

# **CMR NWR Community Working Group Meeting Minutes for August 4th, 2011 MT Dept Fish Wildlife & Park Building, Lewistown, MT**

Attendees (28):

Ron Moody, Don Woerner, Dyrck Van Hyning, Paul Gies, Damien Austin, Nancy Schultz, John Schultz, Bill Milton, Laurie Riley, Mary Jones, Mark Good, Bryce Christensen, Jason Holt, Kit Fischer, Tracy Stone-Manning, Katie Butts, Dennis Jorgensen, Terry Selph, Linda Poole, Mary Sexton, Jeff Tiberi, Karl Christians, Bill Berg, Melissa Hornbein, Dave Mari, Danielle Kepford, John Todd, Stan Benes.

The CMR NWR Community Working Group held their 9<sup>th</sup> meeting on August 4, 2011 at the Montana Department of Fish, Wildlife & Parks building in Lewistown with 28 people in attendance.

Facilitator Bill Milton opened the meeting at 10:10 a.m. with introductions. Bill explained that he also facilitates meetings of the Musselshell Watershed Coalition and it has been a dramatic year for those folks. They are trying to learn how to leverage knowledge in addressing problems such as this year's flooding. They are trying to get an on-the-ground team to deal with immediate problems. Bill gave an example of people working together to fix an irrigation problem. Bill asked the group *What new thing have you learned about living in Montana this year?* The participants were seated in a circle and each person introduced themselves and answered the question in turn. The responses mostly related to the harsh winter weather and the spring high water events.

Once everyone had answered the grounding question, Bill asked Bill Berg for a brief update on the CMR CCP&EIS. Bill Berg said that they are still analyzing the 20,000 comments. The CMR hosted a meeting on Jul 21 for the CCP Cooperating Agencies where they introduced changes to the Draft document. They are looking at fall 2012 for a Final CCP.

Bill Milton then "put the meeting in context for first-timers" by explaining that the purpose is to focus on the 6 county region surrounding the CMR in addition to the CMR. The group is currently going through a process requested by and agreed upon by the meeting attendees where we listen to speakers from the group who want to present on who they are, what their mission is, and why they feel it is important to participate in the group. This allows us to get to know each other, help us understand each other, and develop trust. We have been hearing from 2 speakers per meeting and are probably at a point of wrapping the process up. Bill briefly outlined the agenda and said after lunch we will break out into small work groups to answer 2 questions related to the presentations: 1) what did you learn? 2) what are your concerns?

Bill Milton then introduced the first of today's 2 speakers.

**Stan Benes**, Manager, Bureau of Land Management Lewistown Field Office

(from BLM web site) The Lewistown Field Office manages approximately 750,300 surface acres of public land scattered across eight counties in central Montana. These lands contain a variety of special management areas including six wilderness study areas, two areas of critical environmental concern, the 149-mile long Upper Missouri National Wild and Scenic River, the James Kipp Recreation Area, segments of the Lewis and Clark National Historic Trail and the Nez Perce National Historic Trail. Many of these features are contained in the Upper Missouri River Breaks National Monument.

Stan shared a PowerPoint presentation with the group. He started off by saying he wanted to answer the question "how is the BLM contributing to the community of Lewistown and other communities in Central Montana?...We are trying to remain relevant by doing a good job of balanced resource management, and by creating jobs." The BLM raises more money each year from the use of its lands than it spends. For every dollar invested in BLM, they generate \$5 worth of energy or opportunity on public lands. The BLM invests in jobs, recreation, energy, timber & grazing, and in partnerships and collaboration. They support 507,750 jobs, of which 17,000 are in MT and ND. Public lands support jobs and jobs support communities.

The most recent oil and gas lease sale in MT and Dakotas generated \$60 million dollars; there can be several sales (oil & gas, wind, coal) each year. The Lewistown Field Office supports recreation through the 375,000 acre Upper Missouri

River Breaks National Monument, 149 miles Wild and Scenic River reach, and 26 campgrounds. They support grazing and timber through more than 600 permits representing 50,000 AUMs. They manage habitat for wildlife that supports viewing and hunting. They manage wildfire and prescription fire that creates jobs and supports aviation and equipment contractors, fuel suppliers, local businesses, and summer jobs. They undertake special projects, such as the Judith Landing (employed half of the town of Two Dot) and Coal Banks Landing, creating jobs for locals and for contractors. The Lewistown Field Office expends \$10-\$12 million in payroll, projects, contracts and supports 80-100 jobs. They support the community as coaches, through 4-H, Kiwanis, Boys & Girls Clubs, etc. They bring people to MT for the grandeur of the landscape, nature and solitude. They undertake youth programs, such as river floats. As a manager, Stan stresses community support, customer service, and common sense. The Lewistown BLM office has a good working partnership with the CMR.

Stan fielded questions from the group.

- On funding, Stan shared the challenging *forecast* of a potential 24% budget reduction.
- On the future of PILT payments, Stan did not feel knowledgeable to comment other than he knew of no changes being considered.
- On the future of permit payments, Stan said they are still at the \$1.36 level, which many felt to be a real bargain, but there were no known plans to change that present rate.
- He was asked about working with local people on land conservation/wilderness issues instead of top-down from DC and Secretary Salazar, which generated a brief discussion.
- On what can be done to improve the public image of rancher's stewardship of lands, Stan talked about the Riparian Service Team and their findings that the majority (80%) of surveyed riparian areas were in Proper Functioning Condition (PFC). They also developed good relationships with ranchers during the assessment process.
- When asked if MT would be taking any wild horses/burros, Stan said the Dillon Field Office had considered accepting some wild horses a year or so ago, but no agreement was ever reached. The only wild horses in the Montana/Dakotas BLM are managed by the Billings Field Office of BLM and reside in the Pryor Mountains.
- When asked about hiring kids in the summer, Stan mentioned several programs for hiring and education. Youth programs are a national priority. The CMR also has an agreement with the Veteran's Green Corp.
- For a question on feral horses and horse slaughter, Stan said MT does not have much in the way of wild horse; there are some in the Pryor Mountains.

*Subsequent to the meeting*, Stan offered the following web link to a site on socioeconomic impacts of the BLM:  
<http://www.blm.gov/wo/st/en/info/socioeconomic.html>

*Also following the meeting*, Stan provided a briefing (attached at the end of the minutes) on the recent Oil and Gas Lease Sale that he mentioned to the group. It explains briefly the energy development part of the BLM Mission.

**Mary Sexton**, Director, Montana Department of Natural Resources and Conservation

Mary wanted to talk to the group about opportunities in the area for farmers and ranchers related to State Trust Lands sales and exchanges. She understands controversy exists in this region regarding public lands.

Montana has 5.3 million acres of state trust lands. Ninety percent of the revenue generated provides funding for schools, grades K-12. The lands are overseen by a Land Board comprising 5 elected officials who are trustees for the schools. Long-term productivity of the lands is a goal; this is accomplished through timber management, oil and gas extraction (all lands carry their mineral rights), and commercial properties. The lands generate \$70-\$80 million per year. The lands account for 8-10% of what the state puts in to public education.

The State's priority is better management, better access, and generating more money for public schools. The focus is on 2 things, 1) improving and enhancing the lands, 2) land banking. Examples of lands improved/enhanced include a 12,000 acre exchange in Lolo, an exchange a few years ago with Ted Turner, and a Hutterite colony transaction where 2 sections were exchanged for 1. Land banking involves working with parcels that are mostly scattered and isolated parcels leased for grazing. It is easier to manage lands that are ""blocked up." Land Banking involves selling land, banking the proceeds, and using the proceeds to buy more land. They focus on isolated parcels.

Over the past 4 years the DNRC has sold about 40-45 thousand acres of land and acquired about 40,000 acres of land. About \$3-\$5 million in sales per year goes in to the land bank. Mary asked the group if they knew of lands in the area that may qualify for transactions with the state, that is, owners interested in buying or selling that will help the state block up parcels. The state owns over 1/3 of Daniels County. They purchased a large ranch in Custer County that the neighbors were pleased about because they wanted to lease the lands from the state. They have gained timber lands in western MT. Mary emphasized that their focus is to block up isolated parcels. They work with BLM, CMR, farmers, and ranchers.

All proceeds from sales go in to one pot. State lands do not pay taxes. There is a current proposal to increase grazing fees. They look at the comparability of grazing fees every 10 years. They recently increased oil & gas leases from 12% to 16%. Grazing fees are about 1/3 of private rates and should be about 2/3. Prior to a fee increase a series of public meetings will be held. Four meetings will be held during the 2nd or 3rd week of September in Dillon, Great Falls, Glasgow, and Miles City.

-LUNCH-

After lunch, meeting facilitator Bill Milton had the group break into 4 smaller working groups of 5-6 people each in order to answer 2 questions. The groups were given about 30 minutes to gather their answers.

*Note that one group (#3) failed to turn in their notes; they were mistakenly discarded and not retrievable.*

What did you learn from Stan Benes with BLM?

- Emphasize a value to community and state
- Potential budget cuts, support from leases and partners
- Positive economic impacts
- Impressed with effort to inform community
- \$5 return for every \$1 spent, 24% cuts not possible
- Partnerships with agencies, especially re: fire and interactions between agencies & landowners greatly improved
- BLM pays their own way; surprising that they are not costing taxpayers money
- Political responsiveness of local office to today's climate
- Importance to communities and job creation
- Opportunity for collaborative groups

What did you learn from Mary Sexton with DNRC?

- About land banking
- Substantial staff throughout state
- Budget increase (forestry)
- DNRC can exchange with federal government
- Win:win situations where everyone comes out smiling
- Nuances to the win:win situations
- DNRC willingness to exchange
- More land and types of land than thought
- Retain mineral estate when sell or exchange
- Possible legislation on in-lieu selections; may be 2nd round of in-lieu selections

- Actively looking for willing partners in transactions
- Buy as much as sell
- Difference in lease rates (private/state/federal by agency) and how that impacts the bottom line
- Change in lease rates
- Didn't know DNRC wanting to consolidate lands and CMR
- Didn't know about 40,000 acres
- How complicated the process is, especially the minerals
- Large sale plans- excited about concept; would like to see more of that done.
- DNRC favored bigger blocks; not convinced good or bad.

What are your concerns related to Stan's (BLM) presentation?

- 24% cut significant to land and people
- Doing a very good job but still get accused of things they have not done or said; inflammatory words on monument and wilderness
- Direction BLM will take, future and how they will proceed from here; cows less visible on the river
- Appreciate the working relationship
- 24% cut to places like Lewistown
- More emphasis on how BLM supports agriculture; positive spin on how these lands are feeding America; huge economic impact.
- Where will cuts to budget be made
- Feral/wild horse program
- No public image
- Boundary marking
- Eliminating PILT
- RAC funding
- PILT and salaries
- How does \$5:\$1 ratio work out; does not sound right; would like more info
- Does BLM/USFW have funding to engage in land transactions; will LWCF (Land & Water Conservation Fund) funding be approved
- More responsive to international groups with power in Washington than to local communities and business interests
- Collision between potential funding and plans by Secretary
- As a result of funding cuts, delivery of all they do could suffer

What are your concerns related to Mary's (DNRC) presentation?

- How can they monitor (infrastructure) all their lands
- Not set up as an agency to manage large parcels
- What happens with state inholdings when surrounding land owner no longer wants to lease (increased fees)
- Challenge to balance need for income long-term with making decisions today on managing lands
- Is perception positive or negative; winners and losers
- Land under federal management -vs- under state management
- Administration change and where will it go
- Loss of county tax revenue -vs- gain at state
- Misinformation
- Poor communication
- Unclear access regulations
- Boundary marking
- Surprised bison did not come up

- Cabin leases on DNRC too high, now vacant
- Need forward action; political climate will change

After the break-out groups presented their responses to the full group, Bill Milton asked the question *What specific actions would you like to see based on today's presentations?*

- By allowing grazing on public lands, we are feeding America and feeding the world. We own it and we are doing our part
- Like to see ranchers as paid service providers (paid by CMR and State)
- Opportunity for group to interface with BLM with regard to land management; BLM can deliver more by engaging local community...community-led conservation.
- Everyone has own set of numbers regarding their contribution to communities; we should get one trusted set of numbers from an outside source
- Exploring options to block up land on the monument

The next meeting will be October 6 in Malta. The speakers from the group will be Melissa Hornbein with the MT Reserved Water Rights Compact Commission and speakers for Montana Conservation Districts. Interest has been shown at prior meetings for hosting a speaker from MT Fish Wildlife and Parks. Ron Moody suggested a speaker representing hunters and anglers. The group decided to address this subject after the October meeting.

The group decided to hold a tour on the CMR September 19th followed by a (no-host, cash) dinner at the elk viewing area. Attendance at the dinner would require an RSVP. Laurie will work out these details with Bill Berg.

Bill asked the group what worked and what didn't work regarding today's meeting. Bill specifically asked what we could have done better.

- Give direction to speakers if we want them to address something in particular.
- What are terms of access to state lands?
- The group is lacking good landowner participation.
- Would like to know more on how agencies relate and work together.
- We should remember that the group is focusing on the entire 6-county area and not just the CMR.
- The group needs to produce a product. We need to get together on something, example is an economic analysis.
- We need to formulate an action plan and take on a specific issue. We need goals and results.
- What is different tomorrow because I was in this meeting today?
- We need to develop a work plan.
- The group needed to do this background (speaker) work to develop relationships to build trust before we can work together.
- Importance of the refuge is world-wide; it is bigger than the 6 counties.
- It would be good to have fact sheets from the speakers.
- The group decided to allow members to present to the group about who they are and what they do. We are wrapping up this task and now appear ready to move forward to addressing issues.
- If the group can agree on something (contentious area), that could be a model.
- Want a CMR presentation on sentinel plants.
- What is the question that this group wants to answer - this will lead us to a result.

Bill said it is time to consider actions. He asked "do you trust people in the room enough to take a chance with them?" We have to know other people in the room; we have to trust each other enough to move to the next level.

Meeting adjourned at approximately 3:00 p.m.

Aug 10, 2011, 9:14 a.m., Email sent To Missouri River Conservation Districts Council

Laurie - here is a briefing on the recent Oil and Gas Lease Sale I mentioned to the group. It also explains briefly the energy development part of the BLM Mission. If at all possible, it would be productive, I think, to add this to the notes so they can access this briefing which will be going out Nationally in the next day or so.

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For Immediate Release  
Contact Lowell Hassler  
406-538-1909, date

### **BLM Oil and Gas Lease Sale Generates Over \$66 Million for Fed/State/County Cooffers**

Lewistown, MT----A recent oil and gas lease sale conducted by the BLM's Montana/Dakotas State Office in Billings, Montana, generated \$66,259,552.00 in lease fees which will be divided among the national treasury and the states and counties where the leased lands are located.

This particular sale offered 111 BLM-managed oil & gas lease parcels totaling 32,080 acres.

"I think it's important to note this is another example of BLM-managed lands contributing money to our nation, states and counties. Nationally, the BLM generates about five dollars in revenue for every dollar it costs to operate the agency. That's a great return on the taxpayer's investment in the BLM," offered Stan Benes, the BLM's Central Montana District Manager.

Oil and gas leasing is driven by consumer demand, and competitive oil and gas lease sales are conducted four times per year at BLM's Montana/Dakotas State Office.

The potential environmental impacts of exploration and development are analyzed before any leases are offered for sale. All leases are issued with conditions on oil and gas activities designed to protect the environment (those conditions can include limits on when drilling can occur or restrictions on surface occupancy). Once an operator proposes exploration or development on a BLM-issued lease, further environmental analysis under the National Environmental Policy Act is conducted to determine the site-specific need for various types of impact-limiting or mitigation measures. In addition, many operators routinely use Best Management Practices, such as remote monitoring of producing wells, to minimize surface impacts.

Additional information regarding competitive sale lists, detailed results of sales or the leasing process is available online at:  
[http://www.blm.gov/mt/st/en/prog/energy/oil\\_and\\_gas/leasing/leasesaleinfo.html](http://www.blm.gov/mt/st/en/prog/energy/oil_and_gas/leasing/leasesaleinfo.html).

The BLM manages more land – over 245 million acres – than any other Federal agency. This land, known as the National System of Public Lands, is primarily located in 12 Western states, including Alaska. The Bureau, with a budget of about \$1 billion, also administers 700 million acres of sub-surface mineral estate throughout the nation. The BLM's multiple-use mission is to sustain the health and productivity of the public lands for the use and enjoyment of present and future generations. The Bureau accomplishes this by managing such activities as outdoor recreation, livestock grazing, mineral development, and energy production, and by conserving natural, historical, cultural, and other resources on public lands.