

	<p>Livestock Loss Board March 11, 2015 Board Meeting Helena MT</p> <p>Meeting Minutes</p>
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Livestock Loss Board Members Present:

Elaine Allestad - Chairperson
Whitney Klasna
Jim Cross
Seth Wilson

Staff: George Edwards – Executive Secretary

Guests: Kraig Glazier – USDA Wildlife Services
Tye Smucker – FWP
Nathan Lance – FWP
Mark Robinson – Rancher
Matt Barnes – Keystone Conservation
Dave Schulz – Madison County Commissioner
Tana Nulph- BHWC

Call to Order and Administrative Items:

Chair Elaine Allestad called the meeting to order at 1:00 p.m.

Introductions:

- Each board member and board staff introduced themselves.
- Chair Elaine Allestad asked the audience members to introduce themselves and encouraged public comment.

Board Minutes:

Board members reviewed the December 4, 2014 minutes. **Motion:** Jim Cross made a motion to approve the minutes. Whitney Klasna seconded the motion. **Discussion:** Whitney pointed out a word that needed to be corrected on page 4 of the minutes. **Vote:** All in favor, none opposed. Motion carried.

Reports:

George Edwards, Executive Secretary – Mr. Edwards said he has been doing fiscal notes for the Department of Livestock to help them out. He has spent quite a bit of time attending and speaking at legislative hearings.

Claims for 2015 have started out very slow up until this past week when claims came in for five head from one producer.

He is working on finalizing a final report for the 2014 federal grant. Ms. Allestad asked if all the grantees turned in their reports. Mr. Edwards said they had. Mr. Wilson asked about the license plate fund. Mr. Edwards said he had followed up on the figures given to him by Department of Livestock accounting staff. He said the board is not receiving \$16,666 each month which he reported in December as not appearing correct. The board has received \$12,995 since license plate sales began. Each year the board receives about \$4,500.

Kraig Glazier – USDA Wildlife Services – Mr. Glazier said depredation investigation and responses have been slow so far this year. Grizzly bears are still hibernating. Wildlife Services confirmed a calf was killed yesterday in the Bitterroot. This was the second loss for the producer this year. He said they are now in their busy time because of calving and lambing due to coyote work.

Nathan Lance – FWP – Mr. Lance said depredation does appear to be slowing down in his area (Southwest Montana). They are working on their annual report to the federal government. Wolf harvest during this past hunting season was down.

Dave Shulz stated that two years ago FWP and Wildlife Services wrote a wolf protocol to make responses easier. Mr. Glazier said the protocol has made a huge difference in work load and producers are happier. Mr. Lance said at the field level it appears to be working.

Grant Applications:

Board Discussion on Processes: Ms. Allestad said during the last board meeting the board went over grant processes. She would like the grants to be set on a reimbursement basis instead of cash up front. Ms. Klasna said this may be needed especially after attending the Senate Finance and Claims meeting yesterday. They were concerned about possible fraud. A member of the committee implied the grantees could get the money with no true accounting how the money was spent.

Motion: Whitney Klasna made a motion to adopt reimbursement as policy for the purpose of discussion. Jim Cross seconded the motion. **Discussion:** Seth Wilson stated his concern as an NGO if small having enough money to begin a

project is tricky. He stated a hybrid route with half the funds up front and the rest half way through to ease the burden. Elaine Allestad said she was surprised the federal funds didn't require reimbursement as most federal grant do. Mr. Wilson said there are ways to make it easier by doing funds quarterly. Ms. Allestad said for weed projects you do the job first, supply receipts and then you get the money. George Edwards asked Dave Shulz how his county works grants. Mr. Shulz said he agrees with the reason on the table but also sees Mr. Wilson's point. He said grants are managed all over the board. He does see a need for accountability. Ms. Allestad said she likes public comment during discussions but reserves the right to limit it. Jim Cross said rather than giving the money up front the board should look at partial payments over time with a report during the process. Give the grant applicant some money and then have them report back. Ms. Allestad suggested one quarter up front with a report at the end of the quarter before sending additional funds. Mr. Wilson said it's not unreasonable to ask for a progress report. He likes the board's current application for it's simplicity. Mr. Wilson made a motion for a method that encourages fiscal responsibility with a report process and midterm payment and then a report with a final payment. Mr. Edwards stated there was already a motion on the table. He asked if this was a friendly amendment. Mr. Cross said either accept or reject the first motion. Ms. Klasna said the original motion was for grantees to do the work first and then submit documents for payment. Mr. Wilson asked what form of payment schedule is appropriate. Ms. Klasna said quarterly would be easiest. Ms. Allestad said to deal with the first motion. Mr. Cross suggested offering a friendly amendment to the first motion. Mr. Wilson agreed, one quarter payment upfront with a midway progress report from the applicant before the next payment. Mr. Cross agreed with the one quarter but asked how much money upfront, we need a standard. Ms. Allestad said one quarter upfront the report, if complied the second one quarter. Mr. Wilson asked breaking the period into quarters or thirds. Mr. Cross would like to be able to issue funds up front so the applicant is not indebted. Ms. Allestad said the quarters should be June 30th, September 30th and December 31st. Mr. Wilson said in the non-profit world it is common to get the full amount or at least half which is important to small organizations. Ms. Allestad is concerned the board could get a black eye if the money is not carefully distributed. Mr. Wilson suggested giving the applicants one third upfront and the next amounts each quarter. Matt Barnes stated his organization has been getting money upfront. Mr. Wilson believes the board could avoid a black eye by providing some funds upfront to get started. He suggested one third of the award. Ms. Allestad stated one third would work. She said the board could issue one third upfront with a report by June 30th to keep getting fund. If the applicant provides proof of completion prior to any of the quarters they may be eligible to receive the next payment or even the balance of the funds if the project is completed. Mr. Wilson said showing the match is ok, it's more paperwork but he is fine with midway and a final report. Dave Schulz stated the board isn't asking for a bibliography, just a paragraph which is very important with legislators watching the program. Tana Nulph said she likes the multiple

reports and it works for BHWC. Mr. Cross called for a vote defeating the motion on the table.

Vote: All opposed the motion. Motion failed.

Motion: James Cross made a motion to award one third of the grant funds upfront with a required report due June 30th, September 30th and December 31st prior to additional funds going out. Funds may be issued prior to the quarter if the applicant can show verifiable matching funds at the end of each quarter. Seth Wilson seconded the motion. **Discussion:** None. **Vote:** All in favor, none opposed. Motion carried.

Grant Applications: A general discussion occurred prior to reviewing each application. Ms. Allestad announced that the board had an opportunity to review all of the applications. Mr. Cross said the board had adopted basic qualifications at last year's grant meeting and likes them. Ms. Allestad explained to those in attendance that the board individually ranks the applications then all board members discuss them.

Board members discussed aspects of all of the applications but did not assign awards until later in the meeting.

- **Miller Colony:** Ms. Allestad asked the board if Miller Colony's application met their questions. All responded yes. Mr. Cross stated it seems like we provide dog food, when do we own the dog. Ms. Klasna said it's in state law. All board members initially approve providing \$280 to Miller Colony from the grizzly bear fund.
- **Madison County:** Ms. Klasna said this was one of her top picks and would like to fully fund. Ms. Allestad and Mr. Cross agreed. This site borders the Twin Bridges airport. Mr. Wilson asked Mr. Schulz about the site and possible placing a net over the composting area. Mr. Schulz stated the reason this is a priority site is that it is near most of the ranches that would use it but the airport is an issue. He went on to say the value of this project is county operated and both FWP, Wildlife Services, and conservation groups are all working together.
- **Big Hole Watershed Committee:** Ms. Allestad had questions on this project. Her concerns are based on range riders that were used in her area where wolves were pushed onto neighboring ranches. Stillwater County ranchers said that project was a failure because wolves were moved off of some ranches and onto others. Nathan Lance said he hasn't heard of that complaint in the Big Hole. He said their current program is working well and there is a desire to expand it. Tana Nulph said they are requesting to put on an additional range rider based on neighboring ranches.
- **Keystone Conservation:** Ms. Allestad said she had a lot of questions concerning this application. She didn't rank this one as high as others and

asked the board to discuss what they liked or disliked. Mr. Cross asked what is twice over rotation. Matt Barnes said each pasture gets used twice. Ms. Klasna asked how many claims are paid in this area. Mr. Edwards responded that Glacier County had the highest predation rate in 2014. Ms. Allestad said there is no doubt that this area has problems but this project doesn't cover multiple producers. Ty Smucker said FWP staff have discussed what works best and came up with range riders and carcass removal at the top. Mr. Wilson was wondering how neighboring ranches will perceive the project. Mr. Barnes said he doesn't know. He said his project is all about changing animal behavior by trying to train cows to keep calves close.

- **Mark Robinson:** Ms. Klasna's concern with this request is the number of animals covered with only 75 animals covered for \$26,000. The return on investment. She is willing to fund parts of the project but not full funding. Ms. Allestad asked if Mr. Robinson is being paid to graze goats. Mr. Robinson said all grazing occurs on two properties consisting of 1,000 acres but it is not being done for monetary gain. Ms. Allestad asked why so many dogs? Mr. Robinson said he started with two dogs and they had a litter. He kept all the dogs as his herd expands and needs a pack of dogs to protect against a pack of wolves. Mr. Cross asked him what he expects to achieve. Mr. Robinson is looking for data to understand how dogs stay with a group of goats. He said GPS units will help track behavior and help to determine how many dogs are needed. Ms. Klasna asked if there is wolf predation in his area. Mr. Barnes said there are a pack of wolves around the ranch as well as mountain lions. Mr. Glazier said there definitely are predators in the area. Mr. Lance stated the risk is there and Mr. Robinson is doing the right thing.
- **Granite Conservation District:** Ms. Allestad did not rank this project as high as others. Mr. Cross liked this project because it is successful and ongoing. Mr. Edwards said the board used to get a lot of claims from this area. Since beginning their carcass removal program claims have been greatly reduced. Mr. Glazier said the project covers a large area and a lot of producers.
- **Tom Miner Basin Association:** Ms. Allestad said she has concerns about this project. Mr. Edwards asked Mr. Barnes if he knew if Abby Nelson with FWP was helping with the project. Mr. Barnes said she is. The project covers about 2,000 head of cattle on two to three ranches and occasionally on neighboring ranches. Mr. Wilson said this is a high risk area. He applauds the efforts, trying new things and their use of multiple tools. Mr. Edwards participated in a loss prevention meeting where he was told they have access to a lot of money. Mr. Barnes said they have received funding from Keystone Conservation, NRDC, Defenders of Wildlife and other NGO's. Ms. Allestad wondered how much funding is getting on the ground and feels this project should receive partial funding.
- **Centennial Valley Association:** Ms. Allestad marked this project as a top priority because of the area covered and the numbers of livestock. Mr.

Cross had questions on the range rider section because of the wage they were going to provide. He asked if this concerns other board members. Mr. Wilson said it appears to be clear where the funds are applied. Ms. Allestad said the project is so big it is not clear where cuts would be made if not fully funded. Board members in general spoke about carcass removal and stated the application is vague on this issue.

- **Blackfoot Challenge:** Mr. Wilson recused himself from the discussion other than to answer questions. Mr. Cross said this is one of the initial projects the board funded and is a model for others to follow. Ms. Klasna said they have proven success mitigating losses. Ms. Allestad said this project has shown a lot of success. She went on to say how many years should it be funded before weaning off. Mr. Wilson said many foundations do that.
- **Skunk Creek Co:** Ms. Allestad said she has a real problem with this application. It lacked a lot for documentation such as did or did they not have a match for fencing. Along those lines they might do a delayed turnout or maybe not. Mr. Wilson agreed with Ms. Allestad. Mr. Cross said maybe they should only receive partial funding. Ms. Allestad stated based on the application the board should reject it as incomplete. Ms. Klasna agreed. Ty Smucker said he wished the applicant would have asked for help. He thought the applicant was working with someone to develop a proposal. Mr. Wilson said as an example the applicant just put down XX in kind. It appeared to be unfinished and looks like a draft. Mr. Smucker stated this is in a critical area for both wolf and grizzly bear problems. Mr. Wilson said the board should encourage applicants to not be discouraged and to reapply when funds are available.

Board members discussed all of the applications together. \$125,000 was available but the requests totaled \$185,825. Mr. Edwards suggested the board could dedicate the \$25,000 in grizzly funding first and then a lot the wolf funding. Ms. Klasna said the Blackfoot Challenge stands out for grizzly funding to continue their carcass removal. Ms. Allestad said an idea for discussion would be using a percentage for some but the Robinson application was too high. Mr. Wilson suggested adjusting it down. Ms. Klasna said the board should make adjustments before applying percentages. Ms. Allestad was looking at reducing Mr. Robinson's application to \$5,000. Ms. Klasna agreed. Mr. Edwards asked if he should divide the remaining grizzly money evenly for Keystone, Centennial, Tom Miner and Blackfoot. Board members agreed. Ms. Allestad asked for a motion on the concept of using percentages as all of the applications have merit. Mr. Edwards asked if this means subtracting the grizzly money from the percentages. Ms. Klasna said no one gets their full ask except for Miller Colony and Granite Conservation District.

Motion: Seth Wilson made a motion to adjust each ask to a percentage of the total ask minus the grizzly money for the grant awards. Additionally, the grizzly money apportioned first then the remainder will be a percentage of the percent

total request other than Miller Colony, Mark Robinson and Granite Conservation District. Jim Cross seconded the motion. **Discussion:** Elaine Allestad stated \$280 for Miller Colony then the remaining four applicants with grizzlies will get \$6,180 each. Skunk Creek Co will not receive funding and Robinson will be reduced to \$5,000. She then said to use a percentage of each project total dollars, then take a percentage of overage to reduce each project. **Vote:** Mr. Wilson withdrew his motion.

Motion: Seth Wilson made a motion to fully fund Granite County Conservation District using wolf money, fully fund Miller Colony using grizzly money, reduce Mark Robinson award to \$5,000, then allocate remaining grizzly money to Keystone Conservation, Centennial Valley Association, Tom Miner Basin Association and Blackfoot Challenge. The remaining \$92,800 wolf money will be allocated at a percentage of the total request after the grizzly money is subtracted. Using a percentage of the remaining wolf funds based on a percentage of the remaining total. Whitney Klasna seconded the motion. **Discussion:** No further discussion was offered. **Vote:** All in favor, none opposed. Motion carried.

Motion: Seth Wilson made a motion to activate the specialty license plate funds to make them available to the board at a later time. Whitney Klasna seconded the motion. **Discussion:** None. **Vote:** All in favor, none opposed. Motion carried.

Old Business:

Legislation/Legislature: Mr. Edwards informed the board about a hearing on SB 210, the mountain lion bill would be tomorrow. This bill has already passed the senate. It now goes to the house for hearings. The bill would add \$50,000 to the board's account to pay death loss claims. Mr. Wilson, Ms. Klasna and Mr. Edwards attended a hearing for HB 145 in Senate Finance and Claims committee. Committee members cut the original request of \$400,000 down to \$200,000 with a provision to rollover existing funds in the death loss account to a new account for prevention. Mr. Wilson said he believes the legislator's rationale is to prevent haphazard spending. Mr. Edwards said there will be amendments offered to the bill during executive action which will result in additional hearings.

New Business:

Board Meeting Date – Ms. Allestad said she would like to see the next board meeting near one of the grant projects. Mr. Edwards said Madison County has offered their new building in Virginia City. Mr. Wilson advised the board that he will be leaving to work in Europe for eleven months in August. He asked about possibly using Skype during his absence. Mr. Edwards said he does not have a camera available for Skype. All board members stated the next meeting will need to be after July 8th. Ms. Allestad suggested a listening session the evening before

the meeting, a tour of Madison Counties site in the morning and the meeting in the afternoon.

Public Comment: Mark Robinson thanked the board and applauds them for their efforts in loss prevention work..

Motion: Whitney Klasna made a motion to adjourn. Seth Wilson seconded the motion. **Adjourned**

DATED this 10 day of July, 2015

Elaine K. Allestad

Elaine Allestad, Chairman
Montana Livestock Loss Board