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.

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*
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

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.

Stew Schwartz, landowner of the Sauerkraut Creek restoration project.

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.

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

Who We Are
- 2,625 – People reached
- 1,297 – Members
- 320 – Volunteers

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

Education
Racene Friede, Chair
Nancy Schwalm, Coordinator

Executive
Jim Stone, Chair
Racene Friede, Chair Outreach
Gary 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
Community

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

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

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

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.

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

Follow the swans at www.blackfootchallenge.org/swanproject/

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.

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

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.

Members of the citizen’s council reviewing plans to restore native parks and grasslands on the Blackfoot Community Conservation Area.
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.

To deter grizzly bears and wolves from killing livestock, we’re building electric fences around calving areas.

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

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

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
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.

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.

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

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.

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

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

Gordy Sanders,
Pyramid Mountain Lumber Company
Keeping Our Watershed Healthy
Rural communities are dependent on healthy landscapes, and vice-versa. That’s why we’re working to keep them connected.

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

Louie Bouma, Mill Owner

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.

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

Twenty-nine trumpeter swans were brought to the Blackfoot from Wyoming and released.

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

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
• 29 – Trumpeter swans released
• 12 – Trumpeter swans returned
• 5,000 – Acres of agricultural land enhanced
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.

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

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 are studying riparian vegetation as a critical component of water quality and native fish recovery efforts.

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.

### Board of Directors Executive Committee

- **Jim Stone**, Chair
- **Greg Neudecker**, Vice Chair
- **Denny Iverson**, Treasurer

**USFWS Partners for Fish & Wildlife**

- Iverson Ranch, Potomac
- 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
  - Racine Friede
  - Landowner, Ovando
  - Bill Frings
  - Plum Creek Timber Company
  - Todd Johnson
  - Pyramd Mtn. Lumber, Seeley Lake

**Anchors**

- 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
- Larry Poett
- Landowner, Ovando

**Staff**

- Traci Bignell, Administrator
- Gary Burnett, Executive Director
- Deb Dillree, Office Support
- Ali Duvall, Program Coordinator
- Hank Goetz, Landowner
- Brian McDonald, Program Coordinator
- Nancy Schwallm, Program Coordinator
- Brad Weltzien, Land Steward

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**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 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.
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

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<td><strong>TOTAL NET ASSETS</strong></td>
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**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%

I enjoy working with the Blackfoot Challenge, knowing their financial resources are put towards such great watershed projects.

Karen Neel, CPA
Boyle, Deveny & Meyer