the large amount of carryover funds.

Leroy Schram (PPLT) again asked for an exception to the JB policy to not fund already acquired projects. They were not able to put off the purchase of their project to better adjust their request for funding the project thru the Trust. He requested that the Trust revisit their decision. Sam stated that this has been discussed at two JB meetings and also time has been spent in-between meetings in discussions; he also stated that the policy is there for a reason and the decision has been made to keep the policy in place. At the time of the Peeks to Creeks project, the Trust had already committed inside the area funding for two years to the Triple 8 project – no other funding for inside the area was available. The Trust had previously suggested that PPLT use a contract for deed for the purchase as that would enable the Trust to fund the project in the future. PPLT did not pursue that option. The Trust also suggested using L&C Open Space bond funds but PPLT did not pursue that option. The JB let Leroy know that the Trust would be able to review the funding potential for this project when it is transferred to another entity (County, etc) with a new funding request.

The Trust has reached out to Mary Hollow and Jim Utterback (PPLT board chair) to meet regarding their concerns but we have not heard back from them.

This year the JB has reviewed the CAB recommended projects, however, the final vote by the JB will be completed via email due to abstentions and therefore the lack of a quorum for voting on all projects. David will summarize each project and their respective stipulations (if any) and send it out for review, motion and a vote.

Next Meeting Date:

September 26th was selected as the next JB meeting date. This is usually one in which site visits by the JB are conducted. It was decided to go to the Kalispell area as there are several projects in that area to visit. It will begin at 10 AM. Site visits could be held on Monday/Tues/or Wed. The JB will be contacted as to their preference and the ability to work with the local project recipients with visits.

Meeting adjourned at 12:20 pm.