

UPPER YELLOWSTONE WATERSHED BASIN

PARK CONSERVATION DISTRICT

*General Membership Meeting
April 6, 2006 at 7:00 PM
St. Johns Church, Emigrant*

-MINUTES-

Those Present (34)

Alan Redfield	Jim Durgan
Alex Phillips, Montana Wilderness Association	Jim Melin
Andy Brummond, FWP	Justin O'Hair
Art Burns	Keith Neal
Barbara Hall, Montana Water Trust	Laura Ziemer, Trout Unlimited
Bob Weber	Leanne Roulson, Garcia & Associates
Bruce Malcolm	Mark Rose
Chad Mussetter	Martin Davis
Clint Patterson	Marty Malone
Daryl Smith	Meredith Allen
Dave Molebash	Nicole McClain, Coordinator
David Bowman	Pat Byorth, FWP
Duane Neal	Richard Kinkie
Eleanor Bossert	Riley Shimmin
Franklin Rigler	Ron Archuleta, Forest Service
Gayleen Malone	Sean Murphy
Jeannette Romig, ADC Services	Sharon Neal

1. CALL TO ORDER by Dave Molebash.

2. VISITOR INTRODUCTIONS.

- ◆ Andy Brummond, MT Fish, Wildlife & Parks
- ◆ Barbara Hall, MT Water Trust
- ◆ Jeanette Romig, ADC Services
- ◆ Laurie Ziemer, MT Water Project
- ◆ Leanne Roulson, Garcia & Associates
- ◆ Pat Byorth, MT FWP
- ◆ Ron Archuleta, Gallatin National Forest
- ◆ Scott Opitz, MT FWP

3. APPROVAL OF March 2006 MINUTES. Approved

4. UPDATES

• Coordinator's Report:

- ◆ The Noxious Weed Trust Fund grant proposal submitted on behalf of the UYWB was fully funded by the Montana Department of Agriculture.
- ◆ The Park Conservation District applied for operational funding for the watershed groups through the Mountain Sky Guest Ranch fund, a site visit has been scheduled for April 18.
- ◆ Nicole & Amy attended a Watershed Planning meeting hosted by DNRC in Helena on March 13, 2006.
- ◆ Nicole & Amy attended an Area VI Administrator meeting in Bozeman on March 29, 2006 to discuss grants and contracts management.
- ◆ Amy, Nicole, Gayleen Malone & Daryl Stutterheim attended MACD Area VI Watershed Training in Whitehall on April 4, 2006.
- ◆ Nicole on vacation next week (April 8 – 16, 2006)

• Chairman's Report:

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- ◆ Conservation Trail Ride. Rough draft for putting together this event in the fall. This will be a 2 night camping event, registration fee for speaker, food catering, entertainment, for the purpose of stewardship education. Trail Ride can move around the state, or stay here. Can bring own horses, or rent for the event. Watershed fundraiser for our group and others. Bring folks with land and money in, to gain support for the watershed group. Tie in with Spring Dinner with slide show from the previous trail ride. Also silent auction can be arranged with this. Please sign up if you are interested in being on the Trail Ride committee.
- ◆ Noxious Weed Trust Fund grant hearing on March 16 @ 4:30 PM in Lewistown. This grant is not just for chemicals but also cost sharing on contract spraying, big parcels and small parcels.
- ◆ Grassroots volunteerism. Need more people to volunteer for projects and testifying for grants. Please try to pitch in.
- **Vice Chairman's Report:**
 - ◆ Results of March interest poll. Resource needs 18% on wildlife, 16% weed mgmt, 12% water conservation, etc. Primary mission -17% said like to see exchange of ideas and information between landowners, etc., Look at mission statement and see how they work into it. Nicole will post entire list to website.
 - ◆ Fridley Fire grant for those who live between divide creek road and dry creek road, expires May 14th, need to purchase or contract by that date.
 - ◆ Irrigation Efficiency – Moisture Meters, electric energy is cheaper than diesel fuel, but will go up, irrigation efficiency education how much water a crop takes, how little you need and still grow and effective crop. Next year will be an opportunity to bring pivots up to 2007 standards – get that money next year.
 - ◆ Wind energy. Firm holding a meeting tonight in town, trying to put landowners together to make money off wind, as a landowner you want to be cautious. Wind rights will be purchased in the next five years. Also a lot of quality sites in the valley. RC&D will put on a landowners information workshop specifically targeted on those who have been approached. Will possibly be like oil leasing. Jim Durgan brought some propaganda for us to look at – these folks are looking for a core group to start this project, will provide money for down payment, 20 year lifespan for this project. Investment of \$5 – 10M range with good paybacks. Jim stated that it will be interesting to see what Commissioner Dick Murphy, brings back from the meeting also held tonight. If this will work it will be a nice way to get a payback on investment.

COMMITTEE UPDATES

- **Endangered Species/Wildlife Committee**
 - ◆ Update by Rich Kinkie. Rich received a letter from Bill Hedstrom regarding a Coalition of Farmers, Ranchers, and Ag-related associations promoting brucellosis eradication. In the letter, Bill asked for someone from the UYWB to represent our group's interests. Rich spoke to the president of Stockgrowers Association after Governor Schweitzer came out with the announcement in the paper which is contrary to the IBMP. Rich feels the watershed should be involved due to property rights for members, especially south of Yankee Jim canyon, and in an effort to help the Governor, even though there are those with views contrary to the Governor's. Dave Molebash asked the group to have Rich and perhaps others (Alan Redfield) to represent us on this important issue. All were in favor, so we now officially have a committee – Bison/Elk brucellosis committee representing our watershed. In closing, Rich asked for input from the folks living south of the canyon.
 - ◆ Jerry O'Hair. Elk is a big deal in this area, and as you might already know MT FWP held hearings regarding a 5 week hunting season. They took input from landowners and livestock grazers, and Jerry deferred discussion to his son Justin who has been quite involved with this issue.

According to Justin, the elk situation is different in the Paradise Valley, even from one end of the valley to the other. There was a meeting about a month ago with the MT Stockgrowers Assn. and Dr. Jim Knight of MSU Extension, which also included some landowners from the Paradise Valley, the Gallatin Valley, and the Upper Shield's valley. Many landowners felt that MT FWP had ignored their wishes, and that their comments didn't even make it to the Fish & Game commission, even though we have had a strong working relationship on issues in the past. At this meeting, folks discussed options like getting rid of block management – in an effort to hit Fish & Game where it hurts, but then after things settled down they started thinking about more positive solutions. Ideas such as working with legislators to develop a solution for the efficient harvest of game that will work best for everyone involved. Currently, the harvest is based on a five week season and some folks would like to see it go to a quota system. Furthermore, some livestock

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producers and landowners don't have an opportunity to hunt on their land, because there aren't any elk around during the season, but appear after the close of the 5 five week season. Still waiting to hear from the MT Stockgrowers and how they want to move forward on this issue. Question: How do landowners feel about hunters being on their land 6 months of the year? Because if there is an elk problem, we need to work together to find a solution and different methods to bring elk numbers down to those numbers set in 1988/89. Because since then, the numbers have continued to climb and now livestock producers feel they are being blamed for closing it down to a 5wk season. A lot of folks are frustrated about this issue, and we need to work together to find solutions. Justin has offered to sit on wildlife committee in an effort to help find a solution.

Dave Molebash went to Helena and met with the directors of FWP and he reported that they were good about listening; however, FWP said they are going to listen to the biologists. This is a huge social issue and there are places that don't allow hunting and don't want to see any hunting, and the problem is that the elk are hanging out where no one will/can hunt. John Sinrud, State Rep in Bozeman, and a few others, are interested in listening and doing something legislatively. However, we as a group need to come up with a plan and market it correctly. We need to get the sportsman and landowners to determine what they can live with and present it to the hunters/people. Landowners need to get together at a town meeting regarding this and get those folks behind our senators and representatives and go to Helena with this.

According to Justin, the Fish & Game is supposed to meet objective elk numbers by 2009, and if they don't meet those numbers, nothing will happen, and the process will start all over again. We need to draw sportsman in, and that will gain an ear with the legislature. According to Jerry, the policy now is that FWP will allow no depredation hunts unless the landowner is offering public access through out the general season.

Edwin Johnson of Montana Guide Service, stated that a way to bridge the gap between trophy hunt and meat hunters – is to bring youth in to hunt the trophies, and control overpopulation with bringing meat-hunters in.

Franklin Rigler nominated Duane Neal to that committee because of all the hard work and dedication Duane has put into this subject. Franklin argued the point that what has happened in this whole valley has actually occurred at higher elevations – the elk have come down to the rancher's fields because the wolves have changed where the elk live now. The elk have been displaced into the valley, and FWP needs to realize why. For example, there are a lot of elk at O'Hair's but few up in the higher elevations.

- ◆ New members who were nominated and volunteered for the wildlife committee include: Justin O'Hair, Edwin Johnson, and Duane Neal.

- **Irrigation Committee**

- ◆ Update by Jerry O'Hair. Data loggers are in - need to set date and choose location for the installation workshop. All loggers are in. Al Feldstein has volunteered his place to do the demonstration.

- **Range Committee**

- ◆ Update by Alan Redfield. Range Days 2006 is June 19, 20, 21st. They need volunteers to help feed 300 kids, and they are also looking for donations. All meals, kids' functions and workshops will be held in Clyde Park, there will also be an adult tour to Yellowstone National Park.

- **Stream Stabilization Committee**

- ◆ Update by Roger Nelson. Nothing new to report.

- **Weed Committee Update**

- ◆ Update by Eleanor Bossert. Weed Fair 2006/Montana Watercourse – Know Your Watershed tour. We are currently working on putting together the weed fair for this year. We are also working with the Montana Watercourse to include a tour that will incorporate the effects of weeds and erosion by looking at the bigger picture. We are also looking for volunteers for this committee.

5. **OPEN ITEMS**

- ◆ **None tonight.**

6. **PROJECT IDEAS**

- Input from the group on resource needs.

7. **2006/2007 Elections. Cast your vote for Chair and Vice-Chair for the 2006/2007 term.**

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Current Chairman, Dave Molebash, stated that is important to move people through the leadership, because it is fun, and rewarding. It also helps to change the focus of where the group is going. Our first Chairman, Sean Murphy, did a wonderful job leading the group the first year, getting a lot of input from folks on the agenda and minutes, and keeping an open mind to new ideas. The Chairman has a big say so about the course the group will take. We need someone to volunteer to step up and offer to serve as chairman. Bert Otis has offered to accept a nomination as Vice-Chair. VOTE: All in favor of Bert as Vice-Chair. Nominations for Chairman. Marty Malone, current Vice-Chair felt there was a conflict of interest in serving as Chairman due to his other current obligations; however, he will continue to help. Mark Rose was nominated as Chairman; however Mark stated that during their guest season he is unable to attend several meetings. Dave Molebash offered serving as Chairman until September when guest season ends, and Mark was nominated to serve as Chairman from September 2006 – April 2007. VOTE: All in favor of Dave retaining the Chairmanship through August 2006, and Mark Rose serving as Chairman from September 2006 through April 2007.

Election Results:

Chairman: Dave Molebash: May 2006 – August 2006
Mark Rose: September 2006 – April 2007
Vice-Chair: Bert Otis: May 2006 – April 2007

8. PRESENTATION "Exploring options for community-based fisheries and water conservation in the Upper Yellowstone River basin."

This month we welcome Mr. Pat Byorth, Fisheries Biologist, and Mr. Scott Opitz, Area Biologist, with Montana Fish, Wildlife & Parks. They will give a brief overview of factors limiting Yellowstone cutthroat trout in the basin, and have Barbara Hall (MT Water Trust) and Laura Zeimer (MT Water Project) speak about their respective programs and case studies, and then have Sean Murphy describe his project at the Oxbow Ranch and give his perspectives. There will be plenty of time for questions as well. Andy Brummond, Instream Flow Specialist with FWP will also be present to answer questions.

Presentation Outline (Pat & Scott)

Most of you have heard of water leasing in some form or another, as the Paradise Valley was the site of the first water leases. But that is just one tool in the toolbox. There are many other ways to balance the needs of fish, agriculture, and the local community. The folks on this list each have different perspectives and experiences in water conservation. I'll start by giving you some basic background, Scott will talk about fish populations, and Barbara and Laura will give us a basic primer on water law and describe their respective programs. Then to sum it all up, Sean Murphy was willing to talk about his experiences on the Ox Yoke Ranch.

Some basic truths that we can all agree on, and at least one we might argue. The message I want to convey is that it isn't a zero sum game, either, or. If we are open minded and willing to work together, we can solve our conflicts over water.

Chris Clancey gave me this analogy. You can plug any hole in the bucket, but the water level will always be set by the lowest hole. The concept of limiting factors is key to understanding, managing, protecting and restoring natural resources.

To illustrate how water can be a limiting factor in different ways, let's look at some case studies. The Yellowstone River from Yellowstone Nat'l Park to Big Timber supports a thriving population of cutthroat trout. Like most salmonids, YCT evolved life history strategies to take advantage of key habitats at key times of year. YCT spawn during the end of runoff, to take advantage of clean gravels scoured by flooding and timed so the young emerge at the warmest and most productive time of the year. Unfortunately, this is the time when irrigation demand peaks and water supply bottoms out. Tributaries were completely dewatered for irrigation. Clancy, Byorth, Roulson, DeRito studies...

Yellowstone cutthroat trout is a species of special concern, had been petitioned for listing under ESA. If you think we, as neighbors can't develop solutions to protect our natural heritage, the federal government will develop solutions.

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In 1989, the legislature passed a bill allowing FWP to lease water for instream flows on up to 10 streams. Five of the streams were tributaries of the Yellowstone.

Here's the result of increasing efficiency by switching to sprinklers: more water left in stream, more YCT produced, and the rancher was able to produce better hay, and pasture with less input of labor. Who cares about return flow in this case? Return flow was not a limiting factor in Big Creek.

This is the Big Hole. Where I spent the next period of my career asking the same question: fish or farms? This is the last stronghold of river dwelling grayling and a stronghold of traditionally irrigated agriculture. Grayling were dwindling and a multi-agency group was bent on saving them. We did a bunch of research, but everyone knew the true limiting factor, water!

The key limiting factors for grayling: spawning flows 1992, 2004. Late summer temperatures and flows. Stock water solutions, irrigation efficiency, and perhaps water leasing,

Tools for the Big Hole

- ◆ Drought Plan – community –based collaboration, included fishing restrictions, water conservation
- ◆ Habitat restoration – restoring riparian to shade, provide habitat passage
- ◆ Flow enhancement – some voluntary, water leases?, CCAA

If you look to Washington D.C. for solutions to the water crisis, don't be surprised to learn that they are in the same boat. Look to your neighbor and in the mirror. The solutions are right here. I don't believe the question is fish or farms; its how do we manage for both!

Presentation Outline: Barbara & Laura

Western Water Law Basics

- ◆ First in Time, First in Right
- ◆ Use it or Lose it

Timeline of Montana's Water Leasing Law

1989 → 1991 → 1995 → 1999

- ◆ The 1989 Legislature passed a 10-year pilot project allowing FWP to lease water rights on four streams.
- ◆ The 1991 Legislature increased the number of streams on which the agency could seek leases.
- ◆ In 1995 Legislature approved water leasing by any private entity, as a 10-year pilot project.
- ◆ In 1999 Legislature extended the allowable lease term to 30 years for private water leasing where the instream flow right was made possible through improved irrigation efficiency and extended the FWP pilot project for another 10 years. Twenty leases or conversions completed between 1995 to 2005.
- ◆ The leases have improved trout fisheries in Montana and often provided agricultural producers with improved irrigation water delivery.
- ◆ 2005 State Legislature approved conversions in addition to leasing, and made it a permanent part of the Montana water code.

Water Leasing Logistics

- ◆ All or a portion of irrigation right can be dedicated temporarily to instream flow
- ◆ Irrigation efficiency/salvage water, split season, dry year options
- ◆ Owner conversion vs lease

Statutory Requirements

- ◆ No Adverse Effect on other water users
- ◆ DNRC Approved Water Measurement Plan

There are three entities in Montana who are engaged in water leasing: The Montana Department of Fish, Wildlife & Parks, Trout Unlimited, and the Montana Water Trust. The Montana Water Trust is a private, non-profit organization that works cooperatively with farmers, ranchers, and other landowners to develop incentive-based agreements that benefit landowners, stream flows and communities.

Laura Ziemer
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Presentation Question & Answer Period

- ◆ Question: Fish & Game is gone now and everyone has water all year long. I have 2 ½ miles of stream, but water right not that good, so when start running water down the creek, this is not good for me personally. However, I can see the benefits of other projects, and the real endangered species is the rancher. The neighbors are controlling this situation. I believe you need to measure at the diversion point because it currently is an unfair measuring system. **Answer:** Mill Creek didn't work because it caused a lot of people problems for the benefit of a few people. At first there were four streams, and then 10 streams statewide and Mill Creek was the first one. It was problematic. About 40% of water is naturally lost, but they didn't know that then, and now they know that information. There are also more tools now. If someone want to go to late season, leasing for 2nd or 3rd cutting, or flush (short-term, short duration) three day period. Lots of other options, the first attempt failed because it pit neighbor against neighbor. That is why the Watershed group is a good approach, so neighbors don't take a hit.
- ◆ Comment: I was the ditch rider on Mill Creek at one point, would like to see statutory requirement of no adverse effect, which wasn't there at the time before. Sticky spot, it was a hard situation for everyone.
- ◆ Question: Water loss, measured at canyon, should be measured where pipeline goes across. **Answer:** Measured by DNRC, will provide report if interested.
- ◆ Question: Can our watershed provide a forum for folks to meet and look at resources available and discuss options available and find solutions? **Answer:** UYWB will provide meeting spot and resources if Mill Creek folks interested in sitting down and trying to find a solution to this problem. Contact Nicole if you are interested.

8. CHAIRMAN'S CLOSING REMARKS

9. ADJOURN

Thank you for coming!
Next Meeting: May 4, 2006

Key to Commonly Used Acronyms:

DEQ – Department of Environmental Quality	MBMG – Montana Bureau of Mines & Geology
DNRC – Department of Natural Resources & Conservation	NRCS – Natural Resource Conservation Services
FWP – Fish Wildlife & Parks	Park CD – Park Conservation District
LEP – Local Empowerment Program (MACD)	TMDL – Total Maximum Daily Load (DEQ)
MACD – Montana Association of Conservation Districts	UYWB – Upper Yellowstone Watershed Basin
MWCC – Montana Watershed Coordination Council	WPA – Watershed Planning & Assistance Grant (DNRC)

Equipment List: (Available to members on loan)

- ◆ Trailer mounted weed sprayer (2)
- ◆ ElectroNet fencing – (9) 35" x 164'
- ◆ 10 Watt Solar Panel
- ◆ IntelliShock 42B battery energizer & 12v 44 amp battery

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