MINUTES
Montana Fish, Wildlife & Parks UGBEPAC Meeting
Hampton Inn
Helena, MT

July 26 - 27, 2010 (Meeting 7)

Advisory Council members present: Representative Julie French, Mike Begley, Terry Comstock, Jay Gore, Bernie Hart, Gordon Haugen, Bill Howell, Joe Perry, Craig Roberts, Dale Tribby.

Other staff present: Ashley Beyer, Diane Boyd, Drew Henry, Debbie Hohler, Quentin Kujala, Ken McDonald, Rick Northrup, Nick Hill (Legislative Audit Division), and Clive Rooney (DNRC).

Monday, July 26.

1. **Opening.** Representative French called the meeting to order at 8:00 am.

   Minutes from the May 11 meeting will be made available to the Council as soon possible. Council will direct any comment to Rep. French via email.

   Ex officio council member Matt Walker (NRCS Biologist – Great Falls) has accepted a position with the NRCS in Kentucky. FWP will request a representative from NRCS to attend future meetings.

   Jay Gore requested to hear an update from the upland game bird biologists.

2. **Update on UGBHEP project on State Trust Lands – Gordon Haugen.**
   - Central Chapter of Pheasants Forever will sponsor this project.
   - Scott Hemmer, FWP Biologist in Havre, will work in place of Matt Walker.
   - A differential payment is possible.
   - FWP to work with DNRC on MOU that guides project implementation on State trust lands.
   - In order to make these projects work, need commitment from local organizations and Pheasant Forever chapters.
   - Discussion on <u>access</u>:
     - Hunters can't drive all over. The lessee suggests a parking spot.

    - Parking spots are a good idea and could be a selling point for lessees and the UGBHEP.
    - Parking areas only effective if enforced - rules and enforcement can be "weak." FWP would enforce parking areas but are limited by logistics. (*Rooney*)
- Outfitting on State Trust lands:
    - Need to keep in mind that DNRC leases out State lands to outfitters. (*Roberts*)
    - Outfitters do not have exclusive use, and other hunters can still hunt. (*Rooney*)
    - Need to consider that outfitters may bring their clients to hunt during the week, potentially leaving few birds for the average hunter who hunts on the weekend. (*Roberts*)
    - If hunter dollars are received by DNRC from hunting licenses, outfitting should not occur on State Trust lands. (*Perry*)
    - Discussion on possibly looking to legislature to address this issue or through an MOU between FWP and DNRC. Note that there is a provision for no commercial use in UGBHEP contracts.

3. **Review of draft document defining "Projects." The draft document was reviewed and the following highlights are noted:**
    - Rep. French stated that in terms of funding, projects should not be "limitless." However, specific project areas should have future enhancement work identified with project maintenance dollars set aside. The majority of UGBEP dollars should not be spent in 1 specific locale or area. MOUs, conservation easements (CE), enhancements, and maintenance activities are all important, but FWP needs to define a process for these expenditures over a 5-year period. If FWP wants to develop new projects, maintenance expenditures could decrease funds. Council recognizes that maintenance activities are also important. Rep. French stated: (1) money/budget will help define a project and (2) conservation easements or maintenance are not considered "projects." Rep. French is greatly concerned with the large expenditures for conservation easements.
    - With regards to the purchase of Coffee Creek conservation easement: FWP needs to be sensitive about annual expenditures and the annual budget. There is support for the 3 UGBH bios, but FWP shouldn't be overspending. (*Perry*)

- Devoting a majority of funds to 1 particular area is not holistic and doesn't address the need to apply the program at a landscape/statewide scale. (*Begley*)
- The long-term vision of the Habitat Forever MOU (Billings) details more opportunities for enhancing other public and private properties at a broader landscape scale. (*Northrup*)
- The draft document defining "project(s)" was revised through Council input. FWP will need to consistently use the project definition in the draft Strategic Plan.
- Further discussion on "project" definition: Could there be 2 project types with 2 different caps for private property and CE?
  (1) Private property projects
  (2) Public lands projects
    - Consider that R5's UGBHEP opportunities will be on a majority of public land. FWP doesn't have the ability to maintain these types of projects on public lands without this MOU. Pheasant habitat enhancements require intense farming – cannot walk away after 5 years. (*Northrup*)
    - There still needs to be a spending cap. Need to ensure that expenditures are accountable. (*Rep. French*)
    - Any project proposal over $100,000 goes to the FWP Commission and the UGBEP Advisory Council – this provides a strong measure of oversight. (*Gore, McDonald*)
    - Consider that Yellowstone WMA is an FWP project, Pompeys is a BLM project, and Sundance is another WMA. Costs are tracked for each property. Cumulative cost would be determined for each of these 3 areas. (*McDonald*) Rep. French commented that these conditions/definitions need to be clearly laid out for accountability.

- Discussion on <u>Maintenance Activities</u>:
    - A 15-year project window provides opportunity to do maintenance activities. (*McDonald*)
    - Strongly recommends FWP provide a budget that identifies costs of proposed maintenance activities. Additionally, the wages of the 2 farming positions should be included in the cost of the budget. (*Rep. French*)
    - Maintenance costs should be articulated over time – recommend setting up a fund specifically for maintenance activities. (*Haugen*)

- FWP would need to define "maintenance" if funds are apportioned. (*McDonald*)
- Craig Roberts suggested that FWP incorporate maintenance costs in the UGBHEP contract for the first 3 years. After that, the cooperator would pay for maintenance. For projects on public lands, FWP will need to ensure that maintenance is carried out for the term of the contract.
- If money is set aside for maintenance activities, FWP can ensure that the UGBEP will still have money for projects. (*Rep. French*)
- Clive Rooney stated that the farming positions provide assurance that projects will be maintained but is doubtful that the PF chapter will be able to do this. Personal services costs are a big deal and not having them count toward project cost is important. It is important to have a dedicated person doing the job.
- FWP has operation and maintenance dollars for MWA but wouldn't be typically used for intensive pheasant farming. (*McDonald*)

4. **Discussion on Pittman-Robertson (PR) funds and other funding measures:**
   - A ballot initiative would be necessary for license fee restructure as it needs to be done statutorily.
   - Ken McDonald has proposed to use PR dollars to fund a portion of the 3 UGBH biologists positions. (*McDonald*)
   - Discussion on Open Fields program followed. This is a 3-year grant program, but still working on getting proposal together. FWP is seeking 1 million dollars to expand access opportunities.
   - Discussion on conservation easements (CE). If UGBHEP dollars are not used to fund CE, would any easements get done? (*Begley*). Probably not, because certain upland game bird habitats – particularly pheasant habitat – do not meet the criteria of Habitat Montana (e.g., 100% native habitats).

5. **Discussion on annual expenditures and projects:**
   - Enhancement projects are separate from CE. Consider the programs annual expenditures and caps. The UGBEP should be run like a business and not government. FWP needs to defend the volume of dollars spent on individual landowners. The contract should include costs during the 15 years especially for public land and CE. After 15 years, there could be a new contract. (*Perry*)

- For FY 2010, the UGBEP has spent approximately $200,000 over the annual budget. Shifting the UGBH biologists to PR dollars as well as leveraging dollars from the Farm Bill programs will help with the budget. (*McDonald*)
- With 3 new UGBH biologists on the ground, new project developments could easily tap into the $3 million "savings account." Annual expenditures should not exceed annual funding (~$700k) (*Perry*) NOTE: with committed costs, the "savings account" balance is approximately $2 million.
- FWP should not have even a $1 million "savings account" – need to spend this amount down. (*Hart*)

6. **Discussion and input on $200k cap:**
   - Is the cap too large? (*Rep.* French) Quentin responded that the overall project costs tend to be much less than the cap. CE and MOUs (Yellowstone WMA maintenance efforts) tend to reach the cap.
   - A $200,000 cap is too mu*ch m*oney for enhancement projects, especially on private land. (Rep. French)
   - Joe Perry and Jay Gore found no problem with the $200,000 cumulative cap as this will likely become less of an issue in the next 5 years.
   - There should be an opportunity to leverage dollars with other programs on larger projects. As well, other species will benefit. (*Perry*)
   - Partnerships between Montana Audubon and National Wild Turkey Federation (NWTF) could contribute funds. NWTF contributed to Bernie Hart's CE. (*Begley, Hart*)
   - FWP may want to tweak the cap in the future, but right now, it's difficult to leverage dollars with the $2 million "savings account." (*Perry*)

7. **Discussion on project prioritizations:**
   - Prioritization of projects should be on public land. It is disturbing to hear of projects done on private land where access is no longer available. (*Roberts*)
   - Work on private land needs to have equal footing because "access" and "expanding access" are primary objectives of the UGBEP.
   - Increasing access through projects on private land is important. FWP should distinguish between private versus public land – which projects are best to expend dollars? (*Perry*)
   - Based on regional scale –regional strategic plans will address this. We also need to consider "performance measures" in light of this. (*Kujala*)

8. **Discussion on current UGBHEP projects and issues.**
   - Rep. French emphasized the need to review private contracts and get more information to the Council. How many projects have been lost but were recouped through contract renewals?
   - Additionally, how many projects have been litigated? Joe would like the legal Department to ensure follow-through and have this spelled out in the contract terms. (*Perry*)
   - Terry and Clive feel that access is not a sure bet in their areas (Eureka and Lewistown, respectively).
   - Initial discussion on Sagebrush Leases:
     - FWP cost = $1 million; USFWS cost = $1 million.
     - Program implementation: 30 year lease with a $12/acre one-time upfront payment.
     - This program is implemented on a landscape-scale with projects occurring on sage-grouse focus areas. Habitat needs are addressed by preventing any sagebrush manipulation (spraying, burning, or other manipulations).
     - No lands were taken out of production.

9. **Native upland game bird species management and conservation, including grazing systems: Presentation by Rick Northrup. Highlights:**
   - Sage-grouse are scale-dependent, requiring 30-square miles, compared to pheasants, which need 1-square mile.
   - Studies have shown that a 5 cm (1.97 inches) increase in residual grass increases nest survival by 20% (Naugle).
   - Accountability: FWP monitors where the cattle are supposed to be to demonstrate accountability. NRCS usually comes up with a stocking rate based on the grazing plan. (*McDonald*)
   - Clive suggested that FWP should have AUM accountability.
   - FWP conducts post monitoring and compares with base monitoring. The metric used by FWP are "cows" where AUM is a cow/calf pair/month. (*McDonald*)
   - The range is in a better state, and it's possible to see "gains" in production. (*Tribby*)

10. **Initial discussion of draft UGBEP strategic plan document: Proposed ARM changes and plan format.**

- Proposed department ARM changes: There are quite a few proposed ARM changes. Council prefers to see change in one process. Council proposes to have 1 comment period with meetings scattered around the state, if appropriate. Additionally, FWP should allow for a 30 to 45 day comment period.

- Format: The general order of the state plan will be (1) table of contents, (2) glossary, and (3) strategic plan. Project definition will follow the focus area section. The plan will be "narrative" versus "tabular."

11. **Initial discussion on performance measures.**
    - FWP will add performance measures to the next version of the strategic plan document for review and input from Council.
    - Need to consider trends and database when identifying performance measures. (*Nick Hill*)
    - Need to clarify certain levels of review. Possibly new projects generated? An annual report with acreages and other pertinent information to include new projects, project renewal, access acres, and level of monitoring. Therefore, 2 levels of monitoring and program evaluation. (*Tribby*)
    - Quentin responded that there is an annual report that addresses all of these criteria. In addition, work plans can help measure program effectiveness and performance.
    - Regarding performance measures, consider number of contracts. We don't want to lose contract quality. Better measure would be trends – expiring and new? At 3-year intervals, are we maintaining or ramping up? (*Kujala*)
    - In order to develop performance measures, need to determine how FWP met its goals. For regional plans, can the Council define 1 to 2 goals or 10 to 20? (*Rep. French*)
    - Rep. French stated that performance measures will evolve over time. In terms of projects, Rep. French suggested that it will be important to look at quality, quantity, and how much money was spent.

12. The remainder of the meeting focused on reviewing the draft strategic plan document. FWP staff will incorporate those recommended changes to the document and send out to the Council. Please refer to strategic plan document (version 2) for Council's recommendations to draft plan.

Tuesday, July 27.

13. **Representative French called the meeting to order at 8:00 am**.

14. **Reports from UGBH Biologists**:
    - Diane Boyd reviewed a variety of projects she is working on. She mentioned that perennial food plots would be useful. Two of 4 project have involved leveraged funds. The "doers" of the projects – Helena chapter PF, FWP, landowner, and hired help.
    - Drew Henry described his concerted effort for food plot establishment. He has been fairly successful working with farmers in his area. To date, Drew has worked on 11 applications of which 8 were completed. One project is a 5-acre food plot and is also a FFA project. Currently, there are 3 shelterbelt projects underway—one shelterbelt is part of a CSP project. NRCS has sent landowners to Drew for assistance. There hasn't been a lot of interest in Sheridan County MOU—only one project has been done this year and the MOU expires this year. Drew is gearing up for releasing birds in August. Meeting with the raisers to go over the current process, ARM, application requirements, getting everyone on the same page and go over reduction coming on line this next year. Region 6 will be releasing about 11,000 birds this year. Regarding dates of release – Drew suggest leaving where it is now.
    - Ashley Beyer has been working with NRCS and FSA. She recently finished putting together an application on a grazing system. Total cost is $90K with NRCS paying $54K. CRP add-on program was another good reason to meet FSA and NRCS offices. Some were more receptive than others, but she gained some ideas from them. Ashley plans to meet with LIP 30-year lease cooperators. Ashley spent 3 days with NRCS on range inventory on a 6,000-acre ranch.

15. **Council continued with more discussions on pheasant releases.**
    - Bernie Hart asked the Council to go on record to have a later pheasant release date.
        - Costs will go up and the current pheasant rearing facilities are not conducive for rearing pheasants to full plumage. (*Haugen*)
        - Targeting a release date of Sept. 1 could enhance survival for the hunting season. (*Howell*)

- Craig Roberts stated that a later release date would give tacit approval that releasing "works."
- Dale Tribby asked Drew Henry his opinion. Drew concurred with Craig Robert's comment, and suggests leaving the release date where it is currently.
- ***Bernie Hart - On Record***: Spending over $100,000 on the release program annually and putting out birds 2.5 months in advance is a concern. Release dates should be later in the season.

16. **Council held discussion on Russian olive trees and winter cover.**
    - ***Jay Gore - On Record***: Jay recommends having 100 yards of Russian olive trees in shelterbelts. These trees will also provide food and shelter above snow and ice.
    - Joe Perry feels that planting Russian olives in shelterbelts should be a voluntary act. Planting Russian olives could potentially impact any program eligibility – particularly, CSP.
    - Cannot plant Russian olives on State lands. (*Rooney*)
    - Need to consider that NRCS will not cost share any shelterbelts that contain Russian olives. (*Howell*)
    - Russian olives can still be purchased in North Dakota.

17. **Continued discussion on conservation easements (CE).**
    - Dale asked if FWP will identify percentages assigned to purchase CE. These purchases have the potential to take a large amount of money from the UGBEP funds. What percentage or thought process is FWP using? Ken stated that scaling back the use of UGBEP funds for CE could occur because of current program implementation on the ground by the 3 UGBH bios. Future opportunities to use UGBEP dollars leveraged with federal dollars are another possibility.
    - Rep. French would like to see a budget where dollars are set aside for specific program expenditures. FWP needs to prioritize dollars now and when the surplus is used up.
    - Joe would like to see a budget sooner rather than later addressing how CE fit in expenditures.
    - Need to consider other funding sources. (*Haugen*)
    - Rep. French clarified that FWP should not pass up opportunities to work with landowners on future interests for CE. Further, FWP needs to ensure that investments in any projects serve all of Montana.

- Quentin recapped previous discussion: There is need to be cautious with CE expenditures. On the other hand, sometimes the UGBHEP dollars are appropriate for the purchases of some CE when properties aren't 100% native (as required by Habitat Montana).

18. **Continued discussion on Strategic Plan document.**
    - Rep. French stated that at our next meeting, the Council will vote on the Strategic Plan to put a "stamp of approval" on it. The director wants a working plan ready by December 2010.
    - Regional Strategic Plans: Council was impressed with Region 6's draft strategic plan. Need to include how money is disbursed and reflect this in the regional plan.
    - There will be consistency between regions in terms of written plans.
    - Bill would like to see reports from Regions 4, 6, and 7 that summarize efforts from the new biologists. These efforts will be included in the regional plans. (*McDonald, Rep. French*)
    - Mike Begley would like a map of active projects in the strategic plan.
    - Jay asked when the Council will cross-reference the strategic plan with the legislative audit. Rep. French responded that after Debbie sends the final draft for review, the Council will cross-reference at that point. Note: A copy of FWP's response to the legislative audit follow-up inquiry has been sent to the Council.
    - Currently, the database is not part of the strategic plan, but something needs to go in there. At the next meeting, FWP staff will present information on the database status and how it works. Council would like to know what problems occurred in the past and what the database looks like currently. (*Rep. French*)

19. ***Rep. French - On Record***: When Senator Shockley and Representative French were at the latest EQC meeting, they both agreed that the Council has worked well and accomplished a great deal. The Council is a very cohesive group, and it has been very refreshing to work with the committee.

20. **Council reviewed ARM refinements as they pertain to pheasant releases, viability, and resetting the clock for weather.**
    The general feeling is that there needs to be a formal connection with habitat enhancement after a specific period of time of releases.

- Regional plans need to look at investing dollars in good habitat projects with an educational influence as it pertains to proposed ARM change for 12.9.602(1)(p). (*Rep. French*)
- It's difficult to explain why Plentywood gets so many birds without it working. Mike Begley would like to see mitigation and/or flexibility to expand habitat enhancement opportunities in order to say the Council tackled this the best they could. (Begley)
- Jay offered that there is a distinction between winter habitat and critical winter habitat. Need to define critical winter habitat (i.e., tight, dense woody cover that has sufficient snow trapping capability). This definition will be included in the glossary.

21. **Council held discussion on the pheasant release application process.**
    - FWP needs to begin emphasizing that pheasant release applications are to be filled out by the landowner. It may be good to send out a letter to past cooperators that they need to be providing the information and filling out application, not the raisers. (*Rep. French*)
    - As long as landowners sign the application, they need to be involved, even if raiser is filling out the application. (*Perry*)
    - Dale stated that FWP requires a complete application, whether it's from the raiser or landowner. Either way, it doesn't matter because it's unenforceable. FWP simply should receive a good, accurate application.
    - FWP needs to keep in mind that pheasant releases are culturally significant. (*Rep. French*)

22. **Joe Perry read a statement regarding pheasant releases that he would like added to the UGBEP Strategic Plan.** Statement reads as follows:
    While recognizing social and economic values, it is the recommendation of this Council to gradually eliminate investment in pheasant releases and transfer that funding to habitat enhancement.
    Joe Perry moved, Jay Gore seconded the motion.
    Discussion followed:
    - Bernie felt that Mike Jensen needs to be here to have an opportunity to express his opinion regarding the above statement. Rep. French told the Council that she had met with Mike Jensen before the meeting, and that she was his proxy for any votes done by the Council.
    - Rep. French stated that she and Mike Jensen were not supportive of this motion.

- Joe pointed out that this motion is not a directive. Rather, the statement allows for those opposing pheasant releases to be "heard" so they may go to their own publics reflecting a compromise.
- The statement reflects accurately the discussions the Council has had through most of the year. (*Mike Begley*)
- Roberts pointed out that the "minority's response" to pheasant releases is incorporated into the plan.
- The majority of the Council support this statement. (*Haugen*)
- If statement is inserted into the document, should it be tacked onto the Guiding Principles section? Rep. French suggested it should go in the pheasant release section.
- ***Vote on above motion: (As Chair, Rep. French did not vote). Nine members in favor, 1 member not in favor. Motion carries.***

<u>Further discussion</u>:

- Rep. French would like Mike Jensen at the next meeting to have the opportunity to make a formal motion for reporting out.
- There are concerns that by putting the above statement in the Strategic Plan may cause FWP to bring a bill to eliminate pheasant releases. There is cultural importance assigned to pheasant releases along the Hi-line. (*Rep. French*)
- The Pheasant Release program is protected by statute. (*McDonald, Howell*)

23. **Public comment.** None.

24. **Continued discussions on maintenance issues and the $200,000 cap.**

- In terms of project maintenance, if a contract reaches 15 years, FWP could re-qualify contract to continue the project. (*Rep. French*)
- Regarding maintenance costs, it is important that they are not a part of the $200K limit on a project. If FWP invests a significant amount of funding, and if something breaks…there will be a roadblock where FWP can't spend any additional funds. (*Tribby*)
- Need to define "normal" maintenance. There is a concern about the possibility of misuse or abuse. (*Rep. French*)
- Ken McDonald stated that FWP doesn't have any projects that are close to the cap where this might be a problem. At end of 15 years, the contract is done, and FWP can proceed with a new contract to cover maintenance.

25. **Next meeting will be held in Helena on October 5 and 6.**

26. **Wrap-up, Review Assignments, and Adjourn.**
    - The target is to have the strategic plan document stamped by the end of the meeting in October. FWP will then take document and presented to the Director for his seal of approval.
    - The discussion in October will also define where we go from here, especially with regards to oversight and financial reporting. Meet annually or biannually? Initially 6 months then shift to annual? Need to discuss staggered terms.
    - Discussions on database and Regional Plans
    - Strongly encourage to have Bob Lane here also.
    - Draft document will be ready for review but should also include the regional plans. Should include prioritized look at where the regions see the most important pieces, focus areas, etc. The presence of regional representatives would be helpful. Council members liked Pat's regional plan. Ken will be meeting with regional supervisors next week.
    - FWP will come up with recommended performance measures for review by the Council.
    - Intent would be to have all materials to council by mid-September.

27. **Representative French adjourned the meeting at 2:40 pm.**