



## MINUTES

Beartooth RC&D Area, Inc. Board of Director's Meeting  
Thursday, January 20, 2011

**Reminder: Meetings scheduled for third Thursday of odd numbered months.**

<p><b>Board Members Present</b>          Chuck Egan, Chairman, Town of Columbus          Marvin Carter, Vice-Chairman, City of Laurel          Penny Landon, Treasurer, Carbon Conservation District</p> <p>Ada Iron, Crow Nation          Dan Lowe, Big Horn Conservation District          Ed Ulledalen, City of Billings          Jeffrey McDowell, City of Hardin/Two Rivers Authority          Katie Callahan, Town of Joliet          Ken Gomer, Town of Bridger          Lisa Skriner, MSU-Billings, College of Technology</p> <p><b>Members at Large Present</b>          Kendall Hartman, Billings Job Service          Melissa Kramer, Stillwater Economic Development</p>	<p><b>Sponsors Not Represented</b>          Bob Van Oosten, Stillwater Conservation District          Brian Roat, City of Red Lodge          Doug Tucker, Carbon County          Gerald Dell, Stillwater County          Jim Reno, Yellowstone County          John Pretty On Top, Big Horn County          Page Dringman, City of Big Timber          Steve Arveschoug, Big Sky EDA, Billings          Susie Mosness, Sweet Grass County          Vacant, Yellowstone Conservation District</p>
<p><b>Guests</b>          Dave Kascht, ASTC – Headwaters, NRCS          Ken Olsen, Mayor, City of Laurel          Matt Holben, Area Specialist, USDA Rural Development</p> <p><b>Congressional Staff</b>          Rachel Court, Senator Tester's office</p>	<p><b>Staff</b>          Carla Lawrence, NRCS Coordinator          Chris Mehus, Economic Development Director          Jillann Knutson, RLF Manager/Bookkeeper          Joel Bertolino, Program Technician          Paige Weber, Office Administrator</p> <p><b>Staff Not Present</b>          Diana Spint, Housing Coordinator          Dick Rath, Forester</p>

The meeting was called to order at 2:00 p.m. by Chairman Egan in Billings at the Owl Junction Café in Laurel, Montana.

**Welcome - Egan**

Chairman Egan welcomed all present. Dave Kascht led the Pledge of Allegiance. Everyone in attendance introduced themselves. The host county was Yellowstone and Laurel City Mayor, Ken Olsen, board members Skriner, Hartman, and Carter gave presentations about what is happening in their community and areas of employment.

**Office Administrator – Paige Weber**

Approval of November 18, 2010 - Minutes

**Motion:** To approve minutes, as written.

**By:** Jeff McDowell

**Second:** Dan Lowe

**Action:** Carried

Executive Committee Nominations – Egan asked for nominations to serve on the Beartooth RC&D's Executive Committee for 2011. Current officers are Chuck Egan – Chairman, Marvin Carter – Vice Chairman and Penny Landon – Treasurer.

**Motion:** For the existing officers to stand for another year.

**By:** Ed Ulledalen

**Second:** Jeff McDowell

**Action:** Carried

**Treasurer's Report - Financial Report – Jillann Knutson**

Knutson reported on the Beartooth financials. At the end of 2010, there was a net income of \$7,071.60 that will remain in the Beartooth savings account. The RC&D had more grant monies and more pass through account funds this year, there was savings in travel and mileage, and salary expense was higher due to adding a full time employee for the housing program. We drew almost \$5,000 less from the RLF fund this year for operational expenses. The final budget for 2011 had two changes made to the Preliminary Budget presented in November. The CDBG Beartooth Admin was changed to \$30,000 as the project was extended for another year. There was also a change to total staff expense based on wage and benefit changes agreed upon by the Executive Committee. There will be an additional \$4,500 added to the budget from the NRCS for board income.

**Motion:** To approve the 2011 budget.

**By:** Jeff McDowell

**Second:** Dan Lowe

**Action:** Carried

Knutson was instructed to file for audit the treasurer's financial report as presented.

**Revolving Loan Fund Manager/Bookkeeper – Jillann Knutson**

Revolving Loan Fund – The RLF funded two new loans in 2010. We have funds available to loan.

Revolving Loan Fund Plan Certification – The RLF Committee reviewed the plan certification and made a few adjustments for 2011. There were changes to collection procedures and the qualifying ratios. We will work more with customers on payment due dates and the collection procedures for each account and when calls will be made.

**Motion:** To approve the changes to the RLF Plan Certification for 2011.

**By:** Jeff McDowell

**Second:** Dan Lowe

**Action:** Carried

Revolving Loan Fund Committee Member Appointment – David Davidson retired from the Carbon County Commissioners this year and had served as the Vice-Chairman on the RLF Committee. The committee is made up of five voting members, two advisory members and the Beartooth staff. The Carbon County Commissioners would like to appoint Doug Tucker to the committee to replace David Davidson. This would keep two Beartooth RC&D board members on the committee. The RLF committee would vote on a new Vice-Chairman for the 2011 year.

**Motion:** To approve Doug Tucker to serve on the RLF committee.

**By:** Penny Landon

**Second:** Marvin Carter

**Action:** Carried

Columbus Community Garden – Knutson and Kramer presented this project which is a club that is in the process of getting their 501(c)(3) status. The Town of Columbus granted the use of land for the garden to set up 18 plots this first year. The community garden is trying to work with the school system for educational programs, they will work with the Columbus IGA using old produce to compost for the garden and will serve those with a desire to learn about gardening and the ability to grow their own food.

**Motion:** To accept this project and allow the Columbus Community Garden to use Beartooth's 501(c)(3) status to apply for grant funds.

**By:** Katie Callahan

**Second:** Lisa Skriner

**Action:** Carried

**Economic Development Director – Chris Mehus**

Closeout Projects - Mehus presented a list of projects that were still open and approved by the board. The bulk of the work has been completed as per the original project requests or else the projects never came to fruition.

**Motion:** To closeout the projects on the list.

**By:** Dan Lowe

**Second:** Jeff McDowell

**Action:** Carried

Year End Project List - Mehus presented the Year End 2010 project list. The projects that are numbered have received board approval and require more than ten hours of staff time. This list shows all the projects worked on this year and shows the level of activity and impact of the RC&D in the five counties we serve.

Update – The 2011 Annual Report has been completed and passed out to the board members. The staff photos were courtesy of Clark Marten Photography in Columbus. A copy of the Annual Report was sent to our sponsors along with the Memorandum's of Understanding and invoices for the 2011 dues. The money from these dues is matched with an Economic Development District grant we receive. We will be doing follow up visits to our communities.

Housing Program Update – Mehus reported on the housing program for Spint. Beartooth RC&D had a large expansion year in 2010 with our housing program adding foreclosure prevention, pre-purchase and credit counseling programs to the existing homebuyer education program. Spint has been exploring areas for future growth and has brought many new ideas to the organization. We served 502 clients this year in the housing programs: 56% of these clients were low income and 8% representing minorities. We appreciate Spint's efforts and accomplishments with the program this year.

Forestry Program Update – Mehus reported on the forestry program for Rath. We have received new program funding for another 2-3 years. Beartooth RC&D will be starting on a cooperative project with Yellowstone – Bighorn Research Association, DNRC, Forest Service, BLM, Red Lodge Fire Department and the neighboring landowners. This project covers several thousand acres and will be a great opportunity for these partners to work together.

Rath is involved with the Sweet Grass County & City of Big Timber Tree Board. This board works with a local nursery to replace the older trees dying out within the city limits. The board determines what varieties of trees to replace them with that are more adaptable to this climate zone. There was discussion at our January Executive Committee meeting about the RC&D sponsoring this project and helping to form Tree Boards in other communities. Kramer stated that there is a grant program that comes through every few years and that the City of Columbus has looked into this and communities should be proactive in planning for applying for these grants. The Arbor Day Foundation's Trees for America® program also provides funding. This would also be a good project to work with the Conservation Districts on and will be discussed further at the March board meeting.

**AG Program Technician – Joel Bertolino**

Range Riders Weed Spraying Project – Bertolino presented a Request for Assistance for Range Rider Weed Spraying in Reed Point. The project is to assist with business expansion to offer more diversified weed management strategies to his customers. Bertolino assisted the business owner with a business plan and financial projections to submit a Growth Through Ag grant application for equipment needed to implement integrated weed management strategies to rehabilitate damaged rangeland and pasture, with practices such as aeration and no till seeding and eradication of noxious weeds.

**Motion:** To approve the Range Riders Weed Spraying as a project.

**By:** Dan Lowe

**Second:** Penny Landon

**Action:** Carried

Update – Bertolino and Knutson met with A1 Motor Sports east of Laurel about potentially submitting a Rural Business Enterprise Grant application for marketing plan and financial assistance.

The National Center for Appropriate Technology (NCAT) will be putting on a workshop for “Tapping Clean Energy Funds for Rural Montana” during the MATE show in Billings on February 17<sup>th</sup>. Beartooth RC&D is a sponsor and Bertolino, Mehus and Weber will assist with registration at this workshop. The training will focus on renewable energy and energy efficiency loans, grants, tax rebates and benefits available in rural Montana for these types of projects.

Bertolino assisted Melissa Kramer with writing a grant for the development of 4 one day workshops on Succession Planning for Farmers and Ranchers with Financial Services Associate, Dustin Bretz, of Prudential Insurance Company and Dan Singer, with Partner On-Call. There was a great turnout. Kramer and Bertolino will work on possibly obtaining more funding to offer more of these workshops region wide.

The four Food and Ag Centers are up for refunding this year with the legislature. Bertolino has been compiling success stories, comprehensive data and letters of support for the State Department of Agriculture to put on presentations for the legislators.

Jeff McDowell and Bertolino have been working with the Department of Agriculture on gathering information to present to a prospective Pea and Lentil processing business in the Hardin Industrial Park. McDowell has been researching possible locations that would be close to the railway spur for easier transport.

Mehus, Knutson, Bertolino and Lawrence will go to Helena for Economic Development Day at the Rotunda on January 25, 2011.

#### **NRCS – Carla Lawrence**

EnSave Project – Lawrence submitted a Request for Assistance to work on the EnSave project. EnSave and NRCS are looking to complete a Conservation Innovation Grant to train five certified data collectors to verify the information on the ground, for on farm energy audits. The training session would take place over a three day period in the Spring of 2011 and the cost of the training session is \$250.00 per person. Beartooth RC&D would like to send Bertolino to this training to become a certified data collector. These audits assess current energy usage and develop cost-effective plans to upgrade and add energy efficient equipment to save the farm energy and money. Primarily, EnSave focuses on hog, poultry, dairy farms and operations in confined areas or on-farm greenhouses. Irrigation systems could potentially be a good fit for the energy audits with EnSave.

**Motion:** To approve Joel Bertolino to attend the training to become a certified data collector through EnSave.

**By:** Penny Landon

**Second:** Katie Callahan

**Action:** Carried

Amendments to Bylaws – The Bylaws have not been reviewed or updated in several years. The proposed additions and changes to the Bylaws were highlighted and presented to the board in November. The changes were to add verbiage needed for growth within the housing program and adding sponsors from the incorporated towns that do not have representation on the board. We did send letters out to the towns of Bearcreek, Broadview, Fromberg and Lodge Grass inviting them to participate on our board of directors. There was discussion about the 5 special appointments that can be made to the board and what percentage of the board makes up a quorum. After review of the special appointments language in the Bylaws, Skriner, Hartman and Kramer were invited to be appointed by the organizations they represent to serve as voting members. Skriner will now serve as a voting member representing the MSU Billings College of Technology. The Executive Committee reviewed the amendments to the Bylaws and recommended the board approve these changes.

**Motion:** To approve the amendments to the Bylaws.

**By:** Katie Callahan

**Second:** Ken Gomer

**Action:** Carried

2011 Annual Plan of Work – Lawrence presented the final draft of the 2011 Annual Plan of Work outlining Beartooth RC&D’s plan of work for the coming year for the Chairman’s signature to send on to the State Conservationist.

**Motion:** To approve the 2011 Plan of Work as presented.

**By:** Dan Lowe

**Second:** Jeff McDowell

**Action:** Carried

2011 Western RC&D Conference - The 2011 regional conference will be held in Lewiston, Idaho, on March 12-16<sup>th</sup>. A copy of the conference agenda was emailed out to the board members with the January meeting agenda. Early registration is \$275.00 per person. Due to the distance and cost, the Executive Committee voted to approve up to \$3,000.00 total for board member attendance at this conference. Please let Knutson know if you are interested in attending by February 15<sup>th</sup>.

Update – The regular scheduled board meeting date in November is the 17<sup>th</sup>. This date conflicts with the Montana Association of Conservation Districts Conference meeting dates. We have 5 board members who represent Conservation Districts that would be unable to attend the RC&D’s regular scheduled meeting. The Executive Committee voted in January to approve moving the Beartooth RC&D board meeting date to November 10<sup>th</sup>.

Lawrence asked the board if they were interested or would have a need for a Beartooth RC&D name badge when attending meetings or representing the RC&D. We will order name tags on request rather than ordering for each council member. Please respond to the email if you would like a Beartooth RC&D name badge ordered.

The State RC&D Association has requested permission for each board member to share their contact information. This information would be set up in list serve which would allow them to directly provide information to RC&D board members across the state to better keep them informed. The information would be held only with the state association and not provided to any other parties, and serve to widen direct communication between the RC&D boards. An email will be sent to all board members’ requesting their permission to share their contact information with the State RC&D Association.

The Circle of Diamonds is a certification by the National RC&D Association for those RC&D’s who are performing at a level that is recognized by the national association. The Beartooth RC&D would like to move forward to get certified as a “Circle of Diamonds.” One of the membership requirements is to provide a list of and the contact information for all council members. We will email the council members and ask their approval to provide this information before submitting the application and required documents to the headquarters in Washington DC.

The Society for Range Management meeting will be held in Billings on February 7<sup>th</sup>- 11<sup>th</sup>.

**Special Guests-**

Dave Kascht, ASTC – Headwaters, stated that we are in a Continuing Resolution through March 4<sup>th</sup> and are operating without a budget at last year’s level. There is uncertainty about the effects this will bring and there may be some cutbacks ahead in federal funding. In preparation for this, the NRCS agency is being conservative. One of the designations of the NRCS next year will be to look at energy savings projects that generally received secondary benefit funding in previous years. Besides traditional agriculture, the NRCS is transitioning more into working more with organic agriculture, small acreage and food banks. NRCS may be able to fund more energy projects in the future.

The NRCS has local work groups that are chaired by the Conservation Districts to help set priorities and target the local resource funding areas. They will be asking the RC&D Coordinators for assistance in facilitating these meetings and encourage the RC&D’s to participate and get involved in helping to target the local resource needs.

Rachel Court, Billings Regional Field Director for Senator Jon Tester, invited the Beartooth RC&D board and staff to visit with Senator Tester on January 29<sup>th</sup>. We will meet with the Senator at the Owl Junction Café in Laurel from 7:15-8:00 a.m. Please RSVP if you will be attending this meeting.

Court stated that the Continuing Resolution expires on March 4<sup>th</sup>, but could possibly continue through 2011 or 2012. Appropriation Request Forms are still being accepted and organizations are encouraged to continue to fill them out so Senator Tester and staff know what the needs are in our communities.

Matt Holben, USDA Rural Development, stated the funding awards should come out in March and there are two programs that will be funded. The Rural Energy for America Program Grants or Renewable Energy Development Assistance and Value Added Producer Grants. Currently, Beartooth RC&D has a request in for technical assistance only with The Rural Microentrepreneur Assistance Program. The RC&D would score better if we added a request for more Revolving Loan Funding. Rural Development also has a Business and Industry Guarantee Loan Program that will guarantee commercial loans up to a maximum of 80% for loans of \$5 million or less.

**Next Scheduled Board Meeting**- March 17, 2011 to be held in Columbus. Location to be announced. Stillwater County board members hosting.

**Adjournment:** 4:20 p.m.

Respectfully Submitted,

Paige Weber  
Office Administrator  
Beartooth RC&D Area, Inc.