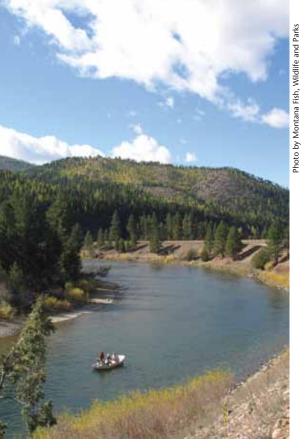


2009 Annual Report



Community Cooperation Conservation

For nearly two decades, the Blackfoot Challenge has been **BUILDING TRUST AND FORGING PARTNERSHIPS** between public and private landowners in this remarkable watershed. The mosaic pattern of ownership and diverse interests was the inspiration for our name, but rather than a "challenge" it became an "opportunity" to bring people together.

At a time when divisive partisan politics has all but ended civilized public discourse, I'm proud to say that the Blackfoot

Challenge works quietly and effectively to develop consensus among the diverse stakeholders. Conflict might sell, but consensus lasts. The Blackfoot Challenge has become a national model for others concerned about healthy communities and natural resource conservation.

Whether your interest in the Blackfoot Watershed is as a landowner, a public partner, a recreationist – or all three – take a look around: you'll see that we've managed to keep our landscape intact and working.

But the challenge remains. Shifting demographics, wildlife management, and economic pressures all pose substantial hurdles. We are inspired, and in fact we are more determined than ever, to continue to find the common ground between us: our love for the land and our respect for those who live, work and recreate here. Together, we can ensure that the Blackfoot Watershed remains the pride of western Montana, and an opportunity for others.



Jim Stone extolling the virtues of weed control on the Partners Tour.

I invite you to read about our many successes of the past year, and to join us in achieving more in 2010.

Jim Stone, Chair of the Blackfoot Challenge

Photo by Bruce Andre



Front Cover Photo by Meghan Brown

Our **story** began in the early 1970s, when landowners along the Blackfoot River started gathering community support for conservation and sharing the resource through public and private partnerships. At the time, that was a far-sighted idea, especially in a state known for its rugged individualism. But the consensus approach was so effective that in 1993, they officially formed the Blackfoot Challenge. Our mission: to coordinate efforts that conserve and enhance the natural resources and rural way of life throughout the watershed.

The Blackfoot Challenge's successes have gone way beyond what we ever envisioned, but we've kept the same approach: always involve the good people and working communities from all parts of this watershed.

Land Lindbergh, first Board Chair of the Challenge



Each year we welcome thousands of people on tours and at presentations, such as the one shown here at the Sawbuck Ranch in Lincoln.

Our approach is to provide regular **communication** about natural resource stewardship. Run by a volunteer board of private landowners, federal and state land managers, and local government officials, we follow a consensus-based model, involving all watershed landowners and managers, and coordinating partnerships and resources to benefit the Blackfoot Watershed.

The Blackfoot Watershed of western Montana lies within the only ecosystem in the lower 48 states with a full complement of wildlife that inhabited the valley when the Lewis and Clark Expedition followed the buffalo trail up the Blackfoot River in 1806.

> M. Sanjayan, Ph.D., Lead Scientist for The Nature Conservancy

Where We Work

- 1.5 Million acres
- 132 Miles of the Blackfoot River
- 7 Rural communities
- 8,100 Residents
- 7,000 Elk
- 25-35 Wolves
- 20-30 Grizzly bears



Conservation Strategies Greg Neudecker, Chair Ali Duvall, Coordinator Brad Weltzien. Land Steward Hank Goetz. Land Director Alicia Vanderheiden. BCP Coordinator

Education

Racene Friede. Chair Nancy Schwalm, Coordinator

- Executive lim Stone. Chair Racene Friede. Chair Outreach Garv Burnett. Executive Director
- Forestry Denny Iverson, Chair Gary Burnett, Interim Coordinator
- Water Resources David Mannix, Chair Harry Poett, Chair Drought Response Brian McDonald. Coordinator
- Weeds Jim Stone, Chair Ali Duvall. Coordinator
- Wildlife Greg Neudecker, Chair Seth Wilson, Coordinator

Who We Are

- 2,625 People reached
- 1,297 Members
- 320 Volunteers

Stew Schwartz, landowner of the Sauerkraut Creek restoration project.

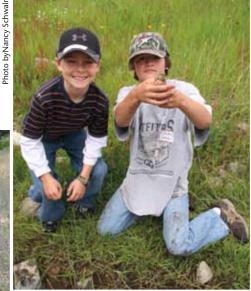
Community

Educating All Ages

Education is key to the future of our watershed, because today's youth will be tomorrow's land stewards.







Hands-on learning at our tenth annual Youth Field Day focused on Transportation Through the Ages: a look through time at how wind, water, weeds and wildlife are transported.

Youth Field Day is a learning experience for our students and for us! I didn't know that Ponderosa pines smelled like butterscotch, how to use a GPS, or how to load a pack mule until we learned during Youth Field Days!

> Annette Gardner, 5th grade teacher at Lincoln School



Our new Adopt-A-Swan program for middle-schoolers was an instant hit.

Follow the swans at <u>www.blackfootchallenge.org/swanproject/</u>

Who We Educate

- 135 Pre-schoolers attending monthly pre-K days
- 100 3rd & 4th graders in the Wiley Weasel program
- 150 5th & 6th graders involved at Youth Field Days
- 155 7th and 8th graders participating in the Adopt-a-Swan program
- 33 High school students at the Montana Natural Resources Youth Camp
- 200 Adults in hands-on workshops and weed education

Working with Powell County, we hosted a biocontrol field workshop, weed mapping/GPS training and provided weed-education resources to schools and landowners.

Upholding Community Values

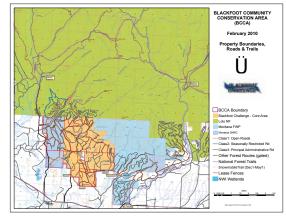
What makes the Blackfoot Challenge unique, and helps ensure that our watershed remains intact, is that we listen to the people who live here.



Members of the citizen's council reviewing plans to restore native parks and grasslands on the Blackfoot Community Conservation Area. Despite widely differing perspectives, the council developed a citizen-led management plan to benefit the community. We're making tremendous progress encompassing rest-rotation grazing, improved forest health, grassland restoration, weed management and stream restoration.

Gary Aitken Blackfoot Community Conservation Area Council Chair

The Blackfoot Community Conservation Area is an innovative project involving community forest ownership and cooperative ecosystem management across public and private lands.



The Blackfoot Community Conservation Area at a Glance

- 41,000 Acres of cooperatively managed public and private land
- 5,609 Acres of private land with open hunting access
- 3,000 Acres under new rest rotation system to improve range condition
- 70 Acres controlled for weeds
- 140 Acres of private forested land thinned to create a fire safety zone
- 300 Acres of public forest land restored

Photo by Steve Kloetzel

At the heart of the 1.5 million acre Blackfoot Watershed, the Blackfoot Community Conservation Area encompasses an important transition zone between wilderness, national forest and productive private valley bottoms.

Cooperation

Protecting Livestock and Wildlife

By keeping predators at a distance though a host of projects, we're reducing conflicts, saving both livestock and wildlife.

> In 2009, we hired our first full-time range rider (shown here tracking wolf locations) to monitor and alert ranchers about wolf activity. Our neighborhood network spreads the word, too, so residents can take appropriate action to protect their livestock.



I appreciate the role the Blackfoot Challenge plays in supporting our management efforts by bringing folks together in an atmosphere of open and productive communication.

> Liz Bradley, Montana FWP Wolf Management Specialist





Our innovative carcass removal program ensures that dead livestock are removed before they attract predators.

Livestock and Wildlife

- 339 Livestock carcasses removed
- 50,000 Feet of electric fence protect calving areas and beehives
 - 93 Percent reduction in grizzly bear conflicts from 2003-2009
 - 1,700 Carcasses removed from 50 ranches since program began
 - 1 Full-time range rider
- 120 Residents in neighborhood network

Photo by Seth Wilson



bears and wolves from killing livestock, we're building electric fences around calving areas.

To deter grizzly

Caring for the land

Wildfire plays an important role in a healthy ecosystem. But we also need to ensure that we reduce the risk of fire around our communities. Weeds are another constant challenge that requires a cooperative effort to solve.



Forests and Weeds Across Fence Lines

- 50 Partners at Annual Weed Meeting
 - 1 Weed Management Report
- 5 Miles of defense for fire protection
- 2,500 Acres forest restoration proposed
- 22 Structures protected
- 1 Blackfoot Cooperative Conservation Agreement

The Blackfoot Challenge brings new energy and innovative, community-based leadership to forest restoration.

> Gordy Sanders, Pyramid Mountain Lumber Company



Our success developing cooperation between public and private landowners has attracted the attention of a ground-breaking effort by the state and federal government to develop a landscape-level fire management and forest restoration plan.

Through our vegetation management areas and other cooperative agreements, we're working to control noxious weed infestations, such as this area of leafy spurge pictured above.



We served on two working groups of the Montana Forest Restoration Committee, a unique collaborative effort that brings everyone to the table to restore our national forests.

Who we Partner With

- 160 Private landowners
- 20 Federal, state and county agencies
- 30 Businesses
- 30 Non-profits

Conservation

Keeping Our Watershed Healthy

Rural communities are dependent on healthy landscapes, and vice-versa. That's why we're working to keep them connected.

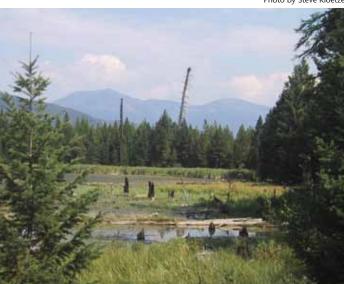


Photo by Steve Kloetzel

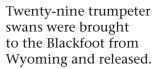
We received \$1 million from a North American Wetland and Conservation Act grant to conserve wetlands.



hoto by Nancy Schwal

We're thrilled that the Blackfoot is again home to the trumpeter swan.

Louie Bouma, Mill Owner



We coordinated a local working group that helped persuade the state to purchase a portion of the 310,000 Montana Legacy Project.

Together with the Nature Conservancy, and at the request of the community, we transferred over 8,000 acres of former Plum Creek Timber Company land to new public and private conservation ownerships.



What we've done

- 8,000 Acres transferred to new conservation owners
- 110.000 Acres now under conservation easement
- 1 million Dollars to conserve wetlands
- 26,000 Acres approved for State purchase ٠
 - 29 Trumpeter swans released
 - 12 Trumpeter swans returned
- 5,000 Acres of agricultural land enhanced

Photo © JSalisbury 2010

Ensuring a Better Future

The more we understand about where we live, the more likely we are to be able to sustain our rural way of life.

Working with the Montana Department of Environmental Quality, we collected water quality data in the lower Blackfoot for the development of total maximum daily loads and water quality restoration plans, which are required by the federal government.

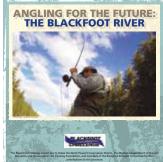
Working with Trout Unlimited, we completed a watershed "sub-basin plan" that is critical for future funding to address conservation strategies and monitoring efforts.

Photo by Steve Kloetzel



We are studying riparian vegetation as a critical component of water quality and native fish recovery efforts. After rebuilding our pumps, we're saving money on electricity costs and able to better manage our water. The Irrigation Efficiency Program has been good for us and can help a lot of other people, too.

> Sam Bignell, Blackfoot Rancher



We produced and distributed a drought response brochure that stresses the importance of participation by all water users.



Together with our partners, the North Powell Conservation District, Missoula Electric Cooperative, and the Montana Department of Natural Resources and Conservation (DNRC), we're helping to evaluate irrigation systems and promoting efficient use of energy.

Water works

- 1 Drought response brochure produced
 - 5 Partners completing the Poorman Creek Bridge project
- 1 Lower Blackfoot TMDL completed
- 8 Riparian revegetation projects monitored
- 15 Percent of watershed's irrigation systems we've evaluated
- 116,711 Identified kWh of annual energy savings
- 49,438 kWh of energy used more efficiently through equipment upgrades



Although the majority of our projects are funded with federal and state grants, donations from foundations and individuals are critical to meet matching requirements, and often provide essential operating funds. We are grateful to the following donors whose generosity made our work possible.

Justin Ailport 🌢 American Public Land, Bruce Bugbee 🌢 Brent & Carla Anderson 🌢 Robert & Nancy Anderson 🌢 Andy Andes 🌢 Anonymous (6) 🜢 Anonymous in Honor of Barbara Haines Tokmakian & Roscoe Haines

Christin Archambault
Lou & Lila Bahin
Patrick & Bernadette Bannister
John Baucus
Im & Norma Bauer in Memory of Melvin Hamilton 🌢 Betsy Baur 🌢 Traci Bignell in Memory of Melvin Hamilton 🌢 Birds & Beasleys 🌢 Jerry & Susan Biresch 🌢 Blackfoot River Ducks Unlimited 🌢 lim & Sally Bogaert 🜢 Helen Bolle in Memory of Arnold W. Bolle 🌢 Morgan & Renata Bonar in Honor of John & Jan Farrar 🌢 Louie Bouma Patricia-Niederoest Bouta

Jennifer & Chris Boyer

Sara & Becky Boyett

Bryan & Meg Bradshaw

Joe & Cindy Bradshaw

Stan & Glenda Bradshaw ♦ The Brainerd Foundation ♦ Scott & Anne Breum ♦ Pat & Nina Brock ♦ Tom Browder & Carolyn Lewis ♦ Cooper Burchenal ♦ Margaret Burchenal in Honor of Mr. & Mrs. John J. Burchenal & Ralph & Toone Burchenal & Kathleen Burchett & Gary & Wanda Burnett & Bob Bushnell & Caroline Byrd & Jerome Cain ♦ Camas Creek Enterprises, Inc. ♦ John Cardwell ♦ The Chutney Foundation ♦ Cinnabar Foundation ♦ Clearwater River Realty, Inc. ♦ Richard Clough ♦ David Cochran 🌢 John Corkran 🌢 Pat & Kathy Curran in Memory of John Roe 🌢 Robert & Delores 🌢 Curry in Honor of Andy & Connie Erickson 🌢 Michael Czerwinski in Honor of John & Jan Farrar 🌢 John & Cheryl Dale 🜢 Fred Danforth & Carlene Larsson 🜢 Ty & Alyssa Daniels 🌢 Jim & Linda Daugherty 🜢 Scott & Kristina Davis ♦ Defenders of Wildlife ♦ John Delano in Memory of Nancy White Tunnicliff ♦ Frank & Pat DeLeo ♦ Douglas & Margaret Dellwo in Memory of Nancy White Tunnicliff & Deutsche Bank Americas Foundation & Larry & Debbie Dillree & Betty DuPont & Ali Duvall & Pen & Liz Edwards & Tim Edwards & Gayle Hudgins Edwards 🌢 Jon & Linda Ender 🌢 The Charles Engelhard Foundation 🌢 Gail Engler 🌢 Andy & Connie Erickson 🌢 Zella Erickson 🌢 John & Jan Farrar in Memory of John Roe 🌢 David Fawcett in Honor of the Potter. Erickson & Stone Families 🌢 William & Patricia Fogarty 🌢 Racene Friede 🌢 Carol Fries & Art Weiner 🜢 Bill Frings & Corie & Laurice Fritz & Warren & Virginia Frost in Honor of Scott Frost & Valerie West & Annette & Earl Gardner & James & Shirley Garison & Matt Gates & Richard & June George & Kate Godfrey & Rob Colley & Hank & Cathy Goetz & Gayle Gordon & Carolyn Goren & Granite Conservation District & Greenwing Restoration in Memory of John Roe & Lyle & Gail Grimes Charitable Foundation & Maurice Guay & Bernie Hall & Geraard Hatheway & Skip Hayes in Memory of JoAnne Hayes 🌢 Daphne Herling & Stephen Seninger 🌢 Janice & Tony Hicks 🌢 Dale & Yalanda Hinkle 🌢 Tom & Candace Hinz 🌢 Martin & Suzy Holt & Harry Houze & Pelah Hoyt & Mark Olson & Bud & Randi Hunter & Thomas Hunter & Hurlburt Farm & Forestry Inc. & Thomas Ide & Ila B Dousman Fund ♦ Denny & Charolette Iverson ♦ Doris Iverson in Memory of Leonard Iverson ♦ Katherine Janeway ♦ Todd Johnson ♦ Amber Kamps ♦ Kyle & Leigh Kelley ♦ Steve Kloetzel & Andrea Morgan & Bob & Ellen Knight & Rick & Sue Knudsen & Polk Laffoon & Rich & Sally Lane Family & Last Chance Audubon & Tony Liane ◆ Land & Janet Lindbergh in Memory of John Roe ♦ Jerome Loendorf ♦ Wendy Lofting in Honor of Bill & Betty Potter ♦ Gary Long ♦ Mack Long ♦ Tim & Donna Love & Lovett-Woodsum Charitable Foundation, Inc. & Walter Lynn in Honor of David Mannix & Gerald & Rene Lyons & Mannix Brothers, Inc. & Brent & Stacey Mannix & David & Peggy Mannix & Randy & Mo Mannix & Bert & Darlene Mannix & Mannix-Raymond Ranch, LLC & Jerry & Sharon Marks & Dan Massee
Bill Masse McNally & Maynard McPhee & Meredith Ranch & Jordan Meredythe & Monty & Betty Miller & Missoula County Rural Initiatives & Bud Moore & Kelly Moorse in Memory of Nancy Tunnicliff 🌢 Joe & Joyce Morris in Memory of Robert Cherry 🌢 Mountain West Appraisal 🌢 MT Department of Natural Resources 🌢 MT Environmental Protection Agency & MT Poverty Water Well Drilling, Mark & Bonnie Christian & Mike Murphy & National Fish & Wildlife Foundation & National Forest Foundation & Karen & Tim Neel & Doris Neudecker & Greg Neudecker & Stan & Colleen Nicholson & Paul Nisbet & Natural Resources Conservation Service & The Nature Conservancy & North Powell Conservation District & Northern Rockies Conservation Cooperative & Jerry and Deborah O'Connell & Roy O'Conner 🌢 Pat O'Herren 🌢 Patty Foresman Foundation 🌢 Lisa Pena 🜢 Jill Perelman 🌢 Ken Pitman in Honor of The Pitman Family 🌢 Plediades Foundation 🌢 Plum Creek Timber Company & Harry & Cindy Poett & Ponderosa Snow Warriors & William Portman & Wym & Jan Portman & Powell County Conservation District & PRO Outfitters, Inc. • Bob & Judy Rangitsch • RBC Blue Water Project • Rich Ranch, LLC • Rivercrest West Ranch, Jim Davis • Rocky Mountain Elk Foundation ♦ John & Sandra Roe ♦ Rolling Stone Ranch ♦ Kathie Roos & Neal Blossom ♦ Paul & Carolyn Roos ♦ Edward Rosenthal ♦ Kenton Rowe Photography ♦ Bob & Dawn Rowland

Salisbury Images

Sand County Foundation

Robert Sanders

Mary Savina

Janelle Schiller in Memory of Rich Schiller

Ezra

Nancy Schwalm & Homer & Mildred Scott Foundation & James & Christine Scott Family Foundation & Dana Scott & Seeley Lake Trucking & Charlie Sehorn in Honor of Mike Sehorn-Habitat for Humanity Missoula & Hugh & Barbara Sheehy & Ronald Shields & Murray & Robin Sinclaire & Brian & Karen Sippy & Smith's Backhoe Service, Inc. A Randy Smith & Ty & Alivia Smith & Fritz & Nancy Snideman & Thor & Lynne Stensrud & Tania Stepanian & Glendon & Joy Stocking & Louis & Ella Stoker 🜢 Jim & Colleen Stone 🌢 John & Jane Stone 🌢 Delbert & Carolyn Straub 🌢 Jim & Karen Stutzman 🌢 Bill Sullivan 🌢 Deborah Sumeriski 🌢 Swan Woods LLC in Memory of Irma Caton 🌢 Richard & Penny Swanson 🌢 Maxine Taylor 🌢 Randy & Sharon Teague 🌢 Trout Unlimited, Inc. 🌢 John & Stephenie Tubbs 🌢 John & Heather Tupper & US Bank & US Bureau of Land Management & US Fish & Wildlife Service & James & Marcia Valeo & Valmont Industries, Inc. & Peter & Maria Van Loben Sels 🌢 Elisabeth Van Woert 🌢 Juanita Vero 🌢 Klaus & Beate von Stutterheim 🌢 Dave & Joan Wallenburn 🌢 Vicki Watson 🌢 Brad Weltzien 🌢 Valerie West & Scott Frost in Memory of John Roe & Kevin & Janice Wetherell & Price & Laura Williams & Noreen Walsh & Mark Willms & Bob & Toni Zadick

With broad support from people and partners, we will build on our lessons learned and continue to deliver programs that are responsive to communities of the Blackfoot.

Jim Stone, Chairman, Board of Directors

We also acknowledge the many photographs and in-kind donations we received throughout the year. Although we strive to list each and every donor accurately, errors and omissions do sometimes occur and we apologize if we have missed you. If your name has been incorrectly listed or does not appear, please contact the Ovando Office at (406) 793-3900.

Board of Directors Executive Committee

Jim Stone, Chair Rolling Stone Ranch, Ovando Greg Neudecker, Vice Chair USFWS Partners for Fish &Wildlife Denny Iverson, Treasurer Iverson Ranch, Potomac Nancy Anderson, Secretary Bureau of Land Management David Mannix Mannix Brothers Ranch, Helmville

Directors

Brent Anderson Conifer Logging, Lincoln Patrick Bannister Landowner. Potomac Caroline Byrd The Nature Conservancy Andy Erickson E Bar L Guest Ranch, Greenough **Racene Friede** Landowner, Ovando **Bill Frings** Plum Creek Timber Company Todd Johnson Pyramid Mtn. Lumber, Seeley Lake Amber Kamps US Forest Service, Lincoln **Tony Liane** Montana DNRC Mack Long Montana FWP Tim Love US Forest Service, Seeley Lake Jeff McNally Landowner, Ovando Harry Poett Landowner. Ovando

Staff

Traci Bignell, Administrator Gary Burnett, Executive Director Deb Dillree, Office Support Ali Duvall, Program Coordinator Hank Goetz, Lands Director Brian McDonald, Program Coordinator Nancy Schwalm, Program Coordinator Brad Weltzien, Land Steward Project activity substantially increased our 2009 **financials** compared to 2008, primarily due to a North America Wetland Conservation Act grant that helped land trust partners fund conservation easements. We also increased capacity to work across multiple and adjacent ownerships for fire management, and received generous support from public grants, partner contribution agreements and gifts from private individuals. The Board of Directors manages the Challenge's finances by approving an annual operating budget funded from secured sources, and investing four reserve funds and two endowments for long-term stability.

Statement of financial position December 31, 2009

ASSETS		
Unrestricted		
Annual reserve		\$37,911
Designate program reserve		\$56,192
Board designated operating reserve		\$101,553
BCP operating reserve		\$219,572
Temporary Restricted		\$251,474
Permanently Restricted		
Blackfoot Stewardship Endowment Fund		\$32,922
Endowment Fund		\$8,159
Blackfoot Community Conservation Area (land)		\$1,891,284
TOTAL ASSETS		\$2,599,067
TOTAL LIABILITIES		\$0
TOTAL NET ASSETS		\$2,599,067

knowing their financial resources are put towards such great watershed projects. Karen Neel, CPA Boyle, Deveny & Meyer Source of funds (\$1,973,312) Corporate 6% Interest & Misc. 1% Foundation 5% Individual Giving 11% Government: Federal/State 77% Use of funds (\$1,927,017) Programs 94% Administration & Fundraising 6% Back Cover Photo by Bruce Andre

I enjoy working with the Blackfoot Challenge,

BLACKFOOT CHALLENGE

405 Main Street, Ovando, Montana 59854 (406) 793-3900 info@blackfootchallenge.org www.blackfootchallenge.org

Blackfoot Challenge P.O. Box 103 Ovando, Montana 59854

NON PROFIT ORG US POSTAGE PAID OVANDO, MT 59854 PERMIT #103