

**DEER LODGE VALLEY CONSERVATION DISTRICT**  
**Regular meeting June 9, 2015**  
**6:30 PM - USDA Building**

The meeting was called to order by Chairman John Hollenback. Supervisors present were Jeff Janke, Dwight Crawford, Jim Lee, Don Despain, and Troy McQueary. Also present were Tom Mostad, Rob Roberts, Casey Hackathorn, Susie Johnson, Ted Dodge, Glen Green, Andy Fischer, Jason Lindstrom, Evan Johnston, and Brian Bender.

It was moved by Dwight Crawford, seconded by Jim Lee, and motion carried to approve the minutes of the last meeting.

**FINANCIAL STATEMENT:**

Treasurer Dwight Crawford reported \$2,384.53 in the District checking account and \$3,894.60 in the District Range Days account.

District Secretary Susie Johnson provided written financial reports. The balance in Petty Cash is \$186.84 and there is \$19,973.67 in County Funds. Susie also reported that the range drill trailer had a flat tire and the tire was shredded inside, so a new tire was purchased from Les Schwab Tires for \$98.12 and she presented the invoice to Dwight Crawford for payment out of the District checking account, since that is where the income from the drill rentals is deposited. Dwight wrote a check for the tire payment from the District account.

**CLAIMS TO BE PAID:**

Cheryle Wood (mileage for pickup & delivery of MSP milk and ice cream for Natural Resource Field Day, acct. 370)	\$ 28.58
WRC (reimbursement of Molly's time in April and new printer, acct. 730)	584.99
NACD (dues, acct. 330)	<u>500.00</u>
Total	\$1,113.57

Susie also presented the bill from Charla Berg for the meat purchased for the lunches at the First Graders' Farm Day. The bill was \$162.78 and Dwight will pay it out of the District Range Days account.

It was moved by Jeff Janke, seconded by Don Despain, and motion carried to pay the bills.

**OLD BUSINESS:**

1. Westside Ditch Co. Tom Mostad gave a Power Point slide presentation and review and update of the Westside Ditch problems associated with the previous contaminations to the Clark Fork River and Superfund establishment and funding for restoration of the fisheries. He went over their top two priority areas for fisheries restoration, Warm Springs Ponds to Deer Lodge and an area down by Drummond. The Westside Ditch project ranked high for this area for their NRD funding. They have been conducting flow monitoring for several years on the Ditch and are finding that the Ditch leaks differently in different parts of the Ditch at different rates. There have been four different studies conducted over the years to determine where it leaks the most. They have been working with an engineer to find the most cost effective measures to improve flow with the project. The project has been split into six areas or phases. He went over the lining to be used and the costs for the different phases and how to

combine some of the phases. The total Ditch system is just under 13 miles. They are looking at working on about six miles to start on the project. They estimate that about 19 cfs are now being lost through the old system's leaks. In order to fund the project, they have to go through the change of use process that takes a long time to complete, more than a year. They are starting the consulting and modeling process now to start work on that application. Andy Fischer with the Clark Fork Coalition has been working on the monitoring and flow data measurements and he went over his work in the slide presentation for everyone. They have started their modeling process on Racetrack Creek and will continue to build on that as they proceed through the system. The modeling should improve as they add more data. Tom and Andy answered questions on the processes and project and concluded their update. Ted Dodge added that the WRC is working on the RCPP application for NRCS that includes the Westside Ditch project and partners for possible cost share opportunities on the project. He has already met with the new State Conservationist, Lisa Coverdale, last week and they toured the Westside Ditch. The RCPP allocates \$3 to \$5 million for EQIP, CSP, and easement program. Ted has already sent out his RCPP draft pre-proposal to TU, CFC, Jason Lindstrom with FW&P, NRDP, and Will McDowell for their review. The RCPP requires a one to one match and Ted will be using their NRDP funding as the match for the RCPP proposal. His proposal for RCPP is for \$4 million in funding; \$2 million is requested for the Westside Ditch and those landowners will have to sign up for EQIP contracts. He also requested \$500,000 for the Gardiner Ditch, \$1 million for the Terrestrial work with NRDP from Deer Lodge up to Butte, and \$500,000 to finish some of the work on Cottonwood Creek. He is also applying for another national \$300,000 DNRC grant similar to the Western States grant the WRC received previously through the DNRC. His RCPP proposal has to be into Washington, D.C. by July 8<sup>th</sup>. The money he is requesting for the Westside Ditch will go into the EQIP program for EQIP contracts with the landowners on the Westside Ditch. Anything not covered completely for a project with the EQIP funding could be picked up with NRDP funding on the project, so there shouldn't be any out of pocket expenses for the landowners. It could possibly be used on the pipe lining project Tom discussed or other NRCS projects that Glen puts together. Glen added that anything involving a wetlands issue with the Westside Ditch project, especially any elimination of wetlands acreage, would require the completion of an environmental assessment to determine if the wetlands were naturally occurring wetlands or irrigation induced wetlands. Glen also added that the timing of the funding can take place over five years and it can depend on what source they get it from, when it can be used, when the EQIP contract gets signed, when the project gets started and completed, etc. Other timing issues may come from any water rights changes that take place with the project. NRCS will not sign EQIP contracts with a landowner until the landowner's water rights or changes are completely settled and in place. Glen added that another consideration should be that the EQIP funding is taxable income to the landowners and that may be a sizeable amount for some of them with this kind of a large project. If the RCPP is successful, the \$2 million approved for the Westside Ditch will have to be used there for those Westside Ditch landowners only.

2. WRC – Ted Dodge reported that they are working with landowners about projects on Boulder Creek and Flint Creek, Little Blackfoot, and Casey and Will have met with a landowner on Snowshoe Creek too. They have work underway in Browns Gulch and Blacktail. They are starting on the new NRDP Terrestrial task order for south Deer Lodge on the eastside. Ted and Glen are meeting with landowners and starting the planning work there. They are looking at projects there to do low impact riparian restoration, conifer encroachment, off-stream water, fencing, pipelines, etc. He is still working on the possibility of doing some prescribed burning based on the model being

used in Oregon. He hopes to have a new Conservation Planner, Fred Staedler, under contract in July. He thinks NRCS will continue to fund the position and he has money for the match. Fred will have to complete the NRCS training as part of their funding requirement. A new contractor, Noorjahan Parwana, is handling the Browns Gulch work now that Will is concentrating on Boulder Creek, Flint Creek, and the Little Blackfoot.

3. Kohrs Manning Ditch Co. Flume. Susie reported that Jason Smith has let her know that the flume is working wonderfully. Everything is totally finished and all invoices have been paid on the project.
4. Kohrs Manning Diversion. Jason Lindstrom reported that Russ Anderson and another individual from Morrison-Maierle met in Missoula with him and Jason's boss, Pat Saffel, and discussed the grouted diversions and the problems that the FW&P are having with them. FW&P does not like Morrison-Maierle's current design and asked them to bring in some alternative designs. The one preferred by FW&P is basically a concrete wall in the middle of the river and a big long loose large rock ripple stacked up and out, probably several hundred feet of rock. It will probably be an expensive option, so they will need to look at some cost estimates on modifying the existing design to meet the FW&P's request. They sent Jason a summary of their meeting in an e-mail, but they have not sent him the cost estimates yet. They stated that they are still working on them. Jason reported that the planned alternative rock structure will also have to be engineered to allow boat passage on the river. The quantity of large rock will be the biggest cost, but for the labor costs to put it in place, that should be more reasonable. It should go quickly putting it all in place. Everyone would like to see the diversion issues resolved in order for the other NRDP work planned on Cottonwood Creek to take place.
5. No Till Drill. We already discussed applying for a 223 grant at the last meeting. Troy had some more e-mails from Ann Fischer on possible funding ideas and sources for the drill that he read aloud to everyone. She told him about Western SARE (Sustainable Agriculture Research and Education) funding grants that someone else is using for a grant to evaluate cover crops for grazing. That might be something we would want to include in an application to SARE to tie in with the drill. Glen added that SARE is a national grant and there is a website for it where we could probably get some more information about the grants. Ann also recommended looking at some of the wildlife groups for funding support; Pheasants Forever, Ducks Unlimited, or the Rocky Mountain Elk Foundation. Another CD in North Dakota got funding for their drill from Game Fish, Pheasants Forever, and Ducks Unlimited. She mentioned checking with Montana GLCI and also see if there is any kind of a natural resource trust fund in the state. Dwight added that we have already checked with Pheasants Forever, but that has been on hold. Susie noted that the 223 applications are due July 30<sup>th</sup>. John added that MT GLCI doesn't receive the kind of money we would need for the drill. Dwight mentioned the Great Plains brand of drill that we might want to check on; it is only \$28,000 - \$29,000 and is very mobile. Troy had researched that one too, but from his own research and everyone he has contacted with drills, they were all recommending the John Deere drill as the best one to purchase with the best warranty service and resale value. Susie added that she has contacted the State Board of Investments and they do have a low interest loan program with a rate of 1.25% and this type of purchase would qualify, but they need to check and see if Conservation Districts are eligible to apply. There is no match required; it is just a basic loan and a payment is made each year in February when they have determined what their interest rates are going to be. Glen added that he will be going on a tour next week of Ann Fischer's ranch operation in North Dakota using the no till drill and he will talk to everyone there about the drills and take pictures for the next meeting. After the next meeting, Troy will help Susie put

together the 223 grant application for the drill. John will do some more checking on the Great Plains drills. Troy won't have time to look into the Western SARE grants until fall.

6. Natural Resource Field Day. Dwight reported that all the presenters made it to the event and everything went well.
7. First Grade Farm Day. The bill was presented earlier with claims. Susie passed around the thank you cards she received from the kids who attended for everyone to look at. Everyone learned something new about marshmallows and they will never eat them again.
8. Bridger Plant Material Center Tour, June 11<sup>th</sup> was noted, most of the Supervisors will be going on the tour. Susie checked with Tucker Transportation and the smallest vehicle they have to rent is a 29 passenger bus that costs \$2,030 to rent. She will check with Enterprise car rentals and see if they have any vans available. We can also take two vehicles and reimburse the mileage. Dwight will come to the office tomorrow and help Susie check on other rental places too for a van or Suburban.
9. Casey Hackathorn, TU. Casey reviewed his proposal from the last meeting on the abandoned mine work in the Little Blackfoot. Since the last meeting, they have hired Rob Roberts to help them with this work that he has previous experience on with TU. Rob gave a brief review of his experience and noted that the first project they will be working on now requires the development of a long-term working relationship with a CD in order to apply for a reclamation and development planning grant. The project they want to start work on is the Lilly Orphan Boy Mine about 8 to 9 miles south of Elliston along Telegraph Creek surrounded by Helena National Forest lands. It is a patented mining claim on private property owned by a landowner living in Helena. He passed around pictures of the site for everyone to review. He reviewed the property and its history for everyone. DEQ has this site ranked as the 13<sup>th</sup> top priority in the state of Montana. He also went over DEQ's history with the project and TU's partnerships with everyone involved with the project. It should be about a \$300,000 to \$400,000 project involving moving all the waste rock on-site, putting in an on-site repository up on the hillside away from the water, and then reconstructing the stream channel through the site. Their next step is to have an engineering evaluation and cost analysis completed. They expect that to cost \$40,000 to \$50,000 and the reclamation planning grant program has a \$50,000 maximum amount allowed per project. That grant application is due on June 21<sup>st</sup>. Implementation grant applications for up to \$500,000 would then be due in May of next year and they would need the CD to sponsor them for that kind of grant too. In the budget for their planning grant, there would be 4% to 5% for Admin costs for the CD. The current private landowner would still own the property after the clean-up, but they would have to meet certain landowner provisions that they would have to protect the investment that was put into the site and not re-open the mine site. The current owner does not have any liability associated with the site and is on board with the clean-up. They had already signed an agreement with DEQ agreeing to the clean-up project previously and Rob will make sure it is still in effect for TU's plans. About 200 feet of the stream channel would have to be reconstructed. They will probably not be dealing with the added discharge coming out of the adduct. They will see what the engineering evaluation comes up with for that. Rob will complete the on-line application for TU and the CD will need to sign a page as sponsor and the funds will be run through the CD. It was moved by Dwight Crawford, seconded by Jeff Janke, and motion carried to sponsor this grant with TU.

## **NEW BUSINESS:**

1. Budget. Susie had copies of the budget for everyone at the meeting to review. Everyone reviewed the budget presented. It was moved by Jeff Janke, seconded by Don Despain, and motion carried to accept the budget.
2. Livestock Seminar. John asked everyone to be thinking about the next Livestock Seminar and possible topics and presenters. Everyone is still interested in having the Bar J Wranglers back again for a concert. Susie will contact them and see if they are still planning on coming here and find out what their fee is going to be for the concert.
3. MACD Spring Meeting. Dwight attended the meeting and had a copy of the Missoula fall meeting's agenda for everyone to review. He noted the house bills and amounts that were passed by the legislature. He went over SWCDMI and MACD. MACD is a 501 C-4 and are able to lobby and the dues that all the CD's pay go into MACD. SWCDMI is a 501 C-3, so they can't lobby, but they do apply for grants and a lot of the different programs that run through MACD. The Sage Grouse initiative is under SWCDMI and also the Bridger Plant Lab. Some of the budget information was also on the handout that he passed around to everyone. He added that they also have 11,000 willow cuttings, sandbar willows, in storage to give away, if anyone knows of a place that could use them. The state also has a lot of concrete barriers to get rid of, if anyone can use those too. Dwight noted that they also spent time on the by-laws and resolutions, but none of the wording has been finalized yet. They do intend to have it all finalized by this fall meeting. They still have the four committees; district operation, education, soil and land, and water. They are still looking for more people from the Districts to become involved and participate on those committees, if anyone is interested.

#### **SB310:**

1. DLV-02-15, Bill Mosier, Kohrs & Manning Ditch Company, Clark Fork River Irrigation Structure/Improvement to Existing Structure. **On Hold.**
2. DLV-09-15, Sun Mountain Lumber, Tin Cup Improvement to Existing Structure.  
Jason Lindstrom reported that the existing structure is a wood bridge and they should go there and do an inspection. It was moved by Jeff Janke, seconded by Troy McQueary, and motion carried to approve this application as a project and it will pass after a team member inspection is made. Troy will go on the inspection with Jason.
3. Tim Beck. Brian Bender gave this update. Brian sent a certified letter to Tim Beck for perceived violation of a flood plain permit. Tim did receive the letter and tried to call Brian once; he left a message on Brian's machine, but hasn't tried to contact him since then. Brian couldn't catch up with him again, so he has sent Tim a letter of violation and DNRC is also aware of it. He does need to do the engineering permitting work for what he is doing to the bank with rock in the flood plain. Brian will keep proceeding with the flood plain violation and if Tim doesn't get the permitting needed, Jason Lindstrom will also start his own violation process.

#### **CAMPS & WORKSHOPS:**

1. 39<sup>th</sup> Annual Montana Range Days, Harlowton, June 15-17, 2015, was noted and John will be attending.
2. 29<sup>th</sup> Montana Natural Resources Youth Camp, Lubrecht Experimental Forest was noted.
3. Montana 2015 Youth Range Camp, July 27-31, 2015, Colstrip, MT was noted.

**AGENCY REPORTS:**

Glen reported for NRCS. They are finalizing four EQIP contracts. They are getting a few CSP applications pre-approved right now. He went over some more information on wetlands and the impact studies and review process that the landowners would have to go through for EQIP funding. They have been reviewing this and it might be possible that there is an exemption for landowner liability where they are involved with a 3<sup>rd</sup> party doing the project and the landowner doesn't have a lot of control over what is actually happening with the activity taking place. They just need to have documentation by the landowner and completed paperwork from the landowner for NRCS, so NRCS can start the process to make the wetlands and exemption determination. Glen also reported that it looks like both of the cooperative agreements that NRCS has, one with the WRC and one with the Blackfoot Challenge, will each be funded for \$30,000 this time. On the soil health and cover crops topics and practices, Glen has three producers interested and trying the processes out now. Glen would like to set up a tour this fall to highlight some of the work they get done. He just wants everyone to think about how they would like to do the tour and they can work out the details as it progresses.

Jason Lindstrom reported for FW&P. They are starting their field season and working on an MOU with NRD and DEQ for fish monitoring on their remediation and restoration work. They already have some DEQ staff starting on the monitoring work. They also have some new chemistry processes for additional water and fish data that they will be trying out as part of this monitoring program.

Brian Bender reported for Powell County. He has been busy with permits for improvements, budgets for the County, and working with the Arrowstone Park Board on getting an agreement in place with DEQ to help with some of the funding for the park.

**Open Mike:**

**NEXT MEETING IS: Tuesday, July 14, 2015, 6:30 p.m., USDA Building**

Submitted by Cheryle Wood Date: June 22, 2015