

**Montana Fish & Wildlife Conservation Trust  
Minutes from Joint State Federal Board Meeting  
October 22, 2019**

**Attendees:**

John Hagenruber (Chair) (FS) [j.hagenruber@usda.gov](mailto:j.hagenruber@usda.gov)  
David Allen, (USFWS) [david\\_allen@fws.gov](mailto:david_allen@fws.gov)  
Tom Sawatzke (Co-Chair)(BOR) [tsawatzke@usbr.gov](mailto:tsawatzke@usbr.gov)  
Scott Haight [shaight@blm.gov](mailto:shaight@blm.gov)  
Rick Northrup (MFWP) [rnorthrup@mt.gov](mailto:rnorthrup@mt.gov)  
Bill Orsello (CAB member) [williamorsello@gmail.com](mailto:williamorsello@gmail.com)  
Jeff Hagener, Montana's Outdoor Legacy Foundation (Board Mbr) [jdhagener@icloud.com](mailto:jdhagener@icloud.com)  
Mitch King, Montana's Outdoor Legacy Foundation (ED) [mitch@mtoutdoorlegacy.org](mailto:mitch@mtoutdoorlegacy.org)  
John Gibson, CAB member  
Jay Erickson, Chair CAB [jaye606@gmail.com](mailto:jaye606@gmail.com)  
Jeanna Fleming, FS Butte  
Jeanne Holmgren, FS Helena  
Mike Welker, Townsend Ranger District  
Leroy Schram, PPLT Board member  
Deb Lane, Recorder [deb@mtoutdoorlegacy.org](mailto:deb@mtoutdoorlegacy.org)

John convened the meeting at 8:58 am.

**Introductions**

**Welcome:**

Mike Welker welcomed everyone to the Townsend Ranger District offices and area.

It was noted that a site visit to the BLM Toston project would occur after the JB meeting ends if anyone was interested in attending.

**Minutes:**

The 06/19/2019 minutes were presented. Rick suggested one change – remove “will” and replace with “may” on the last page in the sentence stating when the next meeting will be held. **Motion by Rick to approve with the change; Second by Tom; Vote to approve 5 – 0.**

**Financials:**

Ending balance of the Trust was \$24,986,209.02 as of 09/30/19;

A draft of the Investment Policy and Guidelines was presented by the Trust Manager for review:

Not a lot of changes

Taking the approach of protecting the Corpus, allowing for growth but not at the expense of turning down funding of projects.

The JB was asked to review the policy packet and provide feedback to John H/Deb by 11/20/19. One change will be made to remove the word “Advisory” and replace with Joint Federal-State Board in the document.

#### Larger Funding Requests:

The TM board is reviewing the Trust’s ability to provide funding for larger project requests. Items discussed were to:

- Establish an appropriate buffer to protect the corpus in down times;
- provide funding for projects that would be considered an “asset” of the Trust portfolio; and
- allow the TM to enter into buy/sell agreements on behalf of the Trust allowing for agencies, etc. to complete the due diligence prior to purchase.

A legal opinion will be requested by the CAB to assure that the Trust can legally hold title to property on a temporary or portfolio asset basis. Review should include all Trust documents such as the settlement agreement, the Trust Plan, and the Canyon Ferry Act which established the Trust. Appropriate guidelines and procedures will be adopted once the opinion is received. **Motion by David; second by Rick to proceed with Legal Opinion on Trust ownership of property. Vote: 5 – 0 to approve.**

It was recognized that owning property comes with inherent risks and expenses such as taxes, weed control, insurance, etc. and caution should be exercised when considering purchasing land as a portfolio asset. Proper exit strategies should be established prior to all Trust portfolio land transactions or buy/sell agreement signings.

#### **Mullan Pass/Austin Creek Project:**

Interim project received by the CAB from USFS who is partnering with Montana’s Outdoor Legacy Foundation on the purchase. Project is within the target area and consists of 166 acres of private inholdings (2 parcels) off Mullan Pass/Austin Creek roads in Lewis & Clark County.

Minerals would be included in the sale; owner will remove vehicles and other debris (with the exception of a concrete foundation) prior to the sale. Motivated seller due to large liens on the property.

Dependent upon the 30 day public comment period; Joint Board and Trust Manager approval; and the legal opinion on the Trust owning property, this project may be considered as a direct Trust purchase. Requested funds would include \$431,000 for the property and additional funds to provide for a contaminants survey and appraisal (if Trust purchase). Contingencies and a potential contract with a business/individual to help establish procedures for these transactions will be considered if the legal opinion allows the Trust to purchase property.

#### **Joint Board Email Votes:**

- Reviewed the email votes by the Joint Federal-State Board since the last meeting (6/19/19).
- 1<sup>st</sup> and 2<sup>nd</sup> quarter Trust Manager Fee Invoices (\$80,001.63 & \$78,279.18 respectively)
- Attorney invoice from Sally Johnson - \$481.25
- Appraisal for Sleeping Giant project (was not completed as project was withdrawn)

#### **CAB Vacancy Update:**

David Allen was recommended by the Dept of Interior as the Hunter representative for the CAB. He declined to accept the position. Monthly contacts with the Department have not provided any answers or recommendations for a replacement.

Jay will provide another letter to the Joint Board with the five original recommendations and bios, recommending Steve Platt for the position. Various options as to where this letter should be directed will be considered.

### **Monitoring:**

Jan Cronin, seasonal contracted monitoring employee, has resigned for personal reasons. All phone monitoring has been completed for this quarter with the exception of City of Helena (Deb will complete this interview).

Changes to the monitoring include: FWP will review every five years with the Trust their projects; all other agencies JB representatives will receive a printout of their projects which will identify the critical attributes that were considered when the Trust approved the project (i.e. open up new access, fishing access site created, etc.) and NGO's will be reviewed annually by phone using the same guidelines as established for the agency review.

Site visits are encouraged to be completed by any CAB/JB/TM representative when traveling. Pictures are encouraged to be sent to Deb along with any information that you might receive regarding the project area.

### **Single vs Multitude Conservation Servitudes:**

Projects that are phased purchases currently have a Conservation Servitude (CS) filed for each phase. A consolidated CS will be considered on a case-by-case basis when appropriate which would include an addendum for added legal description and potential revision if new restrictions are more efficient.

### **Conservation Easement – deed restrictions:**

FWP includes deed restrictions in all Conservation Easements and purchases which requires notification to the Trust of disposal of a Trust purchased property and reimbursement to the Trust funds based on the percentage of the Trust's contribution to the initial project. All Conservation easements will be reviewed and determination will be made on a case-by-case basis as to whether these restrictions should be included in the CE deed or not. Consideration of the percentage of the Trust's contribution to the project will be considered when reviewing the deed restrictions on a CE.

### **Next meeting date:**

The next Joint Board meeting may be held on January 30, 2019 in Helena. Location to be determined at a later date.

### **Public Comment:**

None

**Adjourned: 11:50**