

# Expanding Blackfoot Watershed Collaborative Stewardship



## **Blackfoot Challenge**

Gary Burnett, Executive Director

Jennifer Schoonen, Blackfoot Water Steward

P.O. Box 103

Ovando, MT 59854

406-793-3900

[gary@blackfootchallenge.org](mailto:gary@blackfootchallenge.org)

[jennifer@blackfootchallenge.org](mailto:jennifer@blackfootchallenge.org)

[www.blackfootchallenge.org](http://www.blackfootchallenge.org)

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## **EXECUTIVE SUMMARY**

Date: June 5, 2014  
Applicant: Blackfoot Challenge  
Location: Ovando, Powell County, Montana

### ***Project Summary:***

Now celebrating more than 20 years of partnerships, the Blackfoot Challenge is a nonprofit organization with a mission to coordinate efforts that conserve and enhance the natural resources and rural way of life in the Blackfoot watershed for present and future generations. Working together with the diverse stakeholders in our watershed, the Challenge has developed a water program that relies on private-public partnerships to improve, conserve and wisely share our limited water resources for agriculture, recreation, and fish and wildlife. With this proposal, the Challenge aims to plan for the expansion of our water quantity and water quality programs as our communities deal with increasing drought, the potential of new tribal in-stream flow rights, new Total Maximum Daily Loads (TMDLs), and threatened fish species. These programs will accomplish the goals of this FOA by: expanding coordination with Blackfoot watershed stakeholders; supporting stakeholder meetings; setting priorities and establishing plans for ongoing watershed conservation and management; collaborating with state and federal agencies on watershed improvement programs; addressing water quality through post-TMDL activities; ensuring long-term river resilience through drought planning; and ensuring sound record-keeping and technical resources are in place to support project prioritization.

### ***Project Timeline:***

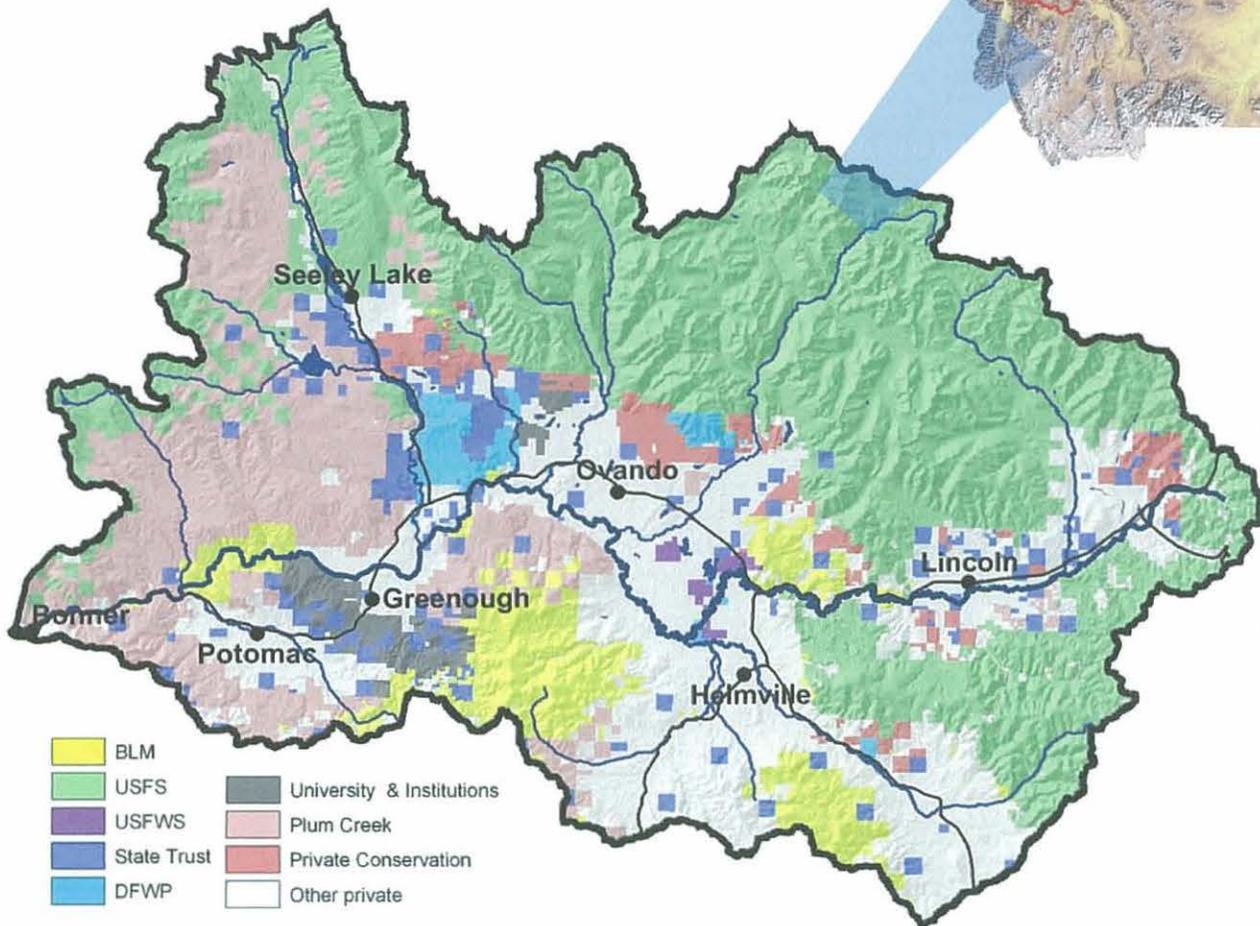
With this prospective funding, the Blackfoot Challenge would initiate this project in October 2014, conducting activities for two years, with a September 2016 completion date.

## **BACKGROUND DATA**

The Blackfoot Watershed encompasses 1.5 million acres of biologically rich and diverse lands in portions of four Montana counties: Lewis and Clark, Powell, Missoula and Granite. The watershed is bordered to the east by the Continental Divide, to the south by the Garnet Mountains, to the north by the Bob Marshall and Lincoln-Sagegoat Wilderness Areas, and to the west by the Rattlesnake Wilderness. Elevations in the watershed range from 9,202 feet on Scapegoat Peak to 3,280 feet near Bonner, Mont., where the Blackfoot River enters the Clark Fork River.

A headwaters tributary of the Columbia River system, the free-flowing Blackfoot River flows 132 miles from its origin near Rogers Pass to its confluence with the Clark Fork in Bonner. This river system drains a 2,320-square mile watershed through a 3,700-mile stream network of which 1,900 miles are perennial streams capable of supporting fish. There are several major tributaries to the Blackfoot River, including the Landers Fork, the North Fork of the Blackfoot River, Monture Creek and the Clearwater River in the northern watershed, and Nevada Creek and Poorman Creek in the southern part of the watershed. The watershed is also home to numerous

**Figure 1: Blackfoot River Watershed, showing diverse public-private ownership**



natural ponds and lakes including Kleinschmidt Lake, Browns Lake, Coopers Lake and the Clearwater chain of lakes (Lake Alva, Lake Inez, Placid Lake, Seeley Lake, and Salmon Lake).

The Blackfoot sits at the southern edge of the Crown of the Continent Ecosystem (COCE) – a 10-million-acre area of the Northern Rocky Mountains that extends north into Canada and includes Waterton-Glacier International Peace Park, Canada’s Castle Wilderness, the Bob Marshall-Great Bear-Scapegoat Wilderness Complex, parts of the Flathead and Blackfeet Indian Reservations, Bureau of Land Management (BLM) lands, and significant acreage of state and private lands. The COCE is one of the most intact ecosystems in North America. The Blackfoot watershed provides critical connections between the COCE, the Selway/Bitterroot Ecosystem to the west, and the Garnets/High Divide to the south.

Within the watershed, the Blackfoot River and its tributaries support agriculture, recreation, several rural communities, and a full array of Northern Rockies fish and wildlife (including threatened and endangered species). Montana Fish, Wildlife and Parks has an in-stream flow

right (a “Murphy Right”) on the mainstem Blackfoot to protect native fisheries. The Blackfoot Challenge manages a Blackfoot Drought Response Plan, which helps to ensure this in-stream flow is met through a voluntary program of shared sacrifice among irrigators and fishing outfitters. In addition to drought, the Blackfoot watershed has been impacted by non-point source pollutants and there are associated TMDLs in place. This region is home to bull trout, grizzly bears, wolves, and recently reintroduced trumpeter swans. Agriculture is the predominant economic and private lands use, though this iconic river system attracts thousands of outdoor recreation enthusiasts each year for its fishing, hunting, cycling and boating opportunities.

There are nearly 6,500 water rights in the Blackfoot Watershed including more than 3,500 groundwater permits and 2,900 surface water permits. Over 50% of groundwater permits are for domestic uses. Groundwater is also used for stock water, irrigation, lawns and gardens. Although stock water represents the greatest number of surface water permits, the largest volume (65%) of water diverted and consumed is for irrigation. This volume of water covers almost 45,000 irrigated acres and, over the irrigation season, translates to a flow of about 730 cfs in diversions and 365 cfs consumed. Irrigation impacts and in-stream flow problems affect numerous streams and stream reaches in the Blackfoot Watershed.

To address many of the watershed health concerns, in 2009, representatives of state and federal agencies, conservation NGOs, landowners, and natural resource industry developed the Blackfoot Subbasin Plan for the Northwest Power and Conservation Council. That plan describes the watershed and its natural resource issues in depth and can be found here:

<http://www.nwcouncil.org/fw/subbasinplanning/blackfoot/plan>

## **PROJECT DESCRIPTION**

### ***Applicant Description:***

Established in 1993, the Blackfoot Challenge coordinates efforts to conserve and enhance the natural resources and rural way of life in the Blackfoot Watershed in Western Montana. Specifically, we coordinate community-based programs to protect working land, conserve water and promote water use efficiency, educate all ages, increase fire safety and restore our forests, improve cross-boundary vegetation stewardship, reduce conflicts between predators and people, and promote the values of community-based conservation.

What separates the Challenge from other watershed groups in the Blackfoot and in the region is our local support. The Challenge responds through our Board of Directors and working committees to the issues that are voiced by watershed stakeholders, resulting in programs and projects based on the needs of the people, communities and resources within the watershed. This structure connects us to people’s needs in the watershed and is essential to responding with programs that benefit the Blackfoot Watershed’s resources and communities. Our consensus model is based on working relationships and building trust with all watershed partners and stakeholders.

Per the definition of a “watershed group” as defined in Section 6001 of the Cooperative Watershed Management Act, the Blackfoot Challenge Board and committees are made up of ranchers, conservation organizations, state and federal natural resource agencies, community

leaders, recreation interests and other diverse stakeholders. As outlined in its bylaws updated and adopted in 2005, the Challenge works in a grassroots fashion, addressing priority watershed issues through community meetings, consensus-based committees and widespread community outreach. The Challenge has established a solid record of effective collaborative watershed stewardship through programs focused on both water quality and quantity. These programs include drought response, watershed restoration, irrigation efficiency, water education and outreach, and TMDL coordination.

***Applicant Eligibility:***

The Blackfoot Challenge is a 501(c)(3) nonprofit organization and meets the definition of an existing “watershed group” as described above.

***Goals:***

With this application, the Blackfoot Challenge is seeking funds for the “expansion of an existing watershed group.” In 1993, the Challenge was formed to build bridges between people with a stake in the landscape and those with decision-making authority to create lasting conservation solutions that benefit people, wildlife and the land. Directed through a series of working groups made up of community members, the Challenge addresses a variety of natural resource priorities based on community needs. These committees manage programs for: water conservation and watershed restoration; invasive weed control; land conservation and stewardship; place-based conservation education; forest health; economic sustainability; and wildlife conservation.

Within the water program, the Blackfoot Challenge operates several initiatives that involve our communities and stakeholders in working together to conserve and enhance the Blackfoot’s water resources. These programs include the Blackfoot Drought Response, irrigation scheduling and efficiency, TMDL outreach and response, watershed education, and watershed planning and restoration. Our goals for the water program under this proposal include:

- Document and analyze the measurable impacts of the Drought Response Program and individual landowner drought plans. Establish a database that documents individual drought response plans and other private landowner water conservation projects, allowing for more accurate tracking of results. Based on impacts data analysis, develop a plan for improving the drought program’s benefits to river flows in the face of variable climate patterns and population growth. Develop an outreach plan and outreach materials that support expanded drought outreach to better educate the angling public and irrigators about the role they can play in protecting river health and fisheries during low flows.
- Work with stakeholders (through public meetings and partner outreach) to examine potential on-the-ground responses to TMDLs identified on the mainstem Blackfoot River and its tributaries. Host facilitated meetings to identify projects that Blackfoot communities can support. Engage state and federal agency partners in these discussions. Develop outreach materials that share best management practices with landowners willing to initiate water quality improvement projects on their land.

***Approach:***

The Blackfoot Challenge is proposing a two-year initiative to strengthen and expand our response to water quantity and quality issues in the watershed. This expansion will be realized through the Drought Response Program and the TMDL coordination.

## **1. Drought Response:**

Water quantity issues will be addressed through the Blackfoot Drought Response Program. The Blackfoot Drought Plan is based on the premise of “shared sacrifice” with the goal that all Blackfoot water users (agricultural, outfitters, homeowners associations, businesses, government agencies, conservation groups and others) voluntarily agree to take actions that will result in water savings and/or the reduction of stress to fisheries during critical low flow periods. Through the basin-wide pooling of water resources, the end goal of maintaining critical in-stream flows during drought periods can be achieved. The plan offers an alternative to traditional enforcement of Montana FWP Murphy water rights and angling restrictions, enabling those who participate in voluntary drought restrictions to continue to use the river in a conservation-focused way. Under the “shared sacrifice” concept outlined by the plan, irrigators, outfitters and recreationists all share a unique opportunity to have a positive impact on the future and health of the river, tributaries and fisheries. A number of water right holders senior the Montana FWP Murphy water right participate in the program. Many of these are among the largest agricultural water users. While the plan has been a model of collaborative watershed stewardship, the Blackfoot Drought Committee remains committed to annually evaluating the program in the “non-drought season” and responding to feedback. Key issues expressed by anglers and irrigators in recent years include some confusion about how the program works, particularly from those either new to or just visiting the Blackfoot Watershed; an interest in better understanding tangible water savings achieved through drought response; and a concern that some irrigators make more of a sacrifice in response to the plan than the anglers and outfitters do.

Under the Blackfoot Drought Plan, the Blackfoot water steward works with the Drought Committee to gather monthly water supply information, disseminate that information to water users, update individual drought plans and coordinate drought response. The water steward maintains rosters of drought plan participants and potential participants, including consumptive water users (irrigators) and non-consumptive water users (fishing outfitters). Nearly 90 individual drought management plans have been developed by working with irrigators to enact water conservation measures. Common conservation strategies include pooling water rights and using them in rotation, reducing overall use or shutting down irrigation. The water steward will work with each participating landowner to update their drought plans and ensure they are adding value to overall drought response with the amount of water conserved. The water steward will facilitate increased landowner outreach to help them prepare to respond quickly when drought occurs. The water steward will also work to boost the number of participating irrigators and expand the benefits of voluntary drought response toward conserving river flows. During peak drought, the water steward, assisted by state hydrologists, will provide technical assistance to water users in implementing their drought plans. The water steward will increase outfitter participation by developing outreach materials to educate them about the drought plan. We will work with outfitters to develop guidelines for their participation through voluntary restrictions on fishing techniques that help protect native fish.

With a more tangible understanding of drought response water savings, we will be better equipped to increase participation in critical river sections and to help the public realize the importance of the program. By quantifying the benefits back to the river, we can also reinforce with participating irrigators that their efforts make a difference. The Blackfoot Challenge will

work with our state water agencies to measure water flow and temperature trends in key sections of the Blackfoot River and its tributaries. During drought, we will conduct field checks of participating irrigators to ensure their water use is in alignment with their drought plans and to quantify what water is left in the system when irrigators scale back. The Drought Committee will evaluate this water savings data and use it to make adjustments to the overall Drought Plan. The water steward will incorporate the water savings data into public outreach to raise awareness about how our outfitters and irrigators are making sacrifices to ensure the long-term health of the Blackfoot watershed.

The Drought Committee has identified a need to develop more aggressive outreach to educate the public, landowners and outfitters about the drought plan's value to overall watershed health. This communications effort must focus on understanding measurable results from drought participation. We propose to initiate a more comprehensive outreach plan to educate the public and engage additional irrigators and outfitters. We will create messaging around an expanded monitoring program to demonstrate water benefits achieved through the voluntary drought plan. The Blackfoot water steward will craft a communications plan that incorporates traditional news media, electronic and social media, print materials, signage and personal outreach. The plan will include strategies for reaching out to visiting anglers, fishing outfitters and landowners, and sharing with them the tangible results gained through shared sacrifice. We will also develop a recognition strategy to publicly demonstrate the commitment made by outfitters and landowners through signage, PR outreach and our web site. With many drought plan participants dependent on visiting clients for their livelihoods, the recognition can provide an important incentive to participate and benefit to their businesses.

We estimate the work to develop a more effective and efficient system of monitoring drought plan participation and communicating with the public will take two years to implement. With staff capacity limited, the Challenge proposes to employ a member of the Big Sky Watershed Corps (an AmeriCorps program) in 2015 and 2016 to help carry out these drought-related duties.

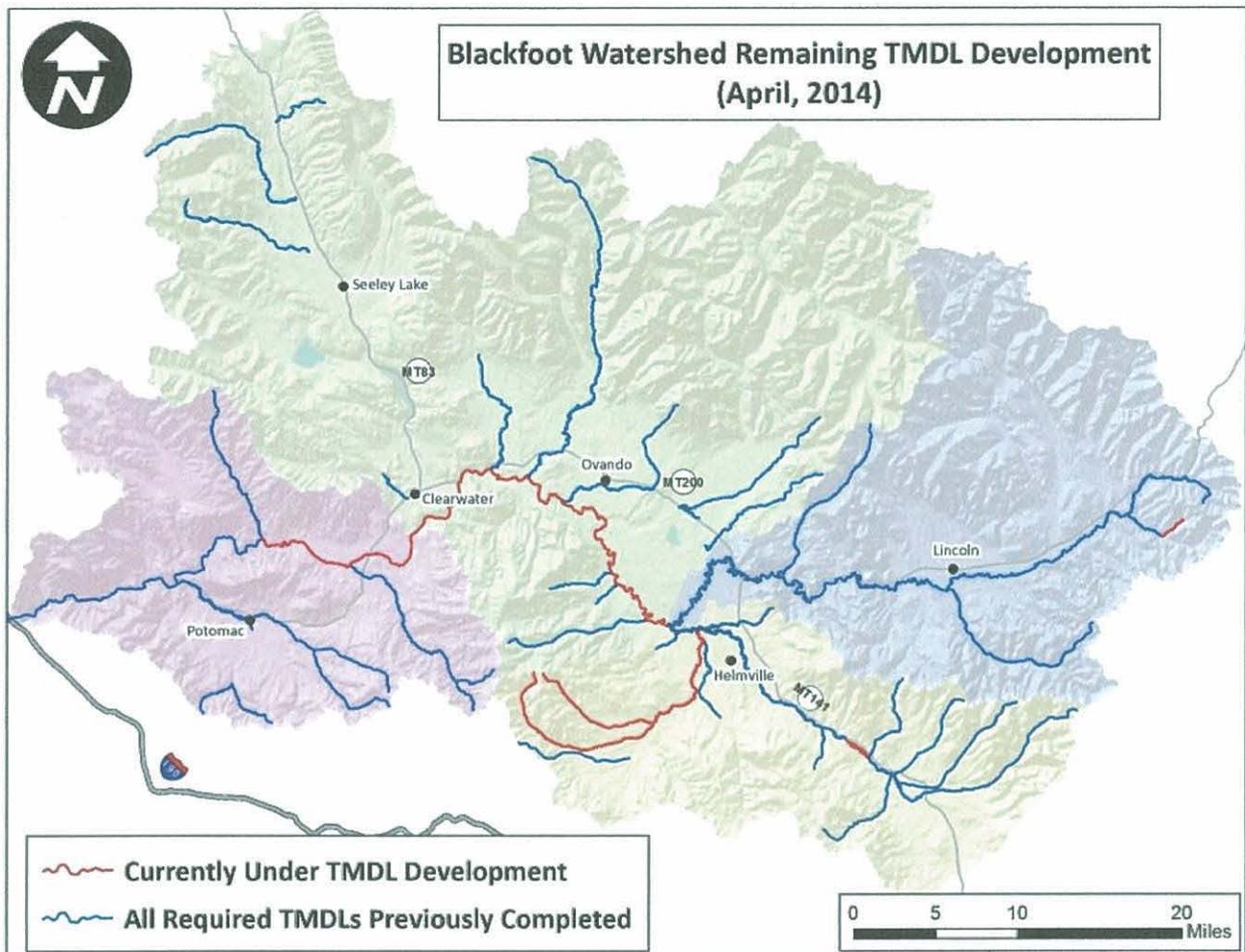
## **2. TMDL Coordination:**

Since 2003, a total of 124 TMDLs have been written for segments of the Blackfoot River and its tributaries. Nine more TMDLs were prepared in 2013 and another nine remain to be completed and approved by the EPA. As part of this process, the Blackfoot Challenge has served a public review and outreach role. The Challenge coordinates a Watershed Advisory Group (WAG) and a Technical Advisory Group (TAG), both of which meet to review TMDLs in progress and to provide feedback to the EPA and Montana Department of Environmental Quality. The Challenge also organizes and hosts public meetings to provide opportunities for community education and feedback on TMDLs. To support TMDL response, the Challenge staff is currently drafting a Blackfoot Watershed Restoration Plan to summarize TMDL data and address partnership-based activities to improve water quality. This plan will be completed and submitted to the EPA by December 2014.

Over the course of the next two years, the Challenge aims to complete the Watershed Restoration Plan and facilitate public involvement in strategies that address nonpoint source pollutant issues. We will convene stakeholder and public meetings to identify and review potential projects and

best management practices. From those meetings, we will develop a longer-term outreach and education plan for encouraging individual landowners to take action where possible. We will develop materials to provide landowners with information about BMPs they can implement and funding sources to help them get that work done. We will also plan to work with our communities to document and recognize individual efforts and to evaluate the collective benefits of those efforts.

**Figure 2:** Blackfoot Total Maximum Daily Loads completed and in progress



The Challenge will summarize this two-year program of work in a final report to be submitted in September 2016.

**Evaluation Criteria A: Watershed Group Diversity and Geographic Scope**

***Subcriterion A1 – Watershed Group Diversity***

The roots of the Blackfoot Challenge story began in the 1970s when private landowners and public managers had the simple idea that we can share resources if we look for common ground through public and private partnerships to work collectively. The Blackfoot Challenge formed in

1993 to follow this inclusive, consensus-based approach to coordinate efforts that conserve and enhance the natural resources and rural way of life in the Blackfoot Watershed. Today, the group remains a cooperative of local landowners, federal and state land managers, local government officials, corporate landowners and conservation organizations. Our conservation success is possible because we follow a strict process that respects community values, invites participation from all watershed stakeholders, coordinates the conversations and partnerships, and supports these partnerships with good science and fact. In today's language, we follow a consensus-based collaborative process.

Alongside landowners, agricultural producers, recreation interests and forestry industry members from Blackfoot Watershed communities, the Blackfoot Challenge Board of Directors includes representatives of the U.S. Fish and Wildlife Service, U.S. Forest Service, Natural Resources Conservation Service, Bureau of Land Management, Montana Fish, Wildlife and Parks, Montana Department of Natural Resources and Conservation, Montana Department of Environmental Quality, and The Nature Conservancy. Community engagement, public outreach and project development take place through a suite of working groups and committees. For the water program, working groups include a Drought Committee, a Technical Advisory Group (for the TMDL program), and a Watershed Advisory Group. These committees are made up of a broad diversity of 20-30 community stakeholders similar to the Challenge Board. Committees meet regularly to discuss natural resource concerns and set watershed priorities.

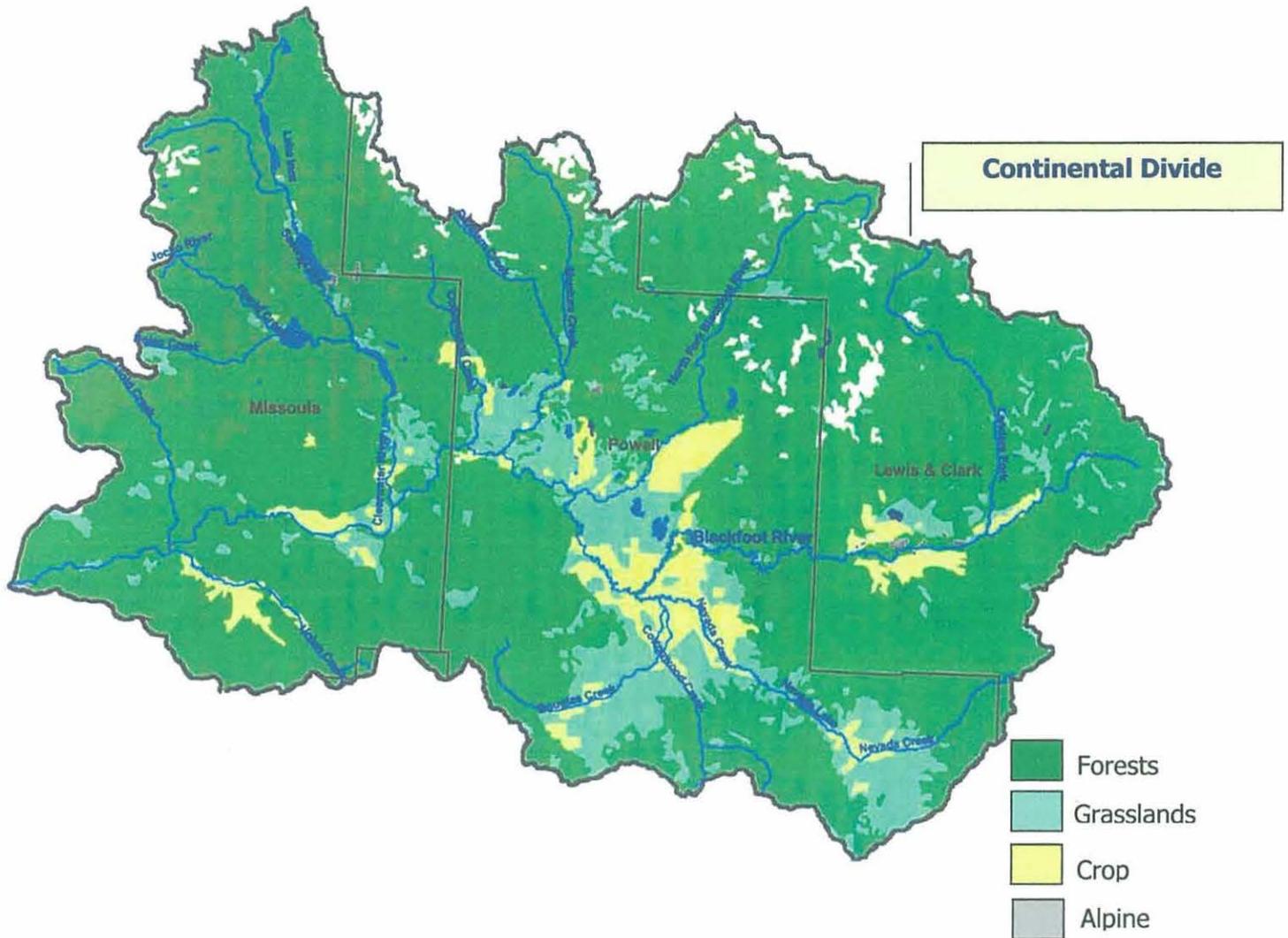
Although the Challenge has established a credible record of community outreach, this proposal is aimed at helping to expand outreach to include an even broader representation of our watershed's stakeholders. Our outreach strategies include public meetings, a regularly updated web site, member email blasts, ads and articles in community newspapers, meeting calendars posted in local businesses, direct mail and social media. In addition, a significant level of personal communication takes place with individual landowners, community leaders, recreation business owners and others to ensure the effectiveness of our water conservation programs, like drought response and irrigation efficiency. We aim to expand and improve this outreach with several vehicles. First, the Challenge web site is limited in its architecture and an improved site will make resources like water supply and soil moisture reports more easily accessible. Second, we know we could do a better job of reaching the angling public with information about drought response and watershed conservation programs. We will be looking to create new outreach materials that can be distributed through fly shops, fishing lodges and at fishing access sites. Additional public meetings on the TMDL process will help us provide more opportunities for landowners to understand TMDLs and provide input to the response. We also have a goal to recruit additional irrigators and outfitters into the voluntary drought response program and will need to conduct additional outreach to nurture their participation.

### ***Subcriterion A2 – Geographic Scope***

The Blackfoot Challenge works across the entire Blackfoot Watershed, from its headwaters at the Continental Divide near Lincoln, Mont., to its confluence with the Clark Fork River near Bonner, Mont. Within the watershed, the Challenge makes every effort to equally engage all communities, including Bonner, Potomac, Greenough, Seeley Lake, Ovando, Helmville and Lincoln. In addition, the Challenge is increasingly asked to share its best practices and lessons learned with nascent watershed groups throughout Montana and the West.

Our work takes place within a watershed encompassing 1.5 million acres (2,345 square miles) of biologically rich and diverse lands in portions of four northwest Montana counties: Lewis and Clark, Powell, Missoula and Granite. The Blackfoot Watershed is bordered to the east by the Continental Divide, to the south by the Garnet Mountains, to the north by the Bob Marshall and Lincoln-Sagegoat Wilderness areas and to the west by the Rattlesnake Wilderness area. Elevations in the watershed range from 9,202 feet on Scapegoat Peak to 3,280 feet near Bonner, Montana where the Blackfoot enters the Clark Fork River.

**Figure 3:** Blackfoot Watershed geographic scope and vegetation cover



A tributary of the Columbia River, the free-flowing Blackfoot River flows 132 miles from its headwaters near Rogers Pass on the Continental Divide to its confluence with the Clark Fork River at Bonner. The area is characterized by narrow headwater canyons opening to generally rolling terrain at the heart of the watershed and ending in a narrow, incised, stream-cut canyon. The Blackfoot River is ranked as a Tier I Aquatic Conservation Focus Area in Montana’s Comprehensive Fish and Wildlife Conservation Strategy. Tier I species, communities, and focus areas are considered by Montana FWP to be of the greatest conservation need in Montana.

The Blackfoot Watershed is part of the Clark Fork-Pend Oreille River Basin and is identified by the U.S. Geological Survey (USGS) 8-digit HUC number 17010203. The Blackfoot is one of the easternmost subbasins within the Columbia River Basin. The Columbia River Basin Fish and Wildlife Program organizes the subbasins of the Columbia River Basin into 11 ecological provinces, or groups of adjoining subbasins with similar hydrology, climate, and geology. The Blackfoot Watershed is part of the Mountain Columbia Ecological Province along with the Bitterroot, Clark Fork, Flathead and Kootenai subbasins. Although anadromous fisheries do not extend into the Blackfoot, the watershed is significant as a headwaters drainage of the Columbia River system.

The Blackfoot Watershed is located at the southern edge of the Crown of the Continent Ecosystem (COCE), a 10-million-acre area of the Northern Rocky Mountains that extends north into Canada and includes Waterton-Glacier International Peace Park, Canada's Castle Wilderness, the Bob Marshall-Great Bear-Scapegoat Wilderness Complex, parts of the Flathead and Blackfeet Indian Reservations, Bureau of Land Management (BLM) lands and significant acreage of state and private lands. The COCE is one of the most intact ecosystems in North America. The Blackfoot Watershed provides critical connections between the COCE and the Selway/Bitterroot Ecosystem to the south.

### **Evaluation Criteria B: Addressing Critical Watershed Needs**

#### ***Subcriterion B1 – Critical Watershed Needs or Issues***

Long before the Challenge existed, a few Blackfoot residents began to realize the need for collaboration in the 1970s as conflicts brewed between private landowners and recreation enthusiasts attracted to the region's wealth of fish, wildlife, waterways and scenic beauty. In 1992, the Blackfoot River was listed as one of the 10 most endangered rivers in the United States due to a century of unsustainable practices including mining, livestock grazing and timber harvest. Housing development, increased recreational use and the spread of noxious weeds were also beginning to impact the overall health of the river. The impacts to water quality and fisheries of the Blackfoot associated with these land uses generated interest in river management and enforcement via top-down, agency-led planning and decision-making.

Today, the legacy of many of these issues lingers, although our approach to solving problems has changed dramatically. From ranchers to fishing outfitters, the diverse stakeholders who share a stake in the watershed are working to balance their water needs with each other. Because of the river's native fisheries, including threatened bull trout, Montana Fish, Wildlife and Parks holds an in-stream flow right on the Blackfoot that sets minimum flow targets. The need to protect this important fishery led to the development of the Blackfoot Drought Response Plan, in an effort to balance the sacrifice made by all competing water users. In the last 13 years, low flows have triggered drought response measures eight times, demonstrating the new reality for river flows with changing climate patterns. At the same time as ranchers and fishing outfitters deal with the economic impacts of drought, local municipalities have their own water concerns. Specifically, based on population projections and water availability, the community of Seeley Lake faces potential water shortages in the future.

Adding to the water quantity challenges, water quality has also become a priority concern following the completion of the first TMDLs starting in 2003. TMDLs have been written for the Blackfoot River proper as well as a number of tributaries, with sediment, temperature and metals all identified as problems that require a response. The Blackfoot Challenge has made a commitment to find voluntary, incentive-based solutions rather than regulation to solve water quality concerns to better ensure community participation to the restoration process.

While aquatic resources are the focus of this proposal, it is important to note that the Blackfoot Watershed is also home to terrestrial threatened and endangered species. Grizzly bears, lynx and wolves wander the landscape among small communities, croplands and grazing cattle. The Challenge has invested in innovative approaches to minimizing wildlife-human conflicts to ensure we can maintain the full complement of wildlife alongside sustainable traditional farming and ranching activities.

***Subcriterion B2 – Watershed Group Contributions That Address Watershed Needs or Issues***

As periods of drought become the norm and as water quality issues persist, there is a clear need to build up our partnerships and bring more resources to the Blackfoot. This watershed has benefitted from a grassroots foundation of landowner involvement and public-private partnerships. But it will not be immune to water conflicts should the stakeholder process disintegrate. The many partners working in the Blackfoot Watershed have built a trusted process over the last two decades of utilizing community discussions, public outreach, and consensus-based decision-making. As the Blackfoot Challenge has fostered the collaborative process, our staff and stakeholder committees have supported water conservation through drought planning, TMDL response, irrigation efficiency, and watershed restoration.

In 2000 under the leadership of the Blackfoot Challenge, the Blackfoot Drought Committee was formalized to coordinate the development and implementation of a voluntary drought response effort in the Blackfoot Watershed. That committee is made up of water interests and experts from key stakeholder groups, including representatives from conservation organizations, state water and fisheries management agencies, ranchers and irrigators, and river outfitters. The committee developed the Blackfoot Drought Response Plan and continues to oversee and implement that plan today. Since forming the Drought Committee in 2000, the Blackfoot Drought Plan has been enacted eight times, demonstrating the very real issue of chronic drought impacting this watershed and its residents. The Blackfoot Drought Plan is based on the premise of “shared sacrifice” with the goal that all Blackfoot water users (agricultural, outfitters, homeowners associations, businesses, government agencies, conservation groups and others) voluntarily agree to take actions that will result in water savings and/or the reduction of stress to fisheries during critical low flow periods. Through the basin-wide pooling of water resources, the end goal of maintaining critical in-stream flows during drought periods can be achieved. The plan offers an alternative to traditional enforcement of the Montana FWP Murphy water rights and angling restrictions, enabling those who participate in voluntary drought restrictions to continue to use the river in a conservation-focused way. Under the “shared sacrifice” concept outlined by the plan, irrigators, outfitters and recreationists all have a unique opportunity to have a positive impact on the future and health of the river, tributaries and fisheries. While the plan has been a model of collaborative watershed stewardship, the Blackfoot Challenge and the Blackfoot Drought Committee remain committed to annually evaluating the program and responding to

feedback. At this point, the Challenge and the Drought Committee have discussed improving the program with goals to:

- continue hosting public drought committee meetings to inform interested community members about water availability trends and the drought response program.
- strategically increase landowner participation in the plan where we can increase water conservation by evaluating the current suite of individual drought plans, identifying water rights holders who could assist in meeting water conservation goals, and expanding outreach across the watershed to raise awareness of the opportunity for participation.
- improve outreach to outfitters and the angling public to help them understand the “shared sacrifice” concept and utilize new marketing materials to encourage their support.
- and, improve tracking and measurement of drought response benefits, through an updated database documenting individual drought plans and through periodic field visits with participating irrigators.

On the water quality front, the Challenge has been organizing technical review, stakeholder review and public scoping meetings to support the completion of TMDLs. The Challenge uses its full range of outreach vehicles to keep our communities informed about opportunities to learn about TMDLs and provide comment, reaching out through the local papers, email, our web site, and posters. We will continue to support this process as the remaining TMDLs near completion. From there, our stakeholders have asked for more information about how they might participate as individual landowners and how we can contribute collectively to solving water quality problems. The Challenge can best fulfill this request by continuing to host public education meetings about responding to TMDLs and by developing informational materials that share best management practices that landowners can voluntarily choose to pursue. Because TMDLs have been a sensitive issue in our watershed based on fear of regulation, the Challenge is committed to facilitating a community-led response to improving water quality. We want to develop water quality improvement activities that take a system-wide approach and avoid alienating individuals by focusing on the conditions and not the specific locations of water quality impairments.

### **Evaluation Criteria C: Implementation and Results**

#### ***Subcriterion C1 – Project Planning***

The Blackfoot Challenge has already played a role in the development of key planning efforts for the watershed and relies on these plans for guidance in setting priorities together with our federal, state and NGO partners. As mentioned previously, the Challenge has been working with the EPA and Montana DEQ to finalize TMDLs for the watershed. These TMDLs will form the basis for the Blackfoot Watershed Restoration Plan currently under development by Challenge staff. In 2009, Challenge staff helped to develop the Blackfoot Subbasin Plan, which provides the technical foundation for prioritizing restoration and protection strategies for fish and wildlife populations. The Challenge’s work follows the objectives of that subbasin plan (<http://www.nwcouncil.org/fw/subbasinplanning/blackfoot/plan>), including: maintaining and restoring bull trout and westslope cutthroat trout populations; maintaining large, intact working landscapes; controlling invasive species; restoring riparian communities; ensuring forest health; and protecting habitat connectivity for grizzly bears. Developed in 2000, the Blackfoot Drought Response Plan is a dynamic tool used to guide voluntary drought response each year. That plan is implemented by the Blackfoot Drought Committee, an entity coordinated by Blackfoot

Challenge staff. The overall drought plan and the accompanying individual drought plans followed by irrigators are critical to the shared use of water during times of low flows.

***Subcriterion C2 – Readiness to Proceed***

Please refer to “Approach” and “Subcriterion B2” for further detail on implementation.

- *Update and Evaluate Individual Landowner Drought Plans:* Contact landowners to review all 90 individual drought plans for accuracy; compare records to state water rights database. Costs: staff time for Jennifer Schoonen & Big Sky Watershed Corps member. October 2014 – June 2015.
- *Develop Tracking System for Drought Response:* Explore database options for better documentation, tracking and updating of individual drought plans. Costs: \$4,000 for database development. March – August 2015.
- *Host Two Annual In-person Drought Committee Meetings:* Advertise and host two meetings per year. Costs: \$200 per meeting. November 2014, May 2015, November 2015, May 2016.
- *Develop Outreach Plan for Drought Response:* Draft outreach plan with specific communications identified for target audiences (irrigators, outfitters, general public); Costs: staff time. October 2014 – March 2015.
- *Develop Outreach Materials on Drought Response for Anglers:* Develop voluntary fishing restrictions brochure and general background material on the Blackfoot Drought Response Plan. Costs: staff time and \$1,200 for printing. February – May 2015.
- *Host Public Meetings to Provide TMDL Education:* Advertise and host 1 public meeting per year on TMDLs. Costs: \$200 per meeting. March 2015, March 2016.
- *Develop Outreach Material on TMDL Responses (BMPs):* Develop outreach plan along with print and electronic materials to educate stakeholders about voluntary TMDL actions. Costs: staff time and \$400 for printing. June – September 2015.
- *Develop final report:* Create final report on program results. Costs: staff time. August through September 2016.

Previous work or activities (e.g., collaborative efforts, studies, or projects) that relate to implementing the proposed scope of work:

- 2000: Development of Blackfoot Drought Response Plan
- 2003-2014: Development of Blackfoot TMDLs
- 2009: Development of Blackfoot Subbasin Plan
- 2013: Blackfoot Community Discussions (a series of public workshops to identify community concerns and priorities)
- 2014: Development of Blackfoot Watershed Restoration Plan (in progress)
- Annually: Blackfoot Drought Committee coordination; water flow monitoring and reports to the public

**Evaluation Criteria D: Watershed Group / Landscape Conservation Cooperatives Nexus**

Though not a formal member of the Great Northern Landscape Conservation Cooperative, the Challenge does work closely with many members of this LCC’s steering committee and advisory group through other committees. Challenge staff members also sit on similar collaborative

committees in the region, including the Southwest Crown of the Continent Collaborative (SWCC), the Working Lands Council, and the Crown of the Continent Roundtable. The SWCC has applied for and received funding through the LCC. The Blackfoot Challenge shares our regional LCC's commitment to add value to large landscape conservation and to build natural resource resilience in the face of climate change and other landscape-scale stressors. Our overall strategies include communicating effectively both within our watershed and beyond, relying on sound science, nurturing effective public-private partnerships, and monitoring results. The Blackfoot Challenge welcomes the opportunity to coordinate more directly with the Great Northern LCC.



### **D.8 Required Permits or Approvals**

There are no required permits or approvals to proceed with the proposed work.



**Blackfoot Challenge  
Watershed Group Resolution**

**RESOLUTION**

**BUREAU OF RECLAMATION 2014 WATERSMART GRANT**

**COOPERATIVE WATERSHED MANAGEMENT PROGRAM**

WHEREAS, the Blackfoot Challenge is the local non-profit organization formed to coordinate efforts that will enhance and conserve the natural resources and rural way of life in the Blackfoot Watershed for present and future generations,

WHEREAS, the Blackfoot Challenge supports environmentally responsible resource stewardship through cooperation of private and public interests,

WHEREAS, private landowners, federal and state land managers, local government officials, and corporate landowners compose the informal membership,

WHEREAS, we achieve success by building trust, partnerships and working together with all interested parties in the Blackfoot Watershed, and

WHEREAS, the Blackfoot Challenge's overall role is to find consensus to conserve and enhance the natural resources in the Blackfoot Watershed, therefore

BE IT RESOLVED, the Blackfoot Challenge has reviewed and authorizes Gary Burnett, Blackfoot Challenge Executive Director to be the key contact and to pursue a Bureau of Reclamation 2014 WaterSMART grant for Cooperative Watershed Management Program; and

BE IT FURTHER RESOLVED, the Blackfoot Challenge by the authority given to it by the State of Montana is committing the necessary resources and funds to complete the project by September 30, 2016.

Dated this 3rd day of June, 2014.

A handwritten signature in black ink that reads "Jim Stone". The signature is written in a cursive, flowing style.

\_\_\_\_\_  
Jim Stone, Blackfoot Challenge Board Chair

Letters of Support



United States Department of the Interior



FISH AND WILDLIFE SERVICE  
Montana Partners for Fish & Wildlife  
POB 66  
Ovando, MT 59854

June 3, 2014

IN REPLY REFER TO:

To whom it may concern:

The U.S. Fish and Wildlife Service supports the Blackfoot Challenge's application to the Bureau of Reclamation's WaterSMART: Cooperative Watershed Management Program for a grant to support the Blackfoot Water Stewardship Program. The Blackfoot Water Stewardship Program coordinated by the Blackfoot Challenge is focused on conserving water, improve water quality and ecological resilience, and reduce conflicts over water through collaborative conservation efforts in the management of local watersheds.

The Blackfoot Challenge accomplishes this work by: 1) coordinating the Blackfoot Drought Committee, a voluntary drought response effort based on the premise of "shared-giving," in which water users voluntarily agree to leave water in streams during drought and low-flow periods; 2) coordinating an irrigation efficiency program to conserve water and strengthen agricultural communities centered on energy conservation, improving water use efficiency, and reducing agricultural production costs; and 3) developing a Blackfoot Watershed Restoration plan that encompasses native fish species management and recovery led by Montana Fish, Wildlife & Parks and the Big Blackfoot Chapter of Trout Unlimited; the TMDL Program led by DEQ and the Blackfoot Challenge; and water conservation and instream flow management led by Big Blackfoot Chapter of Trout Unlimited and the Blackfoot Challenge.

These efforts benefit many people and resources, including USFWS trust resources such as: bull trout (threatened), westslope cutthroat trout, migratory songbirds and waterfowl. Wise water use is the only way we can keep all these species on this working landscape.

Thank you for the opportunity to support the Blackfoot Challenge's application to the WaterSMART program.

Sincerely

Randy Gazda  
Assistant State Coordinator  
Partners for Fish and Wildlife Program

**DEPARTMENT OF NATURAL RESOURCES  
AND CONSERVATION  
Southwestern Land Office**



STEVE BULLOCK, GOVERNOR

STATE OF MONTANA

PHONE: (406) 542-4200  
FAX: (406) 542-4285

1401 27TH AVENUE  
MISSOULA, MT 59804

Brent Esplin, Area Manager  
Bureau of Reclamation  
Montana Area Office  
2900 Fourth Avenue North  
Billings, MT 59101

Dear Mr. Esplin:

Montana Department of Natural Resources (DNRC) supports the Blackfoot Challenge's application to the Bureau of Reclamation's WaterSMART: Cooperative Watershed Management Program for a grant to support the Blackfoot Water Stewardship Program.

The Blackfoot Watershed encompasses 2,320 square miles with a diverse landscape, geology, climate, and vegetation across mixed ownerships, including State trust lands managed by Montana DNRC.

The Blackfoot Challenge supports environmentally responsible resource stewardship through cooperation of private and public interests and has worked well with Montana DNRC to achieve these shared goals. The Blackfoot Challenge has a remarkably successful record of developing partnerships and working collaboratively with private and corporate landowners, federal and state land managers, and local government officials.

The Blackfoot Water Stewardship Program coordinated by the Blackfoot Challenge is focused on conserving water, improving water quality and ecological resilience, and reducing conflicts over water through collaborative conservation efforts in the management of local watersheds. The Blackfoot Challenge accomplishes this work by: 1) coordinating the Blackfoot Drought Committee, a voluntary drought response effort based on the premise of "shared-sacrifice," in which water users voluntarily agree to save water during drought and low-flow periods, which was exemplified in the drought conditions of the summer in 2013; 2) coordinating an irrigation efficiency program to conserve water and strengthen agricultural communities centered on energy conservation, improving water use efficiency, and reducing agricultural production costs; and 3) developing a Blackfoot Watershed Restoration plan that encompasses native fish species management and recovery of Bull Trout led by Montana Fish, Wildlife & Parks and the Big Blackfoot Chapter of Trout Unlimited; the TMDL Program led by DEQ and the Blackfoot

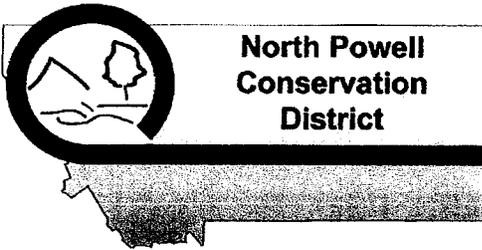
Challenge; and water conservation and in stream flow management led by Big Blackfoot Chapter of Trout Unlimited and the Blackfoot Challenge.

We whole-heartedly support the Blackfoot Challenge's application to the WaterSMART program.

Sincerely,

*Michael O'Herron*

Mike O'Herron  
Area Manager  
Southwestern Land Office  
Montana DNRC  
(406) 542-4261  
moherron@mt.gov



**1002 Hollenback Road, Suite C  
Deer Lodge, MT 59722**

Phone: (406) 846-1703, x 111  
Email: [susie.johnson@mt.nacdnet.net](mailto:susie.johnson@mt.nacdnet.net)

Fax: (855) 510-7027

To whom it may concern:

The North Powell Conservation District supports the Blackfoot Challenge's application to the Bureau of Reclamation's WaterSMART: Cooperative Watershed Management Program for a grant to support the Blackfoot Water Stewardship Program.

The mission of the Blackfoot Challenge is to coordinate efforts that will conserve and enhance the natural resources and rural way of life in the Blackfoot Watershed for present and future generations.

The Blackfoot Challenge supports environmentally responsible resource stewardship through cooperation of private and public interests. Private landowners, federal and state land managers, local government officials, and corporate landowners compose the informal membership. We achieve success by building trust, partnerships and working together.

The Blackfoot Water Stewardship Program coordinated by the Blackfoot Challenge is focused on conserving water, improve water quality and ecological resilience, and reduce conflicts over water through collaborative conservation efforts in the management of local watersheds. The Blackfoot Challenge accomplishes this work by: 1) coordinating the Blackfoot Drought Committee, a voluntary drought response effort based on the premise of "shared-sacrifice," in which water users voluntarily agree to save water during drought and low-flow periods; 2) coordinating an irrigation efficiency program to conserve water and strengthen agricultural communities centered on energy conservation, improving water use efficiency, and reducing agricultural production costs; and 3) developing a Blackfoot Watershed Restoration plan that encompasses native fish species management and recovery led by Montana Fish, Wildlife & Parks and the Big Blackfoot Chapter of Trout Unlimited; the TMDL Program led by DEQ and the Blackfoot Challenge; and water conservation and instream flow management led by Big Blackfoot Chapter of Trout Unlimited and the Blackfoot Challenge.

Thank you for the opportunity to support the Blackfoot Challenge's application to the WaterSMART program.

Sincerely,

Tracy Manley, Chairman



**Montana Department of  
ENVIRONMENTAL QUALITY**

**Steve Bullock, Governor  
Tracy Stone-Manning, Director**

P. O. Box 200901 • Helena, MT 59620-0901 • (406) 444-2544 • Website: [www.deq.mt.gov](http://www.deq.mt.gov)

June 4, 2014

Blackfoot Challenge  
405 Main Street  
Ovando, MT 59854

RE: Blackfoot Challenge WaterSMART Grant Application

To whom it may concern:

The Montana Department of Environmental Quality supports the Blackfoot Challenge's application to the Bureau of Reclamation's WaterSMART: Cooperative Watershed Management Program for a grant to support the Blackfoot Water Stewardship Program.

The mission of the Blackfoot Challenge is to coordinate efforts that will conserve and enhance the natural resources and rural way of life in the Blackfoot Watershed for present and future generations.

The Blackfoot Challenge supports environmentally responsible resource stewardship through cooperation of private and public interests. Private landowners, federal and state land managers, local government officials, and corporate landowners compose the informal membership. We achieve success by building trust, partnerships and working together.

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Thank you for the opportunity to support the Blackfoot Challenge's application to the WaterSMART program.

Respectfully,

Mark Bostrom  
Bureau Chief, Water Quality Planning  
Montana DEQ

Rolling Stone Ranch  
POB 148  
Ovando, Montana 59854

June 5, 2014

Brent Esplin, Area Manager  
Bureau of Reclamation, Montana Area Office  
2900 Fourth Avenue North  
Billings, MT 59101

Dear Mr. Esplin:

As a water user from Ovando, Montana, and Chair of the Blackfoot Challenge Board of Directors, I am writing to encourage the Bureau of Reclamation to support our application to the WaterSMART: Cooperative Watershed Management Program for a grant to support the Blackfoot Water Stewardship Program.

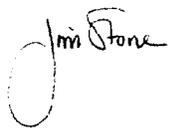
The mission of the Blackfoot Challenge is to coordinate efforts that will conserve and enhance the natural resources and rural way of life in the Blackfoot Watershed for present and future generations.

We support environmentally responsible resource stewardship through cooperation of private and public interests. Private landowners, federal and state land managers, local government officials, and corporate landowners compose the informal membership. We achieve success by building trust, partnerships and working together.

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Thank you for the opportunity to support our application to the WaterSMART program.

Sincerely,

A handwritten signature in black ink that reads "Jim Stone". The signature is written in a cursive style with a large, looped initial "J".

Jim Stone

## **D.9 Funding Plan**

<b>Funding Sources</b>	<b>Funding Amount</b>
Non-Federal Entities	
1. Montana DNRC	\$2,855.58
2. Blackfoot Challenge (in-kind)*	\$9,995.00
3. Brainerd Foundation	\$1,000.00
4. Pending / TBD	\$10,000.00
Non-Federal Subtotal:	\$23,850.58
Other Federal Entities	
1. U.S. Fish and Wildlife Service	\$2,500.00
2. AmeriCorps	\$24,200.00
Other Federal Subtotal:	\$26,700.00
<b>Requested Reclamation Funding:</b>	<b>\$52,488.40</b>
<b>Total Project Funding:</b>	<b>\$103,038.98</b>

The Blackfoot Challenge has multi-year, ongoing support for its water programs through the U.S. Fish and Wildlife Service’s Partners Program. A portion of that funding will apply toward this proposed program of work. Through our application for a Big Sky Watershed Corps staff member, the Challenge will benefit from matching funds from AmeriCorps to support that position. The Challenge also has a multi-year capacity grant from the Montana Department of Natural Resources and Conservation (an RRGL grant) to support activities led by the Blackfoot water steward. In addition, the Challenge will apply in-kind support for travel and staffing toward this program using reserve funds and funds raised through private foundations. (Requests to private funders are in progress and an ongoing activity for Challenge staff.) The Blackfoot Challenge will not apply any in-kind costs that have been incurred prior to the anticipated project start date.

## D.10 Budget Proposal

The following represents a two-year program of work for Oct. 2014 – Sept. 2016.

Budget Item Description	Computation		Reclamation Funding	Matching Funds	Match Source*	TOTAL COST
	\$/Unit	Quantity				
<b>Salaries &amp; Wages</b>						
Jennifer Schoonen Water Steward	\$21/hour	1,278	<b>\$21,840.00</b>	\$2,500	MT DNRC RRGL grant	\$26,840.00
				\$2,500	USFWS	
2015 Big Sky Watershed Corps	\$22,100/yr	2 years	<b>\$10,000.00</b>	\$24,200	AmeriCorps	\$44,200.00
				\$10,000	TBD	
Gary Burnett Exec. Director	\$35/hour	50	<b>\$1,750</b>			\$1,750.00
<b>Fringe Benefits</b>						
JS (full-time)	\$1.41/hour	1,278	<b>\$1,466.40</b>	\$355.58	MT DNRC RRGL grant	\$1,821.98
<b>Travel</b>						
Mileage	\$0.56/mile	15,000	<b>\$3,000.00</b>	\$5,400.00	Blackfoot Challenge/ private funders	\$8,400.00
<b>Supplies / Materials</b>						
Printing - Drought	\$0.30/piece	4,000	<b>\$1,200.00</b>			\$1,200.00
Printing – TMDLs	\$0.40/piece	1,000	<b>\$400.00</b>			\$400.00
Copies	\$0.20/piece	5,000	<b>\$1,000.00</b>			\$1,000.00
<b>Other</b>						
Meeting Expenses	\$200/meeting	6 mtgs	<b>\$1,200.00</b>			\$1,200.00
Reporting	\$21/hour	60	<b>\$1,260.00</b>			\$1,260.00
<b>Contractual</b>						
Facilitator	\$800/day	2	<b>\$1,600.00</b>			\$1,600.00
Technical services (drought database)	\$50/hour	80	<b>\$3,000.00</b>	\$1,000.00	Brainerd Foundation	\$4,000.00
<b>Total Direct Costs</b>						
			<b>\$47,716.40</b>	\$45,955.58		\$93,671.98
Indirect Costs- 10%			<b>\$4,772.00</b>	\$4,595.00	Blackfoot Challenge	\$9,367.00
<b>TOTAL Project Costs</b>			<b>\$52,488.40</b>	\$50,550.58		\$103,038.98

\*There are pending requests with private foundations that could potentially provide additional match for this budget. Those foundations include Steele-Reese Foundation and the Doris Duke Wildlife Conservation Society climate change adaptation program.

## **Budget Narrative**

### **1. Salaries and Wages:**

The project will be led by the Blackfoot Challenge's water steward, Jennifer Schoonen. Over the course of two years, she will spend approximately 30% of her time on the drought response and TMDL response programs. With an hourly rate of \$21 and an estimated 1,278 hours for the program, her total salary expenses come to \$26,840. In addition to the Reclamation grant funds, a portion of those salary expenses will be covered under multi-year grants recently awarded to the Blackfoot Challenge from the Montana Department of Natural Resources and the U.S. Fish and Wildlife Service. The program will also be supported by a Big Sky Watershed Corps member. The Challenge recently applied to serve as a host site in 2015 and hopes to retain the Corps member for a second year in 2016. This position provides an opportunity for sharing stipend expenses with AmeriCorps and provides 11 months of staffing help starting each year in January. The Challenge must fund \$10,000 of the position per year and is requesting \$5,000 of that amount each year through this grant. We are applying to private funders to help provide the remaining \$10,000 over two years. The budget also includes time for Challenge Executive Director Gary Burnett, who will provide leadership at meetings and for outreach to partners and landowners.

### **2. Fringe Benefits:**

Fringe benefits, which include a small health insurance benefit, are included here for Jennifer Schoonen, program manager. The annual health benefit provided has been broken down into an hourly rate and included in the budget. That calculation was based on actual benefits costs specifically for this application's purposes. A portion is to be covered by the Reclamation grant and a portion will be covered by the Challenge's Montana DNRC grant.

### **3. Travel:**

All of the travel for this program is based on the need to drive frequently throughout the watershed for committee meetings, public outreach and individual landowner consultations. The current mileage rate of 56 cents per mile was used to calculate costs. The Challenge must cover mileage costs for Jennifer Schoonen, Gary Burnett and the Big Sky Watershed Corps member.

### **4. Supplies/Materials:**

The Challenge is requesting funds for printing drought response brochures, for printing TMDL educational materials, and for general printing and copies of watershed material (such as the Blackfoot Drought Response Plan). These printing costs are based on past experience and research into the printing costs for brochures and similar marketing materials. We estimate a per piece cost of 30 cents on the drought brochure, of which we'll print 4,000. We estimate a per piece cost of 40 cents on the TMDL response material, and aim to print up to 1,000 copies. General printing and photocopying (including some color material) is estimated at 20 cents per piece.

## **5. Contractual:**

### **a. Facilitator**

The Challenge staff is proposing to host two facilitated public meetings (one per year in each year of the grant) to provide education and collaborative project development opportunities in response to TMDLs. Based on past experience with meeting facilitators, facilitator time for preparation and the meeting day is estimated to cost \$800 per meeting.

### **b. Technical services**

The Challenge is proposing to develop a database option (likely in Access) to better track and evaluate drought response and to facilitate improved communication with irrigators. The costs for a consultant to develop that database are estimated at \$50 per hour, with 80 hours of work necessary. A pending request to the Brainerd Foundation is expected to help support the Challenge's capacity needs in terms of technology upgrades, so is listed here as a source of matching funds.

## **6. Other**

### **a. Meeting expenses**

For this proposal, we are planning on two in-person Drought Committee meetings per year, for a total of four, plus one TMDL public meeting per year, for a total of two. Those six meetings are budgeted for \$200 per meetings, totaling \$1,200 in expenses. The Challenge regularly utilizes affordable meeting spaces within our watershed's communities, so has a record of meeting expenses that allow us to accurately set this rate.

### **b. Reporting**

Jennifer Schoonen will compile the final reporting documents for this program. Her hourly rate was utilized to calculate the funding need to complete this task. With an estimated 50 hours needed, that costs totals \$1,050.

## **7. Indirect Rate**

The Blackfoot Challenge does not currently have a federally approved indirect cost rate. However, the Board Finance Committee and accounting staff have been working to establish that rate in recent months. Our staff is currently composing the "Cost Policy Statement," following OMB guidelines and formats for computation. We estimate that the full Board of Directors will review this proposed rate and approve it internally at a summer 2014 board meeting. In addition, the Challenge's CPA has a copy of the draft cost policy statement and staff will be following up to obtain a final recommendation from the CPA. Based on detailed calculations in recent years, the 10 percent rate is a very conservative estimate of indirect costs and has been the Challenge's standard indirect rate for all recent proposals where indirect costs are allowed.