



MINUTES
 Beartooth RC&D Area, Inc. Board of Director's Meeting
 Thursday, July 22, 2010

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

<p>Board Members Present Chuck Egan, Chairman, Town of Columbus</p> <p>Bob Van Oosten, Stillwater Conservation District Brian Roat, City of Red Lodge Dennis Hoyem, Stillwater County Emelie Eaton, Yellowstone Conservation District Jeffrey McDowell, City of Hardin Katie Callahan, Town of Joliet Ken Gomer, Town of Bridger Page Dringman, City of Big Timber Steve Arveschoug, Big Sky EDA, Billings</p> <p>Members at Large Present Kendall Hartman, Billings Job Service Lisa Skinner, MSU-Billings, College of Technology Melissa Kramer, Stillwater Economic Development</p>	<p>Sponsors Not Represented Ada Iron, Crow Nation Dan Lowe, Big Horn Conservation District Doug Tucker, Carbon County Ed Ulledalen, City of Billings Jim Reno, Yellowstone County John Pretty On Top, Big Horn County Marvin Carter, Vice-Chairman, City of Laurel Penny Landon, Treasurer, Carbon Conservation District Susie Mosness, Sweet Grass County</p>
<p>Guests Matt Wilcox, Executive Director of Firesafe Montana Charlotte Van Oosten Dennis Eaton</p>	<p>Staff Chris Mehus Diana Spint Dick Rath Jillann Knutson Joel Bertolino Paige Weber Carla Lawrence, NRCS Coordinator</p>

The meeting was called to order at 6:30 p.m. by Chairman Egan in Joliet, MT at the Joliet Community Center.

Welcome - Egan

Chairman Egan welcomed all present, Dennis Hoyem led the Pledge of Allegiance and everyone in attendance introduced themselves.

Office Administrator – Paige Weber

Approval of May 20, 2010 - Minutes

Motion: To approve minutes, as written.

By: Jeffrey McDowell

Second: Bob Van Oosten

Action: Carried

Treasurer's Report - Financial Report – Jillann Knutson

At the RC&D State Association meeting held in Havre, Knutson, Egan, Carter and Lawrence attended an Open Meeting Law presentation. One item that came up was that in the past we have been voting on approving the financial report. Rather than approving the treasurer's financial report as presented, the report should be approved to be filed for audit to be in compliance. If changes were to be made, legally we could not go back and make those changes after approving the financials.

Knutson presented the Beartooth financials. We will have to draw on the administrative portion this year of the CDBG grant we received for the Beartooth Hospital. We have yet to take any funding from this project. Year to date, the RC&D is at 94% of its projected income and should end the year well over that.

We do still have the Wells Fargo checking and savings accounts open, but a check has been written to transfer these funds to the Bank of Joliet account. We still have a couple agencies we are working with to get the ACH's transferred over to the Bank of Joliet, therefore, the "other" category on the financials is not a true representation of expenses.

Motion: To instruct the bookkeeper to file the treasurer's financial report for audit.

By: Jeffrey McDowell

Second: Katie Callahan

Action: Carried

Revolving Loan Fund Manager/Bookkeeper – Jillann Knutson

Revolving Loan Fund (RLF)

The Revolving Loan Fund had one of its loans payoff and they are opening at a new location in Laurel. The RLF committee approved two new loans: the Big Timber Martin Theatre and the Bear of All Time Gallery located in the Custer Battlefield Trading Post at Crow Agency.

Update -

EDA is requesting the Beartooth RC&D to revamp and rewrite our RLF funding plan. This is to be done every 2 years. The RLF committee met and came up with some good changes and suggestions for collections and ways to go forward with the RLF. We will be submitting this to EDA next week for their approval. Once EDA has approved the revisions, they will be presented to the Beartooth Board of Directors for approval.

Economic Development Director – Chris Mehus

Rangeriders

Mehus submitted a request for assistance to continue working with the Big Timber Grade School Hoof Beats To Excellence program. Located on a ranch near Bridger Creek, this program would utilize our 501(c)3 status to apply for grants and for start up to get their program off the ground. This program meets the RC&D's mission and objectives to do so. This group applied for their own 501(c)(3) status, but is designed to help students gain self-confidence and the skills to communicate better through working with horses. The program is in its third year and has been well received. They also do work with youth, disabled people, adults who have issues or problems in their marriage. Egan and Mehus met with their board of directors to help them come up with a mission statement, vision plan and business model. Gomer commented on how successful and beneficial horse therapy has proven to be for troubled youth at the Yellowstone Boys & Girls ranch. This has had a positive influence on helping youth with issues to learn control of themselves.

Motion: To accept the Rangeriders as a project and allow them to use our 501(c)(3) status to get started and apply for grant funding.

By: Katie Callahan

Second: Ken Gomer

Action: Carried

Stillwater Valley Watershed Council

This group has requested assistance for help with startup and using our 501(c)(3) status until they get operating on their own. They originally started as a weed group and are expanding their scope to include riparian zones, wildlife issues, irrigation projects, etc. Kramer stated they have really expanded and brought in more people and are working on getting their own non-profit status. They have now organized themselves with a direction, mission statement and have drawn up their bylaws. Lawrence stated that this group has expanded from just a weed group to a watershed group to enable them more funding options. This group worked with the Conservation District in the past and it was more of a capacity issue for the district, the amount of work they were looking to do and the different type of projects they wanted to work on that they decided to approach the RC&D for assistance. VanOosten was very supportive of the effort this group has put forward, the work they have done to organize themselves and the desire to get the work done.

Motion: To accept the Stillwater Valley Watershed Council as a project.

By: Bob Van Oosten

Second: Ken Gomer

Action: Carried

It was brought up in the audit and there has been some previous discussion about allowing other groups to use our 501(c)(3) status to help with their funding. As long as these are temporary arrangements and these groups meet the RC&D's mission and objectives, we will continue to assist them until they can get their own identity established. Arveschoug asked if we tracked our time spent on projects such as this. We do collect administrative fees for our work on these projects and encourage these groups to get their own non-profit status as soon as possible.

Project Update –

With Rural Business Education funding, the QuickBooks class held in Big Timber was very successful. Mehus thanked Kramer for finding such an outstanding instructor for the class. She was a very valuable resource for business people and has helped many businesses in the area to get good information from their financial statements.

The next Bridging Cultures Committee meeting will be held on August 20th during the Crow Fair. If you are interested in attending, please contact the RC&D for directions. This is a group of people made up of: tribal government officials, Little Big Horn College, Job Service, Big Sky EDA, Billings Chamber of Commerce and other business people who meet quarterly to discuss a variety of issues on communication of economic development and projects, promote understanding on cultural diversity and providing opportunities for partnerships.

There was an unexpected maintenance expense for the RC&D vehicle. The fly wheel is broke and the estimated cost of repairs is \$650.00.

Housing Program – Diana Spint

Spint discussed the Community Housing Development Organization (CHDO) application. It is nearly complete. By receiving CHDO certification, it could open up new opportunities for growth within the housing program at Beartooth RC&D and serve the need for this assistance, especially in the rural areas. Spint will be sending emails to board members with questions concerning what your duties are in your area and if it in anyway relates to serving low income households. This will help to determine how our board is structured in regards to our CHDO application.

In June, Spint attended the state housing conference in Helena and made some good contacts. She is working to form a collaborative group with the City of Billings, HRDC and homeWORD®, to apply for bulk funding to support and grow our programs and try to reach people sooner in the homeownership process and better assist them.

The City of Laurel, unfortunately, had to send their remaining funds back to the Department of Commerce as they did not have a Clerk and Recorder to administer their housing down payment funds. Once they have a Clerk and Recorder, we will go back to them and if Beartooth can contract to package their applications. The city would still have track the funds for the program. The City of Laurel will also need and updated Housing Plan as the last one was completed in 1996.

The homebuyer class participants were down in June and Spint has had about 2 new foreclosure clients a month, hopefully by collaborating with the other housing organizations in the area we can reach more people, get the word out about the services we provide and increase participation. Beartooth will receive a scanner that NeighborWorks® Montana received grant funding to purchase. The scanner will allow financial documents for the Foreclosure Counseling clients to be scanned and saved to a loanport in one central location to improve communication with participating loan servicers.

Spint has started the application for Beartooth RC&D to become a certified HUD Counseling Agency If NW were to run out of funding of services, Beartooth would be allowed to market our counseling services for other funding opportunities.

AG Program Technician – Joel Bertolino

Harwood Enterprises

This is a vegetation control business in Joliet in its second year. The owner has requested help with marketing his business. He took a Fastrac course in Billings and developed his business plan. Bertolino was able to help secure this business with a Rural Business Enterprise Grant to develop his marketing plan and materials to increase business.

Motion: To accept Harwood Enterprises as a project and continue working with him.

By: Steve Arveschoug

Second: Katie Callahan

Action: Carried

Das Kuchenhaus Bakery

This small bakery business is looking for help with signage, advertising, developing a marketing plan and materials. They would like to market their kuchen baked items at the Farmer's Market and around the Billings area, thus increasing profitability. Bertolino has helped them to secure a Rural Business Enterprise Grant through Rural Development to implement a marketing strategy.

Motion: To accept Das Kuchenhaus Bakery as a project and continue working with them.

By: Ken Gomer

Second: Jeffrey McDowell

Action: Carried

Project Updates

Bertolino assisted the administrators for the state Department of Agriculture in submitting a Rural Business Opportunities Grant (RBOG) application on behalf of all the Food and Ag Development Centers program for strategic planning and a five year marketing plan for our statewide program with all the centers. We developed a Rural Microentrepreneur Assistance Plan (RMAP) for Rural Development for microlending and technical assistance to market their Intermediary Relending Program (IRP) funds. These revolving loan funds would be marketed more specifically to Food and Ag Center clients

Bertolino will continue to work with The Lavender Bundle store in Red Lodge to put together a GTA grant to hire a consultant who specializes in growing lavender.

The Laurel Movie Haus' proposal for a Big Sky Trust Fund Grant (BSTF) was accepted and approved for architectural planning. They have hired an engineer who is developing an architectural plan and costs to renovate and revitalize the old JC Penney building in Laurel into a movie house.

Montana Cattle Company's Big Sky Trust Fund (BSTF) grant proposal was approved and accepted for business planning. They were also approved for a Growth Through Agriculture grant to purchase pieces of equipment for their smaller facility.

In May, Bertolino submitted an application for the Renewable Resource Grant and Loan (RRGL) Program to the Department of Natural Resources and Conservation (DNRC) on behalf of the Pleasant Valley Canal water users. The engineering firm is still reviewing the applications and sent a list of items to be answered. Bertolino is working with the engineer to clarify and answer their questions.

NRCS – Carla Lawrence

Update

Beartooth RC&D had fulfilled a commitment, which was pledged in 2006 to assist The Friends of the Beartooth All-American Road with in-kind assistance to print a membership mailing for the organization. After meeting with their current Project Coordinator, Lynn Jackson, the RC&D honored this commitment to their organization. Lawrence and Weber assisted with this project and it has been completed.

Knutson and Lawrence continue to work with the Absaroka-Beartooth Wilderness Foundation (ABWF) to assist with using our 501(c)(3) status as a pass through account for their funding in an effort modeled after the Bob Marshall Wilderness project. They are working toward gaining their own 501(c)(3) status for their organization.

Lawrence has been working with the staff to update POINTS, this is a progress tracking system for land and water resources benefitted by RC&D projects as well as local businesses created or retained, number of jobs created or retained to provide to the legislature and is critical for program accountability and sustainability.

The budget for RC&D's nationally, has been reinstated by Congress at level funding. This is following the program being zeroed out in the President's budget.

Egan, Carter, Knutson and Lawrence attended the State Association RC&D meeting in Havre in June. There wasn't a quorum of membership to hold a meeting. They all attended the Open Meeting Law presentation to ensure our organization is in compliance in this area. In Montana this law is much more defined.

Lawrence and Van Oosten both attended a meeting in Stillwater County with the Conservation District and NRCS staff. There is a new planning team at the NRCS state office that will focus on larger projects in an area, which will free up the field staff. Stillwater County is one of the focus areas along the Stillwater River. This group will identify and provide information and training to protect waters from possible non-point source pollution from Concentrated Animal Feeding Operations (CAFO) and Animal Feeding Operations (AFO).

Forester – Dick Rath

Update

Rath reported the fuels program has been very active in Carbon County. They are working with the Forest Service and fire department to scope and plan several new projects in the Red Lodge area, including a fairly large project in conjunction with Red Lodge Mountain Ski Resort. We just completed a project that involved clearing throughout the entire loop road in the Grizzly Peak subdivision.

A new project has been identified for two developments in the Sheep Mountain Subdivision. This will likely become a large-scale thinning and harvest project involving a contract forester and logging contractor.

Activity in Stillwater County has also been fast and furious. The fire department has hired a new person to lead the effort to market the program and perform fuels hazard home assessments. We are working with two larger ranch projects as well as many projects protecting individual homes in subdivisions across the county.

Sweetgrass County has hired a crew to clear right-of-ways in key strategic fire-prone areas. This effort is identified as a priority in their county fuels mitigation plan.

Big Horn County is looking to purchase a skid steer attachment to clear brush along county road right-of-ways. Beartooth RC&D is looking into funding through BLM to assist with this mitigation work.

Rath passed out a brochure "Bark Beetles. They're Back!! Are Your Trees at Risk?" provided by the Forest Service. The publication discusses many species of bark beetles causing widespread tree mortality in the forests of the Western U.S. The visible results of this beetle infestation can be seen in the Helena area and in pine trees where the crowns are dying. Rath discussed how these bark beetle populations have increased, the damage caused by the beetles and how our forests are threatened by these insect attacks. Please contact the RC&D for additional copies of this publication.

Special Guest

Matt Wilcox is the new Executive Director of Firesafe Montana. This is a grassroots non-profit organization that helps the communities to access help, mitigation dollars and resources to help make their neighborhoods, homes and communities safe from wildfire threats. Dick Rath currently serves as the chairman of this statewide coordination group.

Announcements – Miscellaneous

Project List

We assisted Carbon County to participate in a feasibility study for St. John's to put in a new 24-unit assisted living facility on the Beartooth Hospital campus. We were successful in securing \$600,000 in grant funding for a CT Scanner for the hospital. Mehus reported that we are still waiting on the final announcement from Rural Development on Guaranteed Loan Financing to start the project. They hope to get started on the project in August.

Egan presented a tentative Board Meeting schedule with the meeting dates and locations to all members present. This schedule will cover the remainder of 2010 and 2011. The goal is to make meeting locations convenient for all board members to attend and to be held in all five of the counties we serve. Future meeting notices will be posted on the Beartooth RC&D website and an electronic copy will be sent out to all members as well.

Next Scheduled Board Meeting- September 16, 2010 to be held in Crow Agency. Location to be announced.

Adjournment: 7:45 p.m.

Respectfully Submitted,

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