



2008 Annual Report



Better Communities Through Cooperation

Challenging Times Call for Stronger Partnerships



Jim Stone pulling knapweed

As we close out our fifteenth year of community-based conservation in the Blackfoot, I remain very optimistic in our ability to continue the proactive approach that has made this valley a special place. However, it has not been easy or without challenges. Our capacity to build trust and partnerships had to grow from the land—there were no manuals to guide the process. This strategy of “place-based” conservation took on community values in the seventies when it was not a buzz word or other acronym about doing the right thing. Was there a long-term plan forged back then? I think it stemmed from local communities trying to find common ground to solve age old problems that people generally want to ignore—how do we work together? Vision and leadership are paramount to success. We are testament to that in

the Blackfoot because folks have always been tied to the land and had the understanding that sustainability comes from within.

In these times of economic downturns and natural resource challenges, I believe we need to spend our energy on solutions for conservation and rural communities instead of lay blame to the past or present. This will require fortitude and strong community values. But it is on these principles that we need to engage, use the lessons of the past wisely, and agree to involve ourselves in new partnerships and opportunities. The strength of our organization is the people. Whether you come to us from a local, regional or national background, we need to work together. And we need your support. There is both merit and promise in knowing that we can be part of a new direction in the west, no longer residing in the comfort of isolation but instead seeking the opportunity and powerful benefit of communicating and working together.

We have only started what will be our next generation’s greatest moments. Please join us and celebrate our achievements, and further the mission of the Blackfoot Challenge to make the next fifteen years about people, communities and the power of working with partners. Thank you for all of your support. We look forward to continued cooperation and investment in the Blackfoot.

Jim Stone,
Chair of the Blackfoot Challenge

The Blackfoot Challenge is a private non-profit organization whose mission is to coordinate efforts that conserve and enhance the natural resources and rural way of life in the Blackfoot River Valley for present and future generations. We are organized and directed through committees and supporting work groups guided by community leaders. This volunteer effort connects us to people’s needs in the watershed, and is essential to responding with programs that benefit the Blackfoot. We deeply appreciate the long hours of service these people contributed in 2008 through the following committees:

• **Conservation Strategies**

Greg Neudecker, *Chair*
Ali Duvall, *Coordinator*
Hank Goetz, *Lands Director*
Alicia Vanderheiden,
BCP Coordinator

• **Education**

Racene Friede, *Chair*
Nancy Schwalm, *Coordinator*

• **Executive**

Jim Stone, *Chair*
Gary Burnett, *Executive Director*

• **Forestry**

Denny Iverson, *Chair*
Gary Burnett, *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*

*Russell Gates fishing access
on the Blackfoot River*



In May 2008, the Education Committee hired Nancy Schwalm, from Lincoln, as the first full-time Education Coordinator for the Blackfoot Challenge. With this increased capacity, we will further well-established strides by increasing the number and variety of programs offered in the watershed.

Watershed Education Program Expands

The Committee expanded its emphasis to include all underserved age groups and to ensure that all communities in the watershed would host programs. Underserved age groups included pre-kindergarten, kindergarten-third grades, high school age groups and adults. Part of the expansion included adding Avon, Elliston and Drummond High School to our list of schools, bringing the total number of schools served by the Challenge to eleven. We added new programs, including Pre-K Day and Community Education. Pre-K Day is a two-hour event that incorporates a craft, snack, story, singing, acting, playtime and a walk around a central theme. Community Education programs are open to people of all ages and will rotate to all communities throughout the watershed.

Program topics were chosen based upon results from a survey conducted over the summer. We also became involved in the Montana Natural Resources Youth Camp, a collaborative effort between several private, state and federal entities to provide a week-long camp for high school age students to learn about natural resources.

New this summer, the committee partnered with Orvis, Pro Outfitters and the North Fork Crossing Lodge to provide an educational segment entitled, "The Challenge," a game designed to teach young people about the challenges of managing natural resources and the benefits of finding common ground. We also partnered with Montana Fish, Wildlife and Parks and the US Forest Service to provide three bear education events in Lincoln reaching over 1,700 community members, visitors and partners.



Helen Smith (USFS Fire Lab) with tree rings

180 Students Attend Eighth Annual Youth Field Day

In addition to all the new programs, the Education Committee held its eighth annual Youth Field Day through cooperation with the Clark Fork Watershed Education Program and courtesy of the E Bar L Guest Ranch. Over 180 fourth-sixth grade students attended this year's "Healthy Forests, Healthy Bodies" themed program to learn more about forests, forest products and recreational opportunities within forests.

Successful Trumpeter Swan Re-Introduction Lays Foundation for Education with Schools

The US Fish and Wildlife Service released 43 trumpeter swans on five separate properties in the watershed, bringing the total number of swans released in the Blackfoot Valley to 83. This conservation effort affords an amazing hands-on opportunity for biological education and species conservation. Following the widely successful model of the Adopt-A-Trout Program, the Education Committee decided to make the trumpeter swan its next critter for the Adopt Program. The Adopt Program will begin in April 2009 with a teacher training on the new curriculum and educational trunk and materials available for loan to all schools within the watershed. The capstone of the program will be a release day field trip where 7-8th grade students will be able to witness a swan release.



Eloise McNally with her swan to release

For eight years public and private partners representing federal and state agencies, land trusts, county planning departments and landowners have met quarterly to share information, identify priority areas for conservation and stewardship to maintain the diversity of natural resources and rural way of life across the Blackfoot watershed.

Coordinating Conservation with Public and Private Partners

2008 proved to be another successful year for cooperative conservation with 13,214 acres of conservation easements acquired by land trust and agency partners (Five Valleys Land Trust-4,898; TNC-2,888; MTFWP-4,911; USFWS-517) and tremendous accomplishments through the Blackfoot Community Project (see page 5). A total of 205,000 acres have been conserved using conservation easements and fee title acquisition since 1976 in the Blackfoot watershed, thanks to over 127 private landowners and land trust/agency partners.

12 Western States Represented at Partners for Conservation Conference

On May 6-8, 2008, the Blackfoot Challenge and the US Fish and Wildlife Service hosted a Partners for Conservation Conference in Seeley Lake, as part of the Innovations in American Government Award granted in 2006. The purpose of the conference was to bring together private landowners, conservation practitioners, agency representatives, private foundations and policy-makers to discuss the future of private land conservation in the West. More than 105 participants attended representing 12 states including California, Colorado, Idaho, Kansas, Montana, Nebraska, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming. To view conference proceedings and action items, visit www.blackfootchallenge.org.

Funding Secured to Continue 37,000-Acre Wetland Conservation Project

In September, the Challenge received notice of a \$1 million award to implement Phase II of the North American Wetlands Conservation Act administered by the US Fish and Wildlife Service. The grant is part of a multi-year effort to protect, manage and restore 37,000 acres of glaciated wetlands, riparian habitat and upland grasslands in the watershed (Phase I resulted in over 3,000 glaciated wetlands/riparian habitat and 13,000 upland grassland acres). The grant will help fund a conservation easement on Little Doney Lake near Ovando and provide funding for private landowners with qualifying properties to sell conservation easements to the land trust/agency of their choice.



Sawbuck Ranch



Partners for Conservation Conference Field Tour

Sub-Basin Plan for the Blackfoot Watershed

In partnership with Trout Unlimited, The Nature Conservancy and other partners, we continued the sub-basin planning effort for the Blackfoot watershed in 2008. Based on a history of landowner-led conservation and the need to be proactive about future resource challenges, the plan seeks to coordinate existing plans and strengthen conservation, restoration and stewardship partnerships at the landscape scale. More than 35 technical and community partners participated in over 10 work group sessions to develop viability, threats and stresses and conservation strategies related to native salmonids, wetlands, aspen/riparian woody vegetation, native grasslands/sagebrush communities, forests, and grizzly bears/wildlife.

Blackfoot Community Project (BCP)

In 2008, the disposition phase of this landscape-level 89,215-acre project reached the halfway mark, with over 47,000 acres re-sold to public agencies and private parties based on the community-led disposition plan (36,311 acres to public and 10,973 acres to private).

Public transfers included 2,250 acres to the US Forest Service and 1,777 acres to the Montana Department of Natural Resources and Conservation (DNRC). A new partner joined the BCP effort when the Confederated Salish & Kootenai Tribe purchased 514 acres north of Lincoln. The tribe intends to trade this parcel to the DNRC for State of Montana lands within the wilderness area of their reservation near Arlee.

Finally, the partners delivered a check for \$357,608 to the Powell County Commissioners on Tax Day (April 15), funded through the \$10 million private fundraising campaign. This payment fulfilled our pledge to compensate the county for tax revenue foregone on lands sold to the US Forest Service and Bureau of Land Management.



Former Plum Creek Timber Company lands near Ovando

Blackfoot Community Conservation Area (BCCA)

The BCCA is an innovative effort involving community-based ownership of 5,609 acres of former Plum Creek Timber Company lands (known as “the Core”) and cooperative management of 41,000 acres of public and private lands surrounding Ovando Mountain. In 2008, the 15-member BCCA Council celebrated a number of achievements including the development of the BCCA Management Plan for the Core, the completion and signing of a Memorandum of Understanding between the USFS-Lolo National Forest, Department of Natural Resources and Conservation, MT Fish, Wildlife and Parks, The Nature Conservancy, the Challenge and private landowners for cooperative management of the 41,000 acre landscape, and most notably, thanks to the support of many private donors, the fee title transfer of the Core from The Nature Conservancy to the Blackfoot Challenge in late November.

After serving over three years and helping create a vision for the BCCA, seven members completed their terms or resigned and were replaced by landowners and user group representatives. Many thanks to Ralph Allen, Jim Bauer, Dean Bennett, Alyssa Daniels, Donna Hawkins, Jonathan Sheets, and Jack Rich for your dedication and commitment to this project!



BCCA Council on field tour

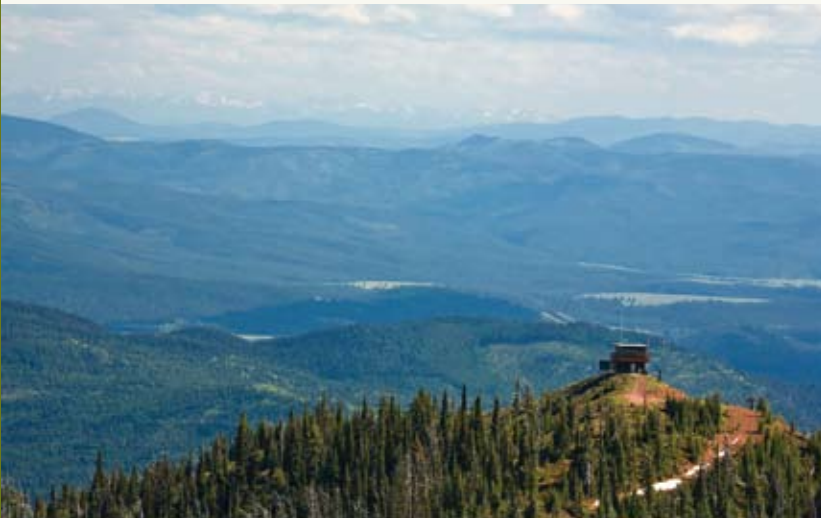
BCCA Core Lands

Making communities and homes safe from fire, as well as maintaining healthy forests and local economies is an increasing concern for people living in the Blackfoot, especially with over 80 percent of the watershed covered by forests. Years of fire exclusion linked with past forest practices have contributed to increased fuel loads for our forest dependent communities in the watershed.

Newest Committee Forms in Response to Community Concerns

In 2008, in response to high local interest in forest restoration and fuels mitigation, the Challenge formed the Forestry Committee to prioritize mitigation efforts, strategize on treatments, and increase fire safety in communities. Chaired by Potomac rancher and logger Denny Iverson, the committee's cooperative work is intended to lead to stronger partnerships across ownerships, creating more resilient forests for the future.

Cross-Boundary Forest Management on the Blackfoot Community Conservation Area

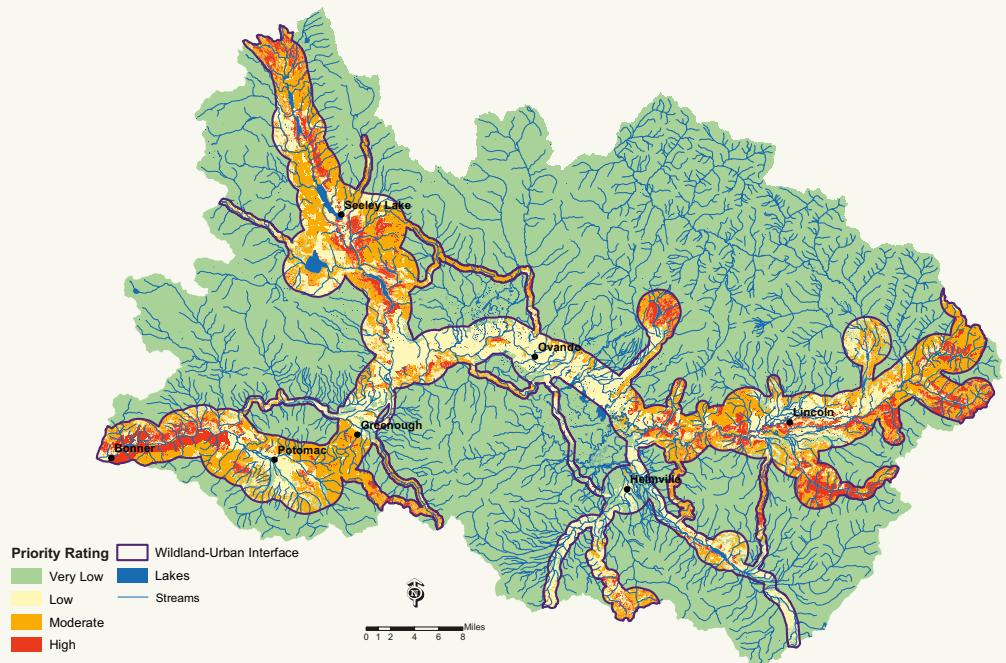


Morrell Creek fire lookout

To support the efforts of the BCCA Council (see page 5), the Forestry Committee secured funding from the Montana Department of Natural Resources and Conservation through a partnership with the US Forest Service State and Private Forestry program for thinning and noxious weed treatment, restoration of native grasslands, ponderosa pine savannah, and aspen stands along the Ovando Haul Road, and stream restoration on Dick Creek. Supporting forest dependent communities in the watershed and Missoula area, contracts were awarded in 2008 to two local contractors for the thinning project, with products processed at local mills.

Blackfoot Watershed Fuels Assessment Completed

In 2008, the Committee completed the Blackfoot Watershed Fuels Assessment to address fire risks across the various Community Wildfire Protection Plans that have been prepared within the watershed. These plans have been developed to prioritize areas for wildfire protection. The assessment will provide consistency across the watershed and guide community groups in making decisions on thinning priorities based on private landowner interest and local knowledge. The assessment was developed in partnership with the Seeley Lake Fuels Mitigation Task Force and fuels mitigation leaders in the watershed.



Risk Assessment within the Blackfoot Watershed

In Montana, the authority and responsibility for weed management lies with each county and landowner to control 32 noxious weed species listed by the State Department of Agriculture—18 of which are present in the Blackfoot watershed. The Weeds Steering Committee provides a coordination mechanism for Missoula, Powell, Lewis and Clark County, public agencies and private landowners to cooperate in integrated weed management.



Oxeye daisies along riparian area

Implementing Integrated Weed Management Activities

In March, the Committee continued the tradition of hosting the Annual Blackfoot Weed Meeting with over 50 private and public partners attending to share information, learn about new invaders in the watershed such as Dalmatian toadflax, yellow-flag iris, and meadow and orange hawkweed, and coordinate mapping and inventory of noxious weeds. Working together, this diverse partnership of 115 private and public landowners implemented integrated weed management activities using herbicides, biocontrol, multi-species grazing, revegetation and hand-pulling/mowing methods on over 16,000 acres in 2008.

Cooperative Conservation Agreement Formalized

This past year also marked the milestone achievement of formalizing the partnership between the three counties and agency partners through the development of a Blackfoot Watershed Cooperative Conservation Agreement. Although the Agreement originated from discussions related to weed management, it was expanded to focus on all natural resource issues. The Agreement provides a formal mechanism for long-term cooperation between private and public partners in the watershed, coordinates innovative efforts across ownership boundaries, shares and leverages technical, funding and personnel resources, and generates regional consensus about natural resource and rural community priorities for communication with agency and other decision-makers. The Agreement paved the way for a three-year funding agreement totaling \$40,500 between the US Forest Service-Lolo National Forest and Challenge to partner on weed treatment, education, volunteer weed pulls, and trainings that benefit both Forest Service ownership and other public and private lands in the watershed.

Promoting River and Backcountry Weed Awareness

In 2008, this committee co-sponsored a backcountry weed pull in the North Fork of the Blackfoot with volunteers from the Lolo National Forest, Montana Wilderness Association and The Wilderness Society, and continued its annual tradition of hosting two Blackfoot River Weed Pull/River Cleanup Days at Russell Gates Fishing Access with the Big Blackfoot Chapter of Trout Unlimited and MT Fish, Wildlife and Parks. More than 45 volunteers and landowners participated in these weed pulls and weed awareness events. We also continued, for the seventh year, the 40-mile Blackfoot River Leafy Spurge Project, targeting noxious weeds below the high water mark from River Junction to Angevine Park.



Wilderness weed pull

2008 was a year of excitement and change for the Water Resources Committee. New programs began as several long term projects were completed.

Blackfoot Watershed Experiences Normal Water Year

With snow pack near or above average for most of the winter and peak flows in the spring around 10,500 cfs (nearly double the volume in 2007), 2008 was the closest we've had in terms of a normal water year marking only the second time that the Blackfoot Drought Response has not been implemented since the program was initiated in 2000. The reprieve provided the opportunity to revise the Drought Response Plan, last updated in 2001, and to begin work on our Irrigation Efficiency Program.



Pivot system in the Blackfoot

Irrigation Efficiency Program Launched

There are numerous opportunities to conserve energy and water while maintaining working ranches in the Blackfoot through irrigation efficiency. Our Irrigation Efficiency program began to take shape and grow in 2008 thanks to support from Valmont Industries, John Heffernan, North Powell Conservation District, Missoula Electric Cooperative, Bonneville Power Administration, and the Montana Department of Natural Resources and Conservation. The project involved performing efficiency evaluations on 13 irrigation systems in the Blackfoot Valley. These evaluations identified 144,008 kWh of annual energy savings that are possible through upgrading irrigation equipment. Working with Missoula Electric Cooperative and the Bonneville Power Administration who provide incentives for irrigation equipment upgrades, 9,621 kWh of energy savings has already been realized as a result of this project.

Total Maximum Daily Load (TMDL) Project Completed

A seven year effort neared its end in 2008 as the remaining TMDLs and water quality restoration plans were completed. The Middle Blackfoot/Nevada Creek TMDL and water quality restoration plan, which was started in 2003, was approved by the EPA in September 2008. We began work on the Lower Blackfoot TMDL and water quality restoration plan in 2006 and in December 2008, the plan was released for public review and comment. The Blackfoot Challenge and Montana DEQ hosted a public meeting at the Potomac-Greenough Community Center in December to give landowners and stakeholders an overview of the plan, discuss issues related to water quality, and to answer questions about the planning process. The plans show that water quality in the Blackfoot is generally good but there are many issues that must be addressed. Continued collaboration between landowners and stakeholders will be critical to improving water quality in the future.

Private Land Stewardship

Under a cooperative agreement between the Blackfoot Challenge and Natural Resources Conservation Service, the North Powell Conservation District Land Steward worked with agricultural producers to deliver USDA/EQIP programs that address resource concerns on private lands. Conservation practices included a combination of forest thinning treatments, livestock water developments, fencing, weed spraying, and the facilitation of rotational grazing plans.



Blackfoot area landowners, residents, ranchers, and partners made 2008 another outstanding year on the wild-life front. Our partnerships through the Wildlife Committee continue to strengthen. Success in reducing grizzly bear conflicts are helping us learn and prepare for the emerging challenge of wolves.

Human-Grizzly Bear Conflicts Remain Low

Human-grizzly bear conflict numbers remain low despite consistent bear activity throughout the watershed, home to an estimated 30-40 grizzlies. There have been no confirmed livestock losses to grizzlies since 2004, and no grizzlies trapped or relocated for management-related conflicts since 2005. There were 12 minor conflicts associated with household attractants from two individual grizzly bears according to Montana Fish, Wildlife and Parks (MTFWP) in 2008. There were 8 verified hunter-grizzly bear incidents, but no problems associated with these encounters. One female grizzly was captured and collared for research purposes in Ovando, and a young male grizzly was captured and collared near Drummond due to beehive conflicts.

Adjusting to New Neighbors: The Elevation Mountain Wolf Pack

In 2007, wolves moved into the Blackfoot via the foothills west of Helmville. In early winter 2008 the pack size was confirmed at seven individuals. By April, the first confirmed livestock losses occurred. In June, a control action on the pack resulted in the removal of four wolves as a result of verified calf depredations in the Helmville area leaving three wolves in the pack. The Blackfoot Challenge and MTFWP partnered in wolf-livestock mitigation efforts by conducting a successful pilot Range Rider project covering 14,800 acres between July and October, and will continue to collaborate on reducing wolf-livestock conflicts.



Black Canyon wolf tracks



Composting at Clearwater Junction

Livestock Carcass Program Proves Continued Success

Working with ranchers throughout the valley we picked up a total of 277 carcasses in 2008 compared to 224 in 2007. Since 2003 we have removed a total of 1,414 carcasses that would otherwise attract grizzlies and wolves into conflict situations. On average, we remove 235 carcasses annually. In 2008 we partnered with Granite County due to wolf activity, removing an additional 341 livestock carcasses off of ranches. Recently the Challenge signed a five-year Memorandum of Understanding with Montana Department of Transportation that will enable us to compost livestock carcasses at their Clearwater Junction facility and provide funds to upgrade their facility with an irrigation system.

Innovations from the Ground Up

The Challenge, in partnership with MTFWP, DNRC, and J & J Manufacturing is developing a new portable electric fencing system to protect domestic sheep and other attractants from predators like grizzlies and wolves. The innovation will enable rapid deployment of electric fencing using a four-wheeler, spooler, and step-in posts. Testing of the technology will occur in 2009. Nine resident volunteers continued to link more than 120 residents through e-mail and telephone contact lists to monitor and respond preventatively to grizzly bear and wolf activity in 2008. An additional 3 networks in the communities of Lincoln, Arrastra Creek, and the Woodworth areas are being developed in 2009.



Portable electric fencing system

Contributors

We are grateful to the following individuals, organizations, businesses and foundations that truly care about the Blackfoot and its future. Their support in 2008 made our work possible.

Ralph Allen • Allied Waste • Anonymous Donor (3) • Anonymous in Honor of Roscoe & Barbara Haines • Moira Ambrose • Robert & Nancy Anderson • Christin Archambault in Honor of John & Jan Farrar • Aspenwood Foundation • Blackfoot River Ducks Unlimited Jim & Norma Bauer • Kalon Baughan • Eldon & Helen Beck • Adele Bennett • Traci Bignell • Braye Boardman • Chris & Jennifer Boyer • Sara & Becky Boyett • Bryan & Meg Bradshaw • Stan & Glenda Bradshaw • Pat & Nina Brock • Tom Browder • James & Beverly Brown • Gary & Norma Buchanan in Honor of Paul & Carolyn Roos • Lee Carter in Honor of Ralph Burchenal • Gary & Wanda Burnett • L.D. Burns • Caroline Byrd • Jerome Cain • John Cardwell • Lynn Carey • Gunnar Carnwath in Honor of Carlie Fleischmann • John & Betty Jo Carter in Honor of Ryen Aasheim • Chinook Regional Health-Old Man Watershed • Cinnabar Foundation • Clearwater River Realty, Inc. • Richard Clough • David Cochran • Alex Colhoun & Selina Rossiter • Patrick & Sue Constantinides in Honor of Andy & Connie Erickson • Michael Czerwinski in Honor of John and Jan Farrar • John & Cheryl Dale • Ty & Alyssa Daniels • Carlene Larsson & Fred Danforth • Henry & Lou Darr • John, Marcia & Joan Delano in Memory of Everett Shuey Frank & Pat DeLeo • Ali Duvall • Pen & Liz Edwards in Honor of Scott Gordon • David Fawcett in Honor of Bill & Betty Potter Deutsche Bank Americas Foundation • Warren & Virginia Frost in Honor of Scott Frost & Valerie West • Tim & Sue Furey in Honor of Bob & Marietta Pfister • Larry & Debbie Dillree • E Bar L Ranch • Edward Rosenthal Family • Tim Edwards & Gayle Hudgins Victoria Edwards • Andy & Connie Erickson • Zella Erickson • John & Jan Farrar • Suzanne Fellows • First Interstate BancSystem Howard & Peggy Fly • William & Patricia Fogarty • Hurlburt Farm & Forestry • Patty Foresman Foundation • Henry P. Kendall Foundation • Bob & Karen Frank-Plumlee • Nancy Frey • Corie Fritz • Scott Frost & Valerie West in Memory of Kiva • James & Shirley Garison • Jacqueline Gibson • Nancy Gillespie • Hank & Cathy Goetz • Lyle & Gail Grimes Charitable Foundation in Honor of Lyle & Gail Grimes • Mike & Lauri Gurnett • Bernie Hall • R.S. Harrison in Honor of Ralph Burchenal • Geraard Hatheway • Joseph & Louise Head in Honor of Ralph Burchenal • Don & Beverly Hiday • Dale Hinkle • Jack & Karen Hooker • Beverly Hoover • Harry Houze • Pelah Hoyt • Linda Hugulet • Deborah Irby • Doris Iverson in Memory of Leonard Iverson • Frances Jackson-Dover Christine Jardine-Bourdeau • Cynthia Jepsen in Honor of Kyle & Leigh Kelly • Jaime & Lisa Johnson • Roger & Rhea Johnson • Gilbert Johnston in Memory of Wayne McNally • Maddie Jonkel • Bob & Margaret Kane • Kyle & Leigh Kelley in Honor of Kelley & Wiley Wedding • Lisa Kemp in Honor of Harry & Cindy Poett • David & Kathy Kesheimer • Keystone Conservation • Steve Kloetzel & Andrea Morgan • Bob & Ellen Knight • Keith Koch • L.E.A.W. Family Foundation, Inc. • Laird Norton Family Foundation • Tom & Judy Lehman • Lewis & Clark Conservation District • Land & Janet Lindbergh • Warren Little in Memory of Dighton Little • Jerome Loendorf • Wendy Lofting in Honor of Bill Potter • Lovett-Woodsum Charitable Foundation, Inc. • Ernest & Renee Lundberg • Fred Lurie • Rene Lyons • Madison Valley Ranchland Group • Mannix-Raymond Ranch, LLC • Brent & Stacey Mannix • Phil Mason Bill Massee • Nancy McCue • Brian & Tyra McDonald • Eloise McNally • Eloise McNally in Memory of Wayne McNally Maynard McPhee • Ted & Kim Mead • Minneapolis Foundation • Missoula County Conservation District • Mountain Bluebird Trails Inc. • MT Department of Environmental Quality • MT Fish Wildlife & Parks • Mule Deer Foundation • John Munding National Fish & Wildlife Foundation • Natural Resources Conservation Service • Tim & Karen Neel • Pariac Neibergs • Doris Neudecker • Greg Neudecker • Nevada Creek Ranch • Lawrence Newman • Stuart & Janie Nicholson • North Powell Conservation District • Northern Rockies Conservation Cooperative • Roy O'Conner • Ralph & Kathy Ojala • James Parker • Plum Creek Timber Company • Harry & Cindy Poett • Wym & Jan Portman • Powell County Conservation District • Powell County Weed District • Ken Price • Prickly Pear Land Trust • Rocky Mountain Eye Center in Memory of Wayne McNally • Bob & Judy Rangitsch • RBC Foundation Royal Riedinger in Honor of Ralph & Toone Burchenal • River Design Group Inc. • Rivercrest West Ranch • John & Sandra Roe • Neal Blossom & Kathie Roos • Paul & Carolyn Roos • Edward Rosenthal • Carrie Ruff • Robert Sanders • Megan Sarnecki in Honor of Jerry & Carolyn Underwood • Ezra & Nancy Schwalm • Marsha Schweitzer • Seeley Lake One Stop Store • Janelle Schiller in Memory of Rich Schiller • Carol Schwend-Shope • Hugh & Barbara Sheehy • Steven Shirley • Sieben Ranch Company • Brian & Karen Sippy Dayne & Kay Smith in Memory of Albert C. Smith • Ty & Alivia Smith • Smith's Backhoe Service, Inc. • Lawrence Snideman • Steve Stocks • Jim & Colleen Stone • John & Jane Stone • Jim & Karen Stutzman • Alison Sullivan • Sustainable North West • Randy & Sharon Teague • The Chutney Foundation • The Foundation for Animals • The Nature Conservancy • The Pleiades Foundation • The Stray Bullet, LLC • The University of Montana Foundation • The Wilderness Society • Trout Unlimited, Inc. • US Bureau of Land Management • US Environmental Protection Agency • US Fish & Wildlife Service • James & Marcia Valeo • Peter & Maria Van Loben Sels • Elisabeth Van Woert • Klaus & Beate von Stutterheim • Douglas Webber • Ed Weber • Art Weiner & Carol Fries • Scott Frost & Valerie West • Kevin & Janice Wetherell • HB & MJ Whidden • Seth Wilson & Jennifer Ellis • Virgil & Patricia Winkler • Zoe, LLP



Thank you to those who contributed through The Nature Conservancy to the Blackfoot Community Project. 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 let us know.

PHOTO: © JSalisbury 2009

Executive Committee

The Executive Committee provides financial and administrative oversight for the Blackfoot Challenge, overseeing the budget, expenditures, and fundraising as well as the work of our Executive Director. As we look ahead, we want to ensure that the Challenge continues to have the capacity to meet our mission for the Blackfoot Valley.

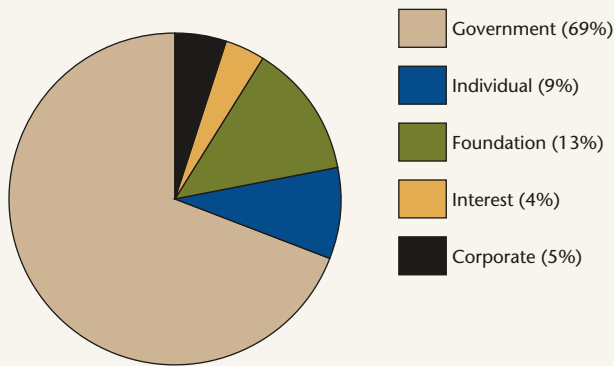
Community Outreach

As the Blackfoot Challenge model of local leadership has grown in reputation nationally, we respond to requests each year to visit our watershed and meet our partners. We transfer the collaborative conservation model by sharing the lessons learned about building trust between private and public landowners; providing consensus-based solutions to natural resource issues; and recommending ways to improve cooperative conservation at local, regional and national scales. In 2008, 1,056 people attended presentations, 496 people attended 23 field tours, and 367 people attended panel presentations. Through this community outreach, we continue to build relationships that will conserve our natural resources and the rural way of life.

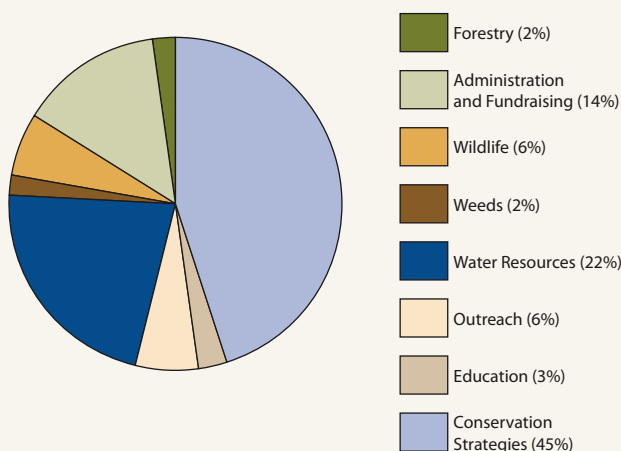
Financials

In 2008, successful grant seeking, partner support, and generous individual giving allowed the Challenge to meet all of the needs for our place-based programs. Long-term support now comes to the watershed with the successful Blackfoot Community Project (BCP) in partnership with The Nature Conservancy, and provides two sources of funding – the Blackfoot Stewardship Endowment Fund and the Blackfoot Community Project Operating Reserve. These funds are to be used primarily to benefit the Blackfoot Community Conservation Area, other conservation lands and associated lands resulting from the BCP and the Blackfoot watershed, and are managed by the Blackfoot Watershed Endowment Committee.

Source of funds (\$924,814)



Use of funds (\$917,821)



Statement of financial position
December 31, 2008

ASSETS

Current Assets

Cash	\$406,584
Board Designated Operating Reserve	\$100,577
Program Reserve Fund	\$56,192
BCP Operating Reserve	\$199,149
Total Cash Equivalents	\$762,502
Blackfoot Stewardship Endowment Fund	\$33,000
Endowment Fund	\$7,859

TOTAL ASSETS

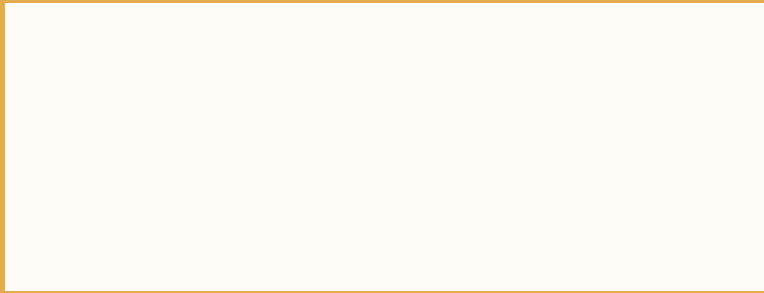
\$803,361

NET ASSETS

Unrestricted	\$179,783
Temporary Restricted Program Carryover	\$226,801
Operating & Program Reserves	\$156,769
BCP Operating Reserve	\$199,149
Permanently Restricted	\$40,859

TOTAL NET ASSETS

\$803,361



2008 BOARD OF DIRECTORS:

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Rolling Stone Ranch, Ovando

Greg Neudecker, Vice Chair

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Denny Iverson, Treasurer

Iverson Ranch, Potomac

Nancy Anderson, Secretary

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Deb Dillree, Clerical

Ali Duvall, Program Coordinator

Hank Goetz, Lands Director

Brian McDonald, Program Coordinator

Nancy Schwalm, Program Coordinator

The 2007 and 2008 Darrell Sall Memorial Awards were presented to Land Lindbergh and David Cochran. Land is well known for his work to help share the Blackfoot River and the surrounding land, and served as the first Board Chair for the Blackfoot Challenge. David has a long history of service to the Blackfoot through his involvement with the North Powell Conservation District and the Challenge Board, and prides himself in being "community and conservation-minded."



**Jim Stone, Land Lindbergh and
Hank Goetz, Iverson Ranch, Potomac**



David Cochran

Several photographs in this annual report are the work of John Salisbury, and we thank him for helping us showcase the Blackfoot. Photography has always been a unique form of expression for John and reflects his passion to give a new way of seeing by creating, within the viewer, specific emotions by using shape, simplicity, color and light. Further images can be seen at www.salisburyimages.com.

**Front & Back Cover: Looking north
towards Ovando Mountain** © JSalisbury 2009

TOP PHOTO: © JSalisbury 2009
BOTTOM PHOTO: Blackfoot Challenge

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