

WEBB L. WALLACE  
3624 OAK LAWN, SUITE 200  
DALLAS, TEXAS 75219  
214/521-2550  
214/528-9455

December 12, 1988

Mr. Bud Lilly  
Montana Trout Foundation  
Post Office Box 3165  
Bozeman, Montana 59772

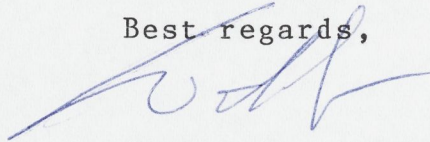
*\$10000*

Dear Bud:

I am president of Channels Ranch, Inc., a fishing club that owns the Channels Ranch, just north of Ennis, on the Madison River. Both individually and corporately I am deeply interested in the future of trout fishing in your beautiful state and I hope this contribution will help in your efforts. I would be very much interested in helping in other ways as well, and I hope you will consider us a resource and keep us advised of the activities of MTF.

One of your directors Bill Madden is a friend and represents us from time to time.

Best regards,



Webb L. Wallace

WLW/ga

Enclosure

CRANESHIP CREST

Ennis, Montana  
March 25, 1977

Directors  
Foundation for Montana Trout

Gentlemen:

There will be a meeting of the Board of Directors of the Foundation for Montana Trout in Bozeman, Montana on Sunday, May 1st. Time and place will be decided later.

Because almost everyone will be at the Montana Sport Fishing Fair, I feel that it would be to our advantage to meet at this time.

All of the materials are in the hands of the layout men and they are preparing some brochures for the foundation. We have two different persons doing this, so you may have a choice or even combine the finished work of these two persons.

It appears that the printing will be done in Salt Lake City, as I have been able to work out a very good arrangement with AAA Engineering on the preparation of our brochures, and stationary.

We still have not received our tax determination, but I feel that it is only because of bureau cratic foot dragging, and we may receive this at anytime.

Dan Bailey has pledged \$1000.00 to the foundation, and I have done likewise.

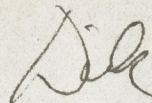
I attended a meeting of the Southwestern Montana Fly Fishermen last Sunday. After I informed the membership of the existence of the Foundation for Montana Trout, Cal Dunbar told us of about \$400 in the bank belonging to a now in-active club. He thought this money should be given to the foundation. It was also suggested that there are probably a lot of such clubs with bank accounts in towns throughout the state and we should try to find out about them and get this money into the foundation, if possible.

It appears that we can do very little until we get the tax determination, and the brochures will certainly help us in our fund raising. Unless something completely un-for-seen should occur, we should be ready with most things before summer.

We will have a booth at the sport fishing fair, and we will make a presentation at the meeting of the board of directors of National TU in August. I also feel that we should do something at the National meeting of FFF.

If you have any candidates for new directors of the foundation, lets get action on them at the May 1st meeting.

Sincerely



Bozeman, Montana  
February 28, 1977

Directors  
Foundation for Montana Trout

Gentlemen:

A meeting was held in Bozeman on February 27th. In attendance were Jim Handley, Bud Lilly, and Dick McGuire of the Foundation and John Beitendufel and Frank Valgenti. Though a quorum was not present for the transaction of business, the meeting was productive.

I feel that there are others in Montana who would make good directors for the foundation. In addition to Tom Morgan, names submitted for consideration to date are; Pat Barnes, George Grant, Phil Wright, Joe Halterman, and John Beitendufel. I am sure that there are others that would make good directors, both in and out of the state. I would suggest that you submit names of anyone whom you feel would make good additions to our board of directors.

At the meeting on Sunday, we selected a logo for the foundation. We discussed the preparation of a brochure. We decided that the brochure must do three things. It must identify the organization, it must define its purpose, and it must solicit contributions in the most effective manner possible.

In addition to the brochure, which will be appealing to the senses etc., we can have any number of informative leaflets, which can be printed at anytime.

In the immediate future, we plan to submit all of the information possible to two different firms for the preparation of a brochure. There will be no commitments made until the board of directors of the foundation is completely satisfied with both the layout and the price of a brochure prepared by one of these firms or some other firm.

We have not yet received a tax determination from the IRS. As soon as we get this, we can become active in solicitations for contributions to the foundation. It has proved to be a stumbling block in some instances, to date.

Also, it has been suggested that we solicit one or more articles in a national publication describing the foundation and its goals.

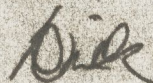
Glenn West is designing a certificate to recognize major contributors to the foundation. It has also been suggested that an honor role of major contributors might be posted in the leading fishing stores in Montana.

The logo selected is an outline of the state of Montana with a jumping trout and snowcapped mountains in its center. The stationary will be white with blue printing. The phone numbers of all of the officers and directors will be on the letterhead. You should let me know what numbers you wish to be placed on the letterhead.

A number of suggestions have been made in ways to contact the masses. One of the first of these is the sport fishing fair in Bozeman. The foundation will have a booth at this fair.

We should have a meeting soon to vote on prospective directors, so that we can put their names on our letterhead. I hate to have it printed up before we have a stable number on our board. Let me know when we can or can't meet.

Sincerely,



Bozemanan, Montana  
February 10, 1977

Directors  
Foundation for Montana Trout

Gentlemen:

I talked to Glenn West yesterday, and he said that he would work on a logo for the "foundation". He is going to make up several, and I will send all of you copies for your choice and approval.

As we are concerned with the trout fishing in this area, it might be worth considering a director from both Idaho and Wyoming, so we could be abreast of any developments in both of these places. I realize that we don't yet have the financing for Montana, but I am optimistic.

Enclosed is a draft of a letter of solicitation for the foundation. In addition, I am having Jim Handley prepare a one page enclosure that will give the "foundation" structure, i.e; officers, and directors and other pertinent information.

I received a letter from Will Godfrey stating that he will contact one hundred persons soliciting the larger contributions to the "foundation".

I would like for your comments, corrections, additions,; anything constructive, that you think would help in our solicitations for the "foundation", and of the draft that I have made.

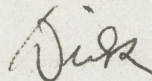
My personal opinion, is that most of our success in getting funds, will be when we can meet someone eyeball to eyeball and ask for a contribution, and then get the donation immediately. (at the same time) I believe that, if given a day or two to think about something such as this, it will lose its importance or priority to other things.

If anyone has any suggestions regarding the printing that will have to be done, please let me know.

The FOUNDATION FOR MONTANA TROUT, now has a P. O. Box 652, Ennis, Mt. 59729.

Please get your comments back as soon as possible, so we can make final drafts and get into the actual printing.

Thanks



Meeting

Board of Directors, Foundation for Montana Trout

9:30 A.M.

RCI Realty Office  
616 West Mendenhall  
Bozeman, Mt. 59715

February 27, 1977

Ennis, Montana  
January 30, 1977

To All Directors  
Foundation for Montana Trout

Gentlemen:

As of this date, we have not yet received the O.K. on the tax free status for The Foundation for Montana Trout. I feel assured that we are going to get it, so I am going to try to get things moving for our fund raising efforts.

First though, I would like for each of you to give me a vote on Tom Morgan as a director. Tom has moved the R. L. Winston Rod Company from San Francisco to Twin Bridges, Montana. Tom is a native of Ennis, and was very active in conservation in Montana before he moved to San Francisco to take over the Winston Company. I feel certain that Tom could help us greatly in our fund raising, as well as the other aspects of our conservation efforts.

I have arranged for Diana Wilson, P.O. Box 251, McAllister, Mt. 59740 to handle the mailings for correspondence within the Foundation and with those persons who are assisting with the fund raising. McAllister is just a few miles from Ennis, so it is a local firm, (my sister in fact) She will also keep our accounts as she is a CPA.

If any one of you wishes to contact all of the others, you could mail a letter to her and she could duplicate it and send copies to the others in the foundation, or you could send me the information and I could have her do it.

I have contacted a few persons about contributions to the Foundation for Montana Trout. I have received two checks for \$1000.00 each and pledges for three more contributions of \$1000.00 each. In addition, I have a list of thirty-five persons whom I believe will each contribute \$1000.00 each.

I have found 9 persons in other parts of the nation who will solicit contributions to the foundation and 13 persons who will provide lists of possible contributors.

I have made some preliminary drafts for printed materials to accompany letters of solicitation. When I get a little further along on these, I will mail each of you copies for your additions, deletions, corrections etc., in the final drafting of them.

I would like for each of you to make lists of the persons that you think might make sizeable contributions to the foundation. Those persons that you can contact personally, please do so. Mailings could be made to the others, or someone else could contact them.

One thing the foundation could do, would be to provide printed materials and stamped envelopes, and you could write a short personal note and sign and mail the solicitation, yourself. Also, you may have some better ideas.

If you don't have the time or do not wish to do your own mailings, send me the names, and I will see that the persons are contacted.

Maybe in a few months time, we may feel that a bulk mailing is necessary. At this time, we can contact the masses whom we feel will be small contributors. Lets just concentrate on the small number of possible large contributors at present.

Finally, contact anyone who might be able to provide us with possible contributors or send me their names and I will contact them.

I will try to get a letter to each of you each week to keep you advised of current developments. The success of our fund raising depends upon each of you. Thanks greatly for your help in getting things off the ground.

Dick

Bozeman, Montana  
February 1, 1977

To all Directors  
FOUNDATION FOR MONTANA TROUT

Gentlemen:

If you will provide me with names of all of the persons that you can think of who might provide us with names of possible contributors to the Foundation, I will write to each of these persons asking that they assist us in our fund raising.

There are two ways that they might help us that I can think of. They could make lists and I could send them printed materials and stamped envelopes. They could then make a personal request in person or by letter to each of the persons on their lists, or they could send us the names, and we could solicit the contributions in person or by letter.

Probably, some of you have additional ideas which I would very much like to receive from you.

From Missoula, I received an idea that sounds excellent. This would be to get useable quotations from some of the leading sports writers urging persons to contribute to the FOUNDATION FOR MONTANA TROUT, to be used in our literature and any possible advertisements.

Please get these names to me as soon as possible. I hope to do all of this ground work this winter and there is not a lot of that left.

Thanks,

*Dick*

Dick McGuire

The first meeting of the board of directors of the Foundation for Montana Trout was called to order by temporary chairman, Jim Handley, at 1:30 p.m. on December 8, 1976, in the offices of Harrison, Loendorf, and Poston, Helena, Montana. The following directors were present: Jim Handley and Dick McGuire. Ed Curnow was absent. Also in attendance were Dan Bailey, Bud Lilly, Frank Johnson, Neil Travis, and John Poston, registered agent for the corporation.

Handley moved, seconded by McGuire to adopt the bylaws of the corporation; the motion passed two to zero.

McGuire moved, seconded by Handley, to induct Messrs. Bailey, Lilly, Johnson, and Travis as directors of the Foundation. The motion passed two to zero.

Handley moved, seconded by McGuire, that the chairman of the Montana Council of Trout Unlimited be invited to become a director of the Foundation on an annual basis, and that the Montana Council of Trout Unlimited be asked by the Foundation to pass a motion requiring its chairman to serve as a director of the Foundation, and further that such individuals remain as directors of the Foundation even though their term as chairman of the Council be expired, subject to the bylaws of the Foundation. Discussion of this motion pointed out that Mr. Travis, as current chairman of the Council and director of the Foundation, would remain as a director of the Foundation after his successor as chairman had been elected, and that his successor would automatically become a director of the Foundation. The motion was passed unanimously.

McGuire moved, seconded by Bailey, that the bylaws be amended as follows: Article III, Section 1 to read, "General Powers. The affairs of the Foundation shall be managed by its Board of Directors. Directors need not be residents of the State of Montana, provided, however, that at no time shall more than twenty-five (25) percent of the board of directors be non-residents." The motion was passed unanimously following some general discussion.

Dick McGuire was nominated and elected to be president of the Foundation. Frank Johnson was nominated to be vice president of the Foundation. Jim Handley was nominated and elected to be Secretary-Treasurer of the Foundation.

Handley moved, seconded by Johnson, that the Foundation apply for 501 c. 3 status under the IRS code. The motion was passed unanimously, and Poston and Handley were directed to proceed.

Travis moved, seconded by Lilly, that the Foundation retain Handley as staff, in addition to his other duties, and that he be directly responsible to the president, and that a job description be drawn up for staff by the president and presented to the board at its next meeting. After some discussion in which it was made clear that no salary was intended until such time





Minutes  
Executive Committee Meeting  
Foundation for Montana Trout  
February 23, 1980

The Executive Committee of the Foundation for Montana Trout met at 10:00 a.m. on February 23, 1980, at the Holiday Inn in Bozeman, Montana. Present were Dick McGuire, Dan Bailey, John Bietendufel, Bob Foukal, Bob Jacklin, Bud Lilly and Ron Marcoux. Guests present were Frank Valgenti and Bob D'Ambruso.

The meeting was called to order by President McGuire. Frank Valgenti presented a proposal by Continental Insurance Company through Frank Valgenti and Associates. The company would be willing to contact individuals and provide opportunities to purchase life insurance policies. The Foundation would be the irrevocable beneficiary under this program. Premiums would be tax deductible.

The proposal was discussed and supported as providing possible high dollar value to the Foundation in the long term. Another advantage would be that the company would contact the individuals.

Bob Jacklin moved and Bud Lilly seconded the motion to support the program and requested Frank Valgenti to bring in a formal contract for the March 15th meeting of the Executive Committee. The motion passed unanimously.

Ron Marcoux read the minutes of the previous meeting and they were approved as read.

Old Business

President McGuire reported on the ballot for officers and directors.

President and Treasurer - Dick McGuire  
Vice President - Frank Johnson  
Secretary - Ron Marcoux  
New Directors - Ross Bruner

Andy Carlson  
Charlie Brooks and Tom Daniel declined serving on the Board. Jim Stevens was not yet contacted. Dan Bailey was voted in unanimously to remain on the Board of Directors (moved by Foukal, seconded by Bietendufel).

Executive Committee Members - Dick McGuire, Frank Johnson, Bob Foukal, Bud Lilly, John Bietendufel, Phil Wright, Ron Marcoux, Ross Bruner.

All directors will be invited to Executive Committee meetings and are encouraged to attend.

Dick reported other directors were being contacted to determine whether or not they want to continue to serve. The results of this contact will be reported at later meetings.

The list of possible National and Montana Advisory Board members was discussed. Bietendufel moved and Foukal seconded a motion to send a letter to each individual to see whether or not they want to serve (passed unanimously). The list includes:

National

Jack Hemingway  
Stephanie Zembalist  
Bill Conrad  
Ernest Schwiebert  
A. J. McClane  
Tom McNally  
Bing McClelland  
Lee Wulff  
Jerry Gibbs  
Leon Chandler

Montana

Jim Kack  
Tony Schoonen  
Bill Yellowtail  
Charlie Brooks  
Bert Lindler  
Les Colby  
Chuck Walton  
Laud Leudberg  
Bill Christianson  
Joel Shouse  
Tom Collins  
George Grant  
George Ewing  
A. B. Guthrie  
Jess Lair  
K. Ross Toole  
Gary LaFontaine  
Harry Newlon

Dick McGuire reported Frank Johnson was working on a prospectus for the Foundation. The draft would be circulated to the directors.

Marcoux discussed a water or river preservation workshop that could be sponsored or co-sponsored by the Foundation. This workshop would invite statewide groups interested in river preservation to discuss such items as instream flows, stream access, river preservation opportunities and needs, fishing license increases, etc. It would show that the Foundation is active and working in an educational capacity. A discussion followed.

Marcoux moved and Foukal seconded that up to \$1,500.00 be tentatively available for the workshop and that potential sponsoring groups such as the Wildlife Federation, Northern Rockies Action Group, T.U. groups or others be contacted to see if they are interested in co-sponsoring a workshop scheduled for late September or early October (passed unanimously).

Dick McGuire reported on a donation by Phil Wright on behalf of his deceased son, Chapin Wright, in the amount of \$945.00. A possible memorial scholarship was discussed by Bud Lilly.

New Business

A committee will be established to work on the new brochure and formal prospectus. Jim Kack, Dennis Bitton, Frank Johnson, Dick McGuire, Ron Marcoux will work together on this project. Bob D'Ambruoso also indicated he would offer his services.

Dick McGuire discussed possible fund raising possibilities. A major discussion ensued regarding purchase of the Spring Creek prints from National T.U. as an investment for the Foundation. Bob Foukal will check with the Montana Chapter and the National Executive Committee and report back to the Executive Committee of the Foundation.

Bob Jacklin moved and Dan Bailey seconded the purchase and use of a telephone credit card for Foundation use (passed unanimously).

The next meeting was scheduled for Saturday, the 15th of March - Agenda items will include:

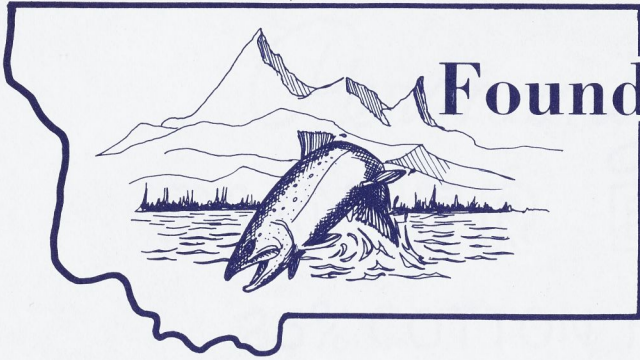
- Insurance Contract
- Report on Spring Creek prints
- Report on Stream Workshop
- Movie Costs
- Brochure and prospectus report

The brochure committee will meet following the general meeting.

The Executive Committee meeting adjourned at 12:30 p.m.

Respectfully submitted,

Ron Marcoux  
Secretary



# Foundation for Montana Trout

BOARD OF DIRECTORS:

Dick McGuire, Pres., Ennis, MT  
Frank Johnson, Vice Pres., Missoula, MT

Ed Curnow, Ennis, MT  
Dan Bailey, Livingston, MT  
Neil Travis, Livingston, MT  
Bud Lilly, W. Yellowstone, MT  
Tom Morgan, Twin Bridges, MT  
George F. Grant, Butte, MT  
Phillip N. Wright, Wise River, MT  
Al Troth, Dillon, MT  
Pat Hemingway, Bozeman, MT  
Bob Jacklin, W. Yellowstone, MT  
Ron Marcoux, Bozeman, MT  
John Bietenduefel, Bozeman, MT  
Bob Foukal, Bozeman, MT  
Webb Adams III, Salt Lake City

April 2, 1980

Bud Lilly  
2007 Sourdough Road  
Bozeman, Montana 59715

Dear Bud,

As you know, we are in the process of putting together a new brochure and prospectus for the Foundation.

Mr. Dennis Bitton of the Bitton Advertising Agency in Idaho Falls is doing this work for us. He has requested some information on each of our directors, for his own personal insight and for possible inclusion in the brochure. Therefore, I am asking you to send to me a little personal and professional background information on yourself, I will gather everyone's data and forward it on to Dennis. I would appreciate a prompt reply since he is anxious to get started on our material.

Thank you.

Sincerely,

Dick McGuire  
President

DM/kd

P. O. Box 652 . . . . . Ennis, Montana 59729

Minutes of the Executive Committee Meeting  
of the Foundation for Montana Trout

March 15, 1980

The Executive Committee meeting of the Foundation for Montana Trout was called to order at 10:00 a.m. at the Holiday Inn by President Dick McGuire. Present also were Bud Lilly, Ross Bruner, Jim Stevens, John Bietendufel, Ron Marcoux and Bob Foukal.

Guests present were: Frank Valgenti, Dennis Bitton, Bob D'Ambruoso, David Pysell, John Wilson, Pete Test.

Frank Valgenti discussed the life insurance program and said \$26,000 was already purchased in which the Foundation is the irrevocable beneficiary. He handed out costs per thousand dollars for various age groups. Dave Pysell of Continental Insurance Co. discussed the company and how it rated with other companies. Directors are asked to refer possible benevolent bequest donors to Frank Valgenti and Associates in Bozeman, although it was noted any insurance company can issue this type of policy.

Bob Foukal moved and Bud Lilly seconded a motion to send a letter of endorsement to Frank Valgenti and Associates for solicitation of benevolent bequest donors and to work towards finalizing a formal contract with Continental Insurance Company. (passed unanimously)

Minutes of the previous executive committee meeting were read by Marcoux and approved.

A treasurer's report was made by Dick McGuire. As of March 1, 1980, the Foundation had \$35,358 of which \$4,000 and \$700 were on loan from the Madison-Gallatin and Westslope Chapters of Trout unlimited, respectively. Notes have been made out payable on demand to the Madison-Gallatin and Westslope Chapters of T.U.

Bob Foukal reported that all Spring Creek Prints were gone except for 25 which have been purchased by National T.U.

The possibility of a movie was discussed to portray what the Foundation is. Marcoux was to contact Gordon Eastman, Jim Nicoloro, and Jim Sturn to see what possibilities there are. Possible grants for this endeavor were discussed. John Bietendufel was to contact Continental Ins. Company about a possible video tape.

Marcoux reported on the status of the River Workshop. Northern Rockies Action Group had reported they could put on the workshop for \$6,000. The role of the Foundation was discussed and it was decided that the credits should read, "funded in part by a grant from the Foundation for Montana Trout."

Bietendufel moved and Bruner seconded a motion to provide \$1,500 to the Northern Rockies Action Group and that Bud Lilly would serve as the Foundation representative on the steering committee. (passed unanimously)

A motion was made by Marcoux and seconded by Foukal that Dick McGuire contact those directors not responding to a letter as to whether or not they wanted to continue to serve on the Board of Directors and if not, did they want to ~~serve~~ on the Montana Advisory Council. Those that decided not to continue would be sent a letter thanking them for their effort. (passed unanimously)

The meeting adjourned at 11:45 a.m.

Respectfully submitted,

Ron Marcoux  
Secretary

RM/kd  
Enc.

10 Pay Life

<u>Age</u>	<u>Price Per Thousand</u>	<u>5-Year Cash Value</u>
25	\$ 48.60	\$ 171/1000
30	53.56	191/1000
35	59.24	212/1000
40	65.79	234/1000
45	72.97	256/1000
50	80.77	277/1000
55	90.44	296/1000
60	102.46	313/1000
65	116.67	324/1000

Maximiser II

<u>Age</u>	<u>Price Per 1000</u>		<u>10 Year Cash Value</u>
	<u>2-9,000</u>	<u>10-24,000</u>	
25	\$ 17.12	\$ 10.80	\$ 71.00
30	19.31	12.88	92.00
35	22.34	15.77	116.00
40	26.43	19.66	141.00
45	31.51	24.50	169.00
50	37.95	30.63	199.00
55	46.04	38.33	230.00
60	56.54	48.33	263.00
65	69.94	61.08	292.00
70	91.45	81.57	326.00
75	120.48	109.20	360.00



Minutes  
Brochure and Prospectus Committee

March 15, 1980

Attending: Dick McGuire, Ron Marcoux, Frank Johnson, John Bietendufel, Jim Kack, Dennis Bitton

- (1) New logo and letterheads - Dennis Bitton presented proposed new logos for the Foundation. The committee selected one and Dennis was to pursue costs for 1,000 envelopes and 500 sheets each showing directors and advisory board members.
- (2) Jim Kack was to rewrite the brochure to reflect the goals of the Foundation. Marcoux was to send a copy of the Charter and get a copy of the Focus on Montana Trout Magazine for Jim.
- (3) Dennis Bitton was to redesign the brochure and requested black and white photos for inclusion in the brochure.  
9 (Needed ASAP)

Bietendufel - contact Dan Callahan  
McGuire - had many  
Johnson - Dick Egert, Dale Burk  
10-20 prints from each individual were requested.

- (4) Prospectus - Dennis reviewed potential ways to develop a sales brochure or kit. His presentation was interesting and a tentative format was discussed and Dennis would pursue it.

Dick McGuire was to send a list of officers and directors to Dennis with a short summary of what they do.

Many thanks to Jim Kack and Dennis Bitton for their interest and help. Jim is from Bozeman and has been in major business enterprises and has heard many a sales pitch (hopefully through his efforts, we'll have one of the best). Dennis is in advertising in Idaho Falls, likes the idea of the Foundation and has offered his expertise.

Prepared by: Ron Marcoux  
Secretary

Foundation for Montana Trout  
Goals and Objectives

To preserve, protect and enhance the well-being of wild trout resources of Montana and America. In achieving these goals and objectives, the Foundation will act in a charitable, educational and scientific capacity in an effort to foster sound, long lasting wild trout populations and recreational fishing opportunities.

In achieving the foregoing goals and objectives, the Foundation shall act as recipient of real and/or personal property and manage said property in the best interest of the Foundation. Income and other disposable assets of the Foundation will provide an opportunity for funding the following types of activities.

Educational

Fund, develop and sponsor educational programs through grants to responsible individuals and organizations. Proposed educational programs shall include but not be limited to the following: wild trout management; in-stream flow needs for fisheries; water quality/fisheries implications; Madison River thermal problems and solutions. The Foundation will fund appropriate articles, news releases, research projects and newsletters related to our objectives. We will encourage participation in public meetings and forums and promote membership in conservation organizations and encourage and fund the scientific efforts of these organizations.

Scientific

The Foundation will appropriate funding for research projects in the way of grants to individuals, conservation organizations, institutions and state or local government agencies. The Foundation shall identify important research needs and fund research to enhance and emphasize sound trout management. In this effort the Foundation will encourage federal and state fisheries management personnel to practice the most forward looking and scientifically sound techniques of managing wild trout populations; fund efforts of agencies and organizations to gather and act upon scientific data related to special situations where needs have been identified but funding for research is otherwise unavailable.

FOUNDATION FOR MONTANA TROUT

BOARD OF DIRECTORS MEETING - 5/13/78

The meeting was called to order at 10:00 AM, May 13, 1978, at the Holiday Inn in Bozeman. Present were: Dick McGuire, Pat Hemingway, John Bietendufel, George Grant, Bob Jacklin, Ron Marcoux, Bud Lilly, and Dan Bailey.

Old Business: Dick McGuire reported that brochures are ready to go to the Federation of Fly Fishermen membership at a cost of \$150. plus mailing, as soon as letter from Gardner Grant is received from Jim Handley.

Over 500 people have been contacted and over 100 have contributed. Other directors should contact individuals.

Over \$17,000. is in account, counting the \$4,000. of Madison-Gallatin Chapter. A \$10,000. C.D. has been purchased from the Madison Bank.

Supplies are available, i.e., brochures, stationary, envelopes, etc. Contact Dick McGuire directly.

Dan Bailey has had several people inquire as to potential of the Foundation to "make it". Another question that has been asked is "What is the money to be spent for?"

George Grant indicated that donations from large corporations would be beneficial.

A long discussion ensued regarding objectives and how monies would be spent.

Bud Lilly and Ron Marcoux agreed to write down objectives of the Foundation, indicate ways money may be spent in the future and to use current issues as examples. Other directors are requested to send ideas to Ron at Route 3, Box 274, Bozeman 59715. This information would then be presented at the next meeting.

New Business: George Grant inquired about writers being contacted to write about the Foundation. No action was taken.

Dan Bailey agreed to check on group advertising in national magazines such as Trout, Flyfishermen, etc.

Dick McGuire said Gary Vyberal will be leaving and recommended Webster Adams III be appointed in his place. This change was moved by Pat Hemingway and seconded by John Bietendufel. Passed.

Counter displays were discussed and a motion was made by John Bietendufel and seconded by Ron Marcoux that Bob Jacklin would design the displays and have them made by Color World in Bozeman. Motion passed.

Dick McGuire indicated that secretarial help would be beneficial to speed up recognition for those donating. Marcoux moved and Lilly seconded a motion to have Dick spend necessary monies to acknowledge donations. PASSED

John Bietendufel was to contact Pat Barnes regarding the use of his mailing list

to solicit funds for the Foundation.

Another meeting was scheduled to be held June 2 at 7:30 PM at the basement of Lilly's Trout Shop in West Yellowstone. Items to be discussed are:

1. Contacting corporations.\*
2. Discuss objectives and potential expenditures of the Foundation.
3. Review counter displays.

Ron Marcoux recommended minutes of meetings be sent to all directors.

Bob Jacklin moved meeting be adjourned. Seconded. Adjourned at 12:30 PM.

\*See enclosed list please add others that would be important and bring to next meeting.

Montana Trout Foundation  
P.O. Box 3165  
Bozeman, Montana 59772

Dear Bud,

\$50<sup>all</sup>

BULK RATE  
U.S. POSTAGE PAID  
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6.12.89

Splendid writing-

Splendid report,  
especially for an  
out of-stater.

Robert Dalrymple

Dalrymple

Col. Robert Dalrymple  
231 W. Calle McCleary  
Green Valley AZ 85614

Could you please correct  
my name spelling. ~~and send~~  
~~me another copy.~~ Thanks.  
(No need.

beneficial use". (Only in the last 20 years has instream flow for fish and wildlife gained legal "beneficial use" status). "Appropriate," according to the law, "means to divert, impound, or withdraw a quantity of water." This definition has been the basis for the Department of Natural Resources & Conservation's rejection of applications for the transfer of senior agricultural water rights to an instream flow use. It is not entirely clear that Montana Courts would interpret the law in the same way, but it has never been tested.

In very low precipitation years such as 1988, the only water available to maintain fisheries in unimpounded streams is that which is currently used by senior rights holders to grow hay. (All water rights are not created equal; the older right always has legal preference over the newer for any water in the stream at any given time). And so fishery and environmental interests, led by Montana TU, sought language from the 1989 Legislature that would specifically authorize willing buyer/willing seller transfers of senior water to instream flow purposes, for money. Real money. Big hunks of it.

Well, you would not have believed the reaction from the irrigated agriculture folk. Armageddon! The end of the ag way of life! Economic ruin! No more food and fiber for a starving world! Nevertheless, House Bill 707 was introduced, which authorized leasing only of a very limited amount of water in just a handful of streams for a restricted period of time and only by the Dept. of Fish, Wildlife & Parks. Plus a few other more complex restrictions.

The right to use the state's waters is granted by the state and once adjudicated it becomes a property right. The sale of a water right for industrial or municipal use or for another agricultural purpose is perfectly legal. A diverter may change his use or point of diversion. But

purpose. It does establish the authority for the Department of Fish, Wildlife, & Parks to learn the pitfalls, problems, and possibilities of leasing for fishery protection. And despite the fact that H.B. 707 deals only with willing buyer/willing seller transactions, it proves once again the old adage that "whiskey is for drinkin' and water's for fightin' over."

.....

## **MTF Grant Program Report: 1988-89**

During the past year, MTF has seen the completion of an interesting major project in which it was a principal participant, and it has funded a variety of others. Having decided to take a more aggressive stance in soliciting grant applications, MTF announced the availability of \$20,000 along with a descriptive list of five targeted "areas of concern": 1) enhancement of instream flows, 2) river/stream preservation, 3) water resource education, 4) enhancement of wild trout fisheries, and 5) MTF and the Montana Centennial Year.

Even as it was formulating these plans, MTF heard of Bob Auger's efforts to improve the spawning potential of DePuy's Spring Creek, a tributary of the Yellowstone River. His program included the creation of spawning sites and the modification of the spring creek outflow to allow easy passage from the Yellowstone River for spawning trout. The fish had been frustrated by the height and pitch (hence rate of flow) of the original outlet, through a culvert, to the river. At the invitation of MTF, Auger submitted a grant proposal, which met funding criteria and was promptly funded in order to have most of the site work completed prior to the flushing effects of spring run-off. In addition to the first grant of \$5000 to Auger, MTF allocated \$2,250 more because workers discovered that the original culvert needed to be replaced. MTF is

# MTF MONTANA TROUT FOUNDATION

"Preserve The Legend"

Founded 1976

1987 Report



## MTF: An Introduction

The Montana Trout Foundation has an uncomplicated mission: to perpetuate our fine fisheries through the knowledge and understanding of what makes them tick. Our role is to financially support research projects and educational efforts toward that goal.

A century or so ago, and for eons before that, native cutthroat trout, and other indigenous species, flourished in our lakes and rivers without anyone knowing why. When rainbow and brown trout were introduced, they too filled our waters, usually at the expense of the cutthroat, and no one asked why. Folks just caught 'em and bragged about 'em and ate 'em. As excessive harvest began to take its toll, the solution seemed easy - raise a lot of fish in hatcheries and toss 'em in the streams. But it didn't work, and suddenly biologists and fishery managers and sports anglers wanted, even desperately needed, to find out how to maintain our valuable trout resource.

It was the serious research (by the Montana Dept. of Fish, Wildlife, and Parks), begun in the 1960's to determine the effects of stocking on wild trout, and of liberal bag limits, that turned the tide. The knowledge gained resulted in hatchery models being kept out of productive streams and harvest limits being drastically reduced. The wild trout fisheries responded well and the importance of solid data from sound research had been established.

In 1976, the skilled Madison River outfitter/guide, Dick McGuire, suggested to his Trout Unlimited cohorts that the future of Montana fishing would depend on a much better understanding of trout needs and that a separate organization should be formed to help foster critical research that government agencies were unwilling or unable to do. Voila! The Montana Trout Foundation was incorporated in November of that year and its fund was established the following January with \$1000 contributions from two Boulder, Colorado, fly fishermen who frequented Montana streams: Robert Birdsong and Donald Enright.

The basic premise of MTF is to raise money from anglers nationwide who fish and revere Montana streams; it seeks to build a substantial permanent fund that will go on generating income for research and education. No more than 10% of any dollar donated to MTF can be used for research grants or fundraising. The other 90% goes into the permanent endowment and earns action money for decades to come. Perhaps in the next decade we will have raised enough to discontinue fundraising efforts and still have sufficient income to make grants for all worthy and necessary projects.

MTF does not treat your contribution frivolously. We have no office. Don't need one, since we have no paid staff. No utility bills. Not even a phone. We're a volunteer group and the work gets done by the Directors. Our expenditures are mostly for postage, paper, and printing. We don't believe in wasting your dollars any more than we do in wasting the trout that gives us all so much pleasure.

The Montana Trout Foundation, scarcely into its second decade, has income-earning assets of around \$150,000 raised from fewer than 1000 donors and several major grants. We're finally able to distribute up to \$10,000 annually in research grants and to reach out for donations from even more anglers who benefit from Montana's rich and wonderful rivers. Our ability to make a significant impact on fishery knowledge comes at a time when information will be badly needed and when there is little hope of sufficient public funding. If Montana's trout habitat is to be protected from the myriad factors that can reduce its quality, MTF must play an ever-increasing role. And that means an increasing income from an increasing fund.

The Montana Trout Foundation is a tax-exempt, non-profit 501 (c)(3) organization incorporated in the state of Montana. Contributions to MTF are tax-deductible.

## The MTF Fund - A \$60,000 Bump!

A \$60,000 grant to a small foundation can be somewhat likened to taking 50 trout over 15" in a day on the Big Hole--the angler must be doing something right and Dame Fortune was all over him like a caddis hatch. Plus, his timing was just a little above average! Those elements certainly came into play earlier this year when the Montana Trout Foundation received a check for \$60,000 from a trust that wishes to remain anonymous. (For purposes of this report, we'll call it the Whitefish Trust.)

The "Whitefish" grant brought the total of all contributions from all sources, made to MTF, from January, 1977, through April, 1987, to more than \$150,000. Since the first small disbursements were made for projects in 1980, MTF has awarded right around \$25,000 (see accompanying article). The Foundation's total assets as of 4/30/87 were \$158,000.

Under the excellent guidance of D.A. Davidson's financial advisors, our invested assets during the last 18 months (of falling interest rates) have averaged slightly better than a 10.5% annual return. This has allowed MTF to attract grant proposals for projects of some substance and to fund those judged worthy. The "Whitefish" funds insure our ability to continue doing so and position us to move with greater authority toward the financial wherewithall to support truly significant data-gathering efforts.

The Montana Trout Foundation is deeply indebted to the decision-makers at "Whitefish Trust" who deemed our track record and our goals worthy of their gift.

## A Matching Grant from Cinnabar Foundation

If good things come in threes, the Montana Trout Foundation, during its eleventh year, will raise as much money as it did during its first decade. First came the \$60,000 windfall. And shortly thereafter, the Cinnabar Foundation of Corwin Springs, Montana, offered MTF a grant of \$10,000. The last leg of the triangle will be a minimum of \$20,000 from generous anglers who want to help assure the future quality of Montana trout fisheries.

Those donations from individuals are not only important in themselves, but they also are the key to receiving the Cinnabar funds, for it is a one-for-two matching grant. Only if we raise \$20,000 do we get the \$10,000. Actually, Cinnabar gave us an option of that arrangement or a much simpler one: MTF raises \$4,000 and they donate to us a one-for-one matching \$4,000. But the MTF Board, if you'll pardon the expression, took the bait. We pounced on the tougher goal of \$20,000 like a hungry brown nail a stonefly.

Why not? We're all fly fishermen, aren't we, and a good challenge is one of the game's appeals. We also know that there are thousands of anglers like us all over the country who care about Montana's trout as much as we do. And isn't it a plus for them to know that for every dollar they give to MTF, our Foundation will actually be getting a buck-fifty?

The Board is highly grateful to Len and Sandy Sargent, founders of Cinnabar, for their grant, and we're equally delighted that they lit a fire under us with the matching provision. We do not intend to undertake an expensive fund-raising campaign to meet the goal; instead, we will rely on the generosity of anglers who, we believe, understand the need for research and education to maintain our wonderful rivers. MTF supporters need not worry that their donations will be used for monthly, heart-wrenching appeals for more money. Just one letter and one report annually. That's it.

It should be noted that your opportunity to turn \$1.00 into \$1.50 is due to the quick work of Dr. Arthur Coffin in preparing the grant proposal to Cinnabar on very short notice. Art chairs MTF's perceptive and hard-working Grant Committee which disburses our project money.

And again, thanks Cinnabar!

## Montana Fish News

### New Bighorn Access

The Montana Department of Fish, Wildlife and Parks (MDFWP), after a number of false starts, has succeeded in acquiring another fishing access site (FAS, named Mallards Landing) on the Bighorn River. The new site, which is located 9.5 miles downstream from the Bighorn FAS and 10 miles upstream for the Two Leggins FAS near Hardin, opens up two additional float sections for day trips. Hopefully, the new access will relieve some of the crowding on the upper 12 miles of river between the Afterbay Dam and Bighorn FAS. Mallards Landing is scheduled for development (boat ramp, outhouses, etc.) this summer. At present, boats can be launched at the site and parking is available.

The lower Bighorn River at Mallards Landing supports fewer trout than does the upper river. Electrofishing data collected in September, 1986 showed 2,200 trout per mile for the lower river versus 7,700 for the upper river above the Bighorn FAS. Fishing over 2,200 trout per mile is nothing to sneer at when considering that the Madison and Yellowstone Rivers - two of Montana's nationally acclaimed "blue-ribbon" trout fisheries- support in the neighborhood of 3,000 trout per mile. According to MDFWP biologists, the chances of hooking a lunker brown trout in the 6-10 pound class are far greater on the lower river.

The lower Bighorn produces prolific insect hatches on a par with the upper river. Hatches, however, tend to be earlier due to the warmer water. For example, caddis can begin emerging in July, a month ahead of the upper river.

Throughout much of the irrigation season, water in the lower Bighorn tends to be cloudy due to the sediment input of irrigation return flows. After heavy rains, the lower river will normally be too turbid to fish effectively with flies and lures, a condition uncommon to the upper Bighorn.

Floater who opt to fish the 10-mile section between Mallards Landing and Two Leggins should be aware that you must portage around a **dangerous** diversion dam located about 1/2 mile upstream from the Two Leggins take-out.

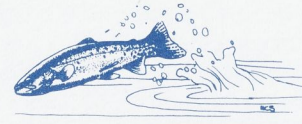
### Wilderness Cutthroat

When Lewis and Clark explored Montana in the early 1800s, the Westslope cutthroat trout was the only *Salmo* inhabiting Montana's Flathead, Clark Fork and Missouri river drainages. Like its Yellowstone cousin, the Westslope cutthroat has not fared well in recent times, being presently found in less than 5% of its historic range at a fraction of its former abundance. The 59-mile-long South Fork of the Flathead River above Hungry Horse Reservoir, much of which is within the Bob Marshall Wilderness Area, is the last stronghold of the Westslope in Montana and probably represents the premier fishery in the U.S. The South Fork is where the native cutthroat and bull trout don't have to compete, in a losing battle, with the non-native brook, brown and rainbow trout - species that now dominate the vast majority of Montana's trout streams - and where fishing two flies on your leader often results in two fish hooked and landed.

In the early 1980s, fishing success on the South Fork, particularly for the larger cutthroat, appeared to be on the decline. An intensive fishery investigation begun by the MDFWP in 1981 confirmed the reports of anglers and led, in 1984, to the implementation of restrictive angling regulations. Within the wilderness, the limit was reduced to three trout less than 12 inches per day and, outside the wilderness, catch-and-release angling with artificial flies and lures only was instituted. By 1986, the average size of the wilderness cutthroat increased to 10.7 inches versus 9.1 inches in 1981, with 31% of the population now exceeding 12 inches versus only 8% in 1981. Larger cutthroat in the 16-17 inch class have also begun to show-up in the catch.

The population response in the catch-and-release section has been less dramatic probably due to the poorer habitat and lower productivity associated with this stretch of the river. The new regulation will continue to be evaluated and may prove more fruitful in the future.

Enjoying the South Fork's prime wilderness fishing requires backpack or horseback trips. Numerous outfitters conduct horseback trips into the wilderness throughout the summer. The less productive, but still worthwhile, fishing within the Flathead National Forest outside the wilderness can be enjoyed on day-long raft trips provided by local guides and outfitters. Fishing on foot is also possible, but difficult due to the limited river access.





## What About Stream Flow?

On a casual afternoon float on the lower Madison last October, Ennis outfitter Robert D'Ambruoso looked around at the mountains, put a grim look on his face and announced that we were going to have low flow in summer '87. During the first week of November well over a foot of snow fell in the valleys of Southwest Montana and then a winter set in that most people described as a pleasant spring. The outfitter's face remained grim. Other anglers' faces got that way.

Right around equinox El Nino apparently burped and three-quarters of the state got from 130% - 300% of normal for March. But not the southwest. The Yellowstone, Gallatin and Madison drainages received less than 70% of normal in March. Faces became grimmer. April impersonated Arizona. On several days Billings was a good deal warmer than Atlanta. Caddis were busting out all over.

On May the oneth, mountain snowpacks (where approx. 75% of river flows originate) averaged right around 40% statewide. **Averaged!** The non-world famous Shields River drainage had a lusty 11%. During the next couple of weeks most rivers carried spring run-off a month early, some of them peaking at one-quarter their normal flows. Irrigators poured water on their fields like it was free. Feeder streams dried up. Some faces reached grimmest. Two TV weathermen seriously reported that a storm which dumped 17" of snow in central Mass. was one that normally would have nailed Montana, but the high pressure system that had settled in over Walla Walla flung it north and then east.

But then in mid-May, just as salmon flies started hatching on the Big Hole, high pressure moved out and those beautiful, wet, cool fronts from the Gulf of Alaska and Canada moved in. Southwest Montana valleys picked up three to four inches of precipitation from steady, soaking rains and probably much more fell in the high country. Mountains turned white again. Streams and rivers came up.

Today is June 2. Blue skies. Fish feeding. Faces smiling. The world is wet. Hatches are resuming. What could have been a drought is broken. The 90 day forecast (which is more difficult than a 90 day backcast) calls for normal precipitation and above normal temperatures. Nothing is sure, of course, but given our usual June and summer rains floating and fishing conditions should be just fine. If we get a lot of rain, so much the better and if it falls below normal, anglers will probably be able to fish a lot of water that's not always reachable. The wade-only stretch of the Madison twixt McAtee and Varney bridges should be a target area. No guarantees, of course, but the late May turnaround set the stage for a fine trouting summer in Montana. No frown now for Robert D'Ambruoso.

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## The MTF Funding Record

By October 1980, the Montana Trout Foundation had achieved the growth and stability to enable it to join Trout Unlimited (Montana) as major underwriters of a Water Use Symposium held in Great Falls. The Symposium was designed to provide opportunities for dialogue between competing users (e.g., agriculturalists, municipalities, industry and conservationists) and to foster greater understanding of the needs and priorities of the various constituencies. To this symposium, believed to be the first of its kind in Montana initiated by conservationists, the Foundation contributed \$1,500.

1981

**Madison River Thermal Modeling Study -- \$200.** This multi-sponsored study was begun as an outgrowth of the Blue Ribbons of the Big Sky Country Areawide Planning Organization (208 Program), evolved into the Madison River Thermal Committee (chaired by Joel Shouse), and eventually led to a \$125,000 project funded by the Department of Natural Resources and Conservation to identify causes of and practical solutions for the problem of thermal pollution in Ennis Lake.

**Madison County Planning Board -- \$200.** The Madison River Easement Program initiated a study to develop a riparian corridor along the waterway from Quake Lake to Ennis.

1982

**"Survey of the Economic Impact of Nonresident Anglers in Montana (1982)" -- \$1,000.** This \$7,500 study, initiated and coordinated by the Madison-Gallatin Chapter of Trout Unlimited, gathered the first solid data of their kind and produced a report (prepared by the Montana State University Statistical Center) on sportfishing revenues from nonresident anglers.

**The Foundation contributed a total of \$900 to the following projects,** jointly funded by MTF and the Montana Department of Fish, Wildlife and Parks and under the direction of the Montana Water Resource Research Center at Montana State University.

- Wetted Perimeter Methodology for Recommending Instream Flows.
- Effects of Urbanization on Trout Habitat.
- Development of Procedures for Estimating Flow Duration Curves.

**Donation to the Federation of Fly Fishers Convention Center at West Yellowstone --\$500.**

1985

**Contribution to the acquisition of a collection of Michael Simon paintings for the Pat Lilly Gallery of the FFF Convention Center - \$1,000.**

With the appointment of a Grants and Awards Committee, the Foundation inaugurated its own formal grant program, and, with the help of additional funds from the Department of Fish, Game and Parks, the Foundation funded the following projects:

**"Enhancement of Wild Trout Habitat within Bozeman Urban Setting" - \$2,000.** Directed by Jody May, who represents a citizen group that plans to restore original streambed characteristics and habitat cover to a channelized section of a creek between two undisturbed sections inhabited by wild trout.

**"Rattlesnake Creek Research Project" - \$3,000.** Proposed by Denise Wilson and Gary Blount, who represent the Bitterroot Chapter of Trout Unlimited, as partial funding for a multi-sponsor, 3-5 year study of angler impacts (e.g. catch-and-release vs. limited harvest) on wild trout populations in an essentially pristine stream that has been closed to fishing since 1940.

**"Study of the Habitat Requirements of the Fluvial Arctic Grayling in Montana" - \$2,200.** Directed by Dr. William R. Gould of the Montana Cooperative Fisheries Unit at Montana State University, will be sited on the upper Big Hole River, where Dr. Gould has done previous research on the stream-residing grayling.

**"Effects of Foraging in Range Ecosystems: Sediment Production and Trout Habitat Conditions" - \$2,036.** A project proposed by Dr. Clayton B. Marlow, Department of Animal and Range Sciences, Montana State University, to study the potential for riparian protection and improvement of various foraging management strategies.

**"Funding to Complete Construction of a Stream Aquarium Facility for Study of Trout Behavior" - \$5,100.** Under the direction of Dr. Ray J. White, Department of Biology, Montana State University, who is building a state-of-the-art facility at the Bozeman Fish Technology Center of the U.S. Fish and Wildlife Service that will rival the prototype he and a colleague constructed at Michigan State University.

(continued)





# PRESERVE THE LEGEND

### Board of Directors

Ross Bruner, President  
 Andy Carlson, V. President  
 Bob Foukal, Treasurer  
 Jerry Wells, Secretary  
 Jim Belsey  
 John Bietenduefel  
 Arthur Coffin  
 John Corwin  
 Page Dabney  
 Robert D'Ambruoso  
 John Hecht

Jim Kent  
 Frank Johnson  
 Bud Lilly  
 Greg Lilly  
 Bill Madden  
 Ron Marcoux  
 Doug McClelland  
 Dick McGuire  
 Tom Morgan  
 Fred Nelson  
 Joel Shouse  
 Phil Wright



### Funding Continued....

1986-87

**Rattlesnake Creek Fishery Study (Missoula) Part Two - \$3,000.** Denise Wilson and Gary Blount continued the work to which MTF granted \$3,000 in 1985-86. This project is also receiving funding from other sources.

**Effect of Stream Temperatures on Angling Success with Emphasis on Determining Upper Temperature Limits. \$2,340.** This study by Cal Kaya (MSU) will attempt to identify the upper temperature at which angling success diminishes significantly, heretofore a fisheries management factor that has gone undefined. Such data would be useful, for example, in the design of dams where tailwater fisheries are planned, and water temperatures can be controlled to promote (rather than suppress) angling success.

**Alternative Irrigation Diversion: A Demonstration Project. - \$1,700.** This project of Peter Nielsen of the Clark Fork Coalition will construct portable stream diversion devices for trial installation where stream diversion into irrigation ditches is desired. Such devices are being tested as an alternative to the traditional bulldozing of streambed to form diversionary dams. Their portability, long-term economy (because they are reusable), and negligible impact on the stream bed recommend them for use, if this project proves successful.

**If you should care to join the piscatorial minority that actually supports wild trout conservation, a check to MTF would be most appropriate. And we would be very grateful. Thank you.**

### THE RESOURCE

Whether or not Montana's trout fishing today stacks up with its legendary angling of the past is difficult to determine. The natural conditions that create so many rich fisheries in Montana's rivers were here then and they are here now. Not long after man settled in Montana's valleys, conditions detrimental to trout developed and they, too, are here now, only more so. Dewatering, dam operation, toxic pollution, habitat destruction, and bank erosion are but a few of the problems facing wild trout.

Although competing uses of our rivers will remain with us, and are increasing, their effect on fisheries can be minimal if non-destructive practices can be developed and carried out. And if we develop a thorough understanding of the needs of wild trout. That's the mission of the Montana Trout Foundation - to support the gathering of knowledge and promote its application to all operations that effect our waters.

MTF, naturally, looks to anglers who enjoy fishing Montana's wonderful rivers and soaking up its incomparable surroundings for the financial support to carry out our mission. Their annual contributions to our fund are essential to our work and very much appreciated. Donations are tax deductible and the income they will continue to earn for years to come will help insure the perpetuation of our wild trout resource. Financial support of MTF is a true "investment". Yours will be welcome.

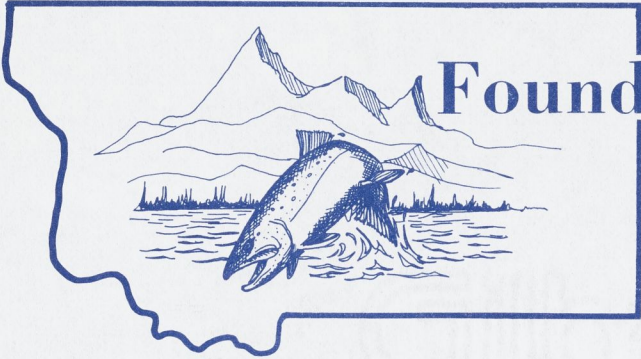
### OUR GOALS

- The following is a partial list of the declared goals from our Articles of Incorporation:
- (1) "To preserve and enhance the trout resources of North America by the encouragement, support and funding of meaningful research projects..."
  - (2) "...to engage in other educational activities in order to create a better awareness among the general public of the need for, and the value of, improvement, maintenance and control of open spaces and of the natural environment, whether public or private, with emphasis on the preservation of water quality and the prevention, detection and correction of water pollution."
  - (3) "...to receive by grant, gift, purchase or bequest, money and real and personal property of any kind and to hold, accumulate, invest or dispose of such property or the income derived there from for the furtherance of the above stated objectives."

Montana Trout Foundation  
 P.O. Box 3165  
 Bozeman, Montana 59772

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 Permit 215**

Bud Lilly  
 2007 Sourdough Rd  
 Bozeman MT 59715



# Foundation for Montana Trout

Gift certificate bond  
association

P. O. Box 652 . . . . . Ennis, Montana 59729

**EstherLilly**

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**From:** "Gordon Haugen" <gnhaugen@msn.com>  
**To:** "Tim Crawford" <crawdadt@aol.com>; "Dick Vincent" <vindachs@imt.net>; "Ross Bruner" <juliab@imt.net>; "Joel Shouse" <jncshouse@imt.net>; "John Wilson" <john@montanatu.org>; "Harry Miller" <hmiller@billingsclinic.org>; "David Thompson" <thompson@montana.com>; "Bud Lilly" <estherlilly@montana.net>; "Skip Gibson" <skipfly20@aol.com>  
**Sent:** Thursday, March 20, 2003 4:59 PM  
**Subject:** March MTF minutes

Attached is a draft of the minutes of our March meeting. Please indicate any additions or corrections. Please indicate if you receive these minutes even though there are no additions or corrections.

Thanks Gordon

# Montana Trout Foundation Meeting

## March 15, 2003

The March 15th meeting was held a board members Ross Bruners residents .

***Board member present were:***

*President Bud Lilly (2001)\**

*Joel Shouse (2001)*

*Harry Miller (2001)*

*Gordon Haugen Sec. (2002)*

*Ross Bruner Tres. (2002)*

*David Thompson (2003)*

*John Wilson (2003)*

*\* year appointed to the board.*

***Dick Vincent Executive Director***

**Board member not present : *Tim Crawford ( 2002)***

3/23/2003

**Note : Tom Anacker a Bozeman Attorney will be advising the MTF on the Olson Estate funding issue participated in the first part of the meeting.**

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Meeting was called to order by president Bud Lilly at 9:00am.

September meeting minutes were approved as written, by Gordon Haugen

Ross Bruner gave the treasure report. The report was approved. Board members were give handout summarizing the financial status of the MTF.

Lengthy discussion followed. The following summarizes these discussions.

1. 2003 unpaid grants total \$8525.00. It is the boards understanding that \$4000.00 of this total could be vacated, as the Deerborn River flow study many not be requesting funding, as this project may have received funding from other sources. Vincent will contact the F&G to determine status of the project and funding request.

2. An additional expenditure for 2003 of \$1000.00 was approved for the publication of a brochure. Bruner and David Thompson will take the lead on the development and publication of the Brochure which is to be completed by June 1 so that distribution t can be made to fishing shops throughout Montana.

3. Vincent reported that 1108 newsletters were mailed out in December. 283 were returned due to incorrect addresses. After doing an address search, 108 newsletters were resent. As a result of the this mailing, \$3120.00 dollars was received from 43 individuals. A mailing of an updated new letter is scheduled for this summer and will include the updated brochure. Vincent will take the lead on mailing out the newsletter. (Target date for maililng is July/ August 2003).

4. Harry Miller reported on the Matt Olson Estate fund. The fly fishing restriction clause required, as a stipulation, for spending these has made it impossible for the MTF to acquire a suitable fishing access. Harry recommended after correspondence with Betsy Scanlin, the attorney for the Olson's, that the MTF return the funds (\$50,000) to the probate court in Red Lodge. The board agreed unanimously with this recommendation. Tom Anacker, a Bozeman attorney, will be in contact with Betsy Scanlin to bring closure on this issue. Harry Miller will be our contact with Tom Anacker and keep the Board Members appraised of the progress or lack of in bringing closure to the Matt Olson Estate. Gordon will provide Harry with an e-mail address list of all board members.

5. **Fund raising.** The MTF must, if we are to remain solvent, increase the base foundation account. **Fund raising is a must** ..... Thompson, Wilson and Haugen agreed to work with Brunner, who agreed to take the lead, for the 2003 fund raising drive. Some vehicles that were discussed to increase the MTF base were:

a. Use of up dated brochure in newsletter and distribution to Sporting good stores thought out Montana.

b. Donations and pledges of \$ 500.00 or more per year. John Wilson will work with Bruner and develop an outline that can be used when these contacts are made with individuals and

corporations. John suggested a barbeque/fishing trip with some of big hitters to see what we could generate in way of support.

### **New Business**

#### **Web page**

Vincent reported that he is redoing the web page which will include the recent new letter along with a link to organizations etc. ----- Contact Dick if you would like to add to the web page.

## **Funding of 2003 projects**

Eleven projects were reviewed by board members for funding in 2003. These projects totaled \$32,192.60. Taking into account the return on the MTF investments, it was recommended by Shouse that we limit our 2003 project funding to not exceed \$7,000.00. Board agreed and therefore the following projects were either fund in there entirety or a percentage of the request.

1. 6th Annual watershed Festival	<i>Montana Outdoor Science School</i>	\$ 1,500.00
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2. <i>Aquatic</i> Ecological Education	<i>The Glacier Institute</i>	\$ 865.60
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*Grades K-12*

3. Trout and Salmonid Collection	<i>MSU Library</i>	\$ 1000.00
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4. 2003 Stream flow	<i>Mt. Council of Trout Unlimited</i>	\$ 1000.00
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Enhancement Project

5. South Fork Judith River	<i>MTFWP - David Moser</i>	\$1000.00
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Fish Barrier

6. Development of a Whirling	<i>Whirling Disease Foundation</i>	\$1000.00
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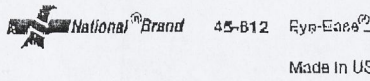
Disease Risk Assessment

Model

<b>6365.60</b>	<b>Total funding for 2003 Projects</b>	<b>\$</b>
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Vincent was asked to notify the successful applicants as well those who did not receive funding for 2003. He will indicate the merit of all projects and advise the applicant of our finical situation.

3/23/2003



# Montana Trout Foundation

Initials	Date
Prepared By	
Approved By	

Made In USA

5	6	7	8	9	10	11	12
year end			2005	2006	2007		
1	Fund Balance		293072	312917	315574		
2							
3	Total Contributions		280080	281180	282430		
4							
5	Grants Funded Total		274666	282666	277426		
6							
7	Investment Income			9500			
8							
9	Investment Growth			20000			
10							
11	Donations received		1541	1100	1250		
12							
13							
14							
15							
16	Grants paid			8000	14760		
17							
18	Grants outstanding			11000	0		
19							
20							
21							
22							
23							
24							
25							
26	Expenses		189	2900	1834		
27							
28	Taxes			600	204		
29	DAD			1500	1553		
30	Holmes & Turner			600			
31	Misc.			200	75		
32							
33							
34							
35							
36							
37							
38							
39							
40							

12/1/06

ALPHABETICAL AGENCIES CREATED UNDER  
THE ROOSEVELT NEW DEAL PARTY

File this away. It will be prized in years to come as an index to the goofiest period of America's history; as the decade during which we were governed by Bureaus, Bureaucrats and crack-pots; governed by those who were never elected by the people, never accountable to the people, but derived their power by appointment, decrees and directives.

This list was secured by reading newspapers and magazines and is as nearly complete and accurate as I could get. There was no list available, and a Clipping Agency in Washington replied: "The task is too great for us to undertake at this moment, and the cost would make it prohibitive to you"

I also endeavored to get the total annual appropriations of all of the Bureaus, but met with the reply that it would "take several months and cost many thousands of dollars" to dig up the financial cost.

I have sought to name only the PARENT bureaus, no attempt having been made to list the offspring. According to the Federal Register and the most reliable information I can secure there were 2,241 of these Agencies, Bureaus and Commissions on June 11, 1943. To list them would require fifty of these pages

To list the Bureaus and departments having the right to undertake real estate transactions alone developed into a research project. The report covers 80 typewritten pages and shows 96 such Bureaus in the present Government set-up. Most of them, tax-exempt, are competing with each other and with tax-paying insurance companies, banks, building and loan companies and private capital

Additional copies may be had by addressing: \* (SEE NOTE)

*E. M. Biggers*

E. M. BIGGERS  
100 Sabine Street  
Houston, Texas

"I know something of taxes. For three long years I have been going up and down this country preaching that Government - Federal and State and local - costs too much. I shall not stop that preaching."

Franklin D. Roosevelt, Chicago, July 1932



"I accuse the present (Hoover) administration of being the greatest spending administration . . . in all our history. One which has piled Bureau on Bureau, Commission on Commission. Bureaus and Bureaucrats have been retained at the expense of the taxpayers."

Franklin D. Roosevelt, Sioux City, September 1932

"The people in America demand a reduction of Federal expenditure. It can be accomplished by reducing the expenditures of existing departments; by abolishing many useless Commissions, Bureaus and functions, and by consolidating many activities of Government."


Franklin D. Roosevelt, Brooklyn, November 1932

FWA	Federal Works Agency
NRA	National Recovery Act
NIRA	National Industrial Recovery Administration
USMC	United States Maritime Commission
HOLC	Home Owners Loan Corporation
AAA	Agricultural Adjustment Agency
CCC	Civilian Conservation Corps
NYA	National Youth Administration
SSB	Social Security Board
BWC	Board of War Communications
FDIC	Federal Deposit Insurance Corporation
FSA	Federal Securities Administration
NAC	National Archives Council
TNA	The National Archives
NLRB	National Labor Relations Board
NHPC	National Historical Publications Commission
NMB	National Mediation Board
USHA	United States Housing Authority
USES	United States Employment Service
FIC	Federal Insurance Corporation
CWA	Civil Works Administration
RA	Resettlement Administration
FPHA	Federal Public Housing Authority
FHA	Federal Housing Administration
CCC	Commodity Credit Corporation
FCIC	Federal Crop Insurance Corporation
FSA	Farm Security Administration
SCS	Soil Conservation Service
AMA	Agricultural Marketing Administration
FREB	Federal Real Estate Board
CES	Committee on Economic Security
WPA	Works Progress Administration
FCC	Federal Communications Commission
OBCCC	Office of Bituminous Coal Consumers Council
RRB	Railroad Retirement Board
SEC	Securities and Exchange Commission
TVA	Tennessee Valley Authority
BIR-T	Board of Investigation and Research-Transportation
CAA	Civil Aeronautics Authority
NIC	National Investors Council
DPC	Defense Plant Corporation
RRC	Rubber Reserve Company
MRC	Metals Reserve Company
DSC	Defense Supplies Corporation
WDC	War Damage Corporation
DLC	Disaster Loan Corporation
FNMA	Federal National Mortgage Association
RACC	Regional Agricultural Credit Corporation
CFB	Combined Food Board
UNRRA	United Nations Relief & Rehabilitation Administration

CEA  
SMA  
FSCC  
FFC  
PRP  
CRMB  
CMB  
CSAB  
CPRB  
CCS  
PWA

Commodity Exchange Administration  
Surplus Marketing Administration  
Federal Surplus Commodity Corporation  
Foreign Funds Control  
Production Requirements Board  
Combined Raw Materials Board  
Combined Munitions Board  
Combined Shipping Adjustment Board  
Combined Chiefs of Staff  
Public Works Administration

AOA	Administration of Operation Activities
EIBW	Export-Import Bank of Washington
EHFA	Electric Home and Farm Authority
CPA	Council of Personnel Administration
PRA	Public Roads Administration
EPCA	Emergency Price Control Act
FPA	Food Production Administration
OES	Office of Economic Stabilization
PAW	Petroleum Administration for War
SWPC	Small War Plants Corporation
PIWC	Petroleum Industry War Council
NRPB	National Resources Planning Board
LOPM	Liason Office for Personnel Management
OEM	Office for Emergency Management
SSS	Selective Service System
NWLB	National War Labor Board
OCD	Office of Civilian Defense
OCIAA	Office of Coordinator of Inter-American Affairs
ODHWS	Office of Defense and Health Welfare Services
ODT	Office of Defense Transportation
OLLA	Office of Lend-Lease Administration
OSRD	Office of Scientific Research and Development
OWI	Office of War Information
WMC	War Manpower Commission
WPB	War Production Board
WRA	War Relocation Authority
WSA	War Shipping Administration
OPA	Office of Price Administration
BEW	Board of Economic Warfare
NHA	National Housing Agency
FCA	Farm Credit Administration
REA	Rural Electrification Administration
SA	Sugar Agency
PCD	Petroleum Conservation Division
OPCW	Office of Petroleum Coordinator for War
WEPL	War Emergency Pipe Lines, Inc.
BCD	Bituminous Coal Division
PRRA	Puerto Rico Reconstruction Administration
BPA	Bonneville Power Administration
NPPC	National Power Policy Committee
OC	Office of Censorship
FRC	Facilities Review Committee .
PWRCB	President's War Relief Control Board

 "But remember well, that attitude—the way we DO things—is nearly always the measure of our sincerity."

Franklin D. Roosevelt, Butte, Montana, September 1932

## TEN POINTS . . . . .

They *cost* so little. They are *worth* so much

- 1 You cannot bring about prosperity by discouraging thrift.
- 2 You cannot strengthen the weak by weakening the strong.
- 3 You cannot help small men by tearing down big men.
- 4 You cannot help the poor by destroying the rich.
- 5 You cannot lift the wage-earner by pulling down the wage-payer.
- 6 You cannot keep out of trouble by spending more than your income.
- 7 You cannot further the brotherhood of man by inciting class hatred.
- 8 You cannot establish sound security on borrowed money.
- 9 You cannot build character and courage by taking away man's initiative and independence.
- 10 You cannot help men permanently by doing for them what they could and should do for themselves.

—Land O' Lakes News

\* (NOTE)

These folders were supplied free until the burden became too heavy for me to bear alone. I was compelled to set a price of \$1 per hundred, to cover printing, postage and mailing.

SEVENTY-SEVENTH CONGRESS

H. P. FULMER, S. C., CHAIRMAN

JOHN W. FLANNAGAN, JR., VA.  
RICHARD M. KLEBERG, TEX.  
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BOLÍVAR PAGÁN, PUERTO RICO

KATHERINE WHEELER, CLERK

HOUSE OF REPRESENTATIVES U. S.  
COMMITTEE ON AGRICULTURE  
WASHINGTON, D. C.

May 4, 1943

Mr. E. M. Biggers,  
100 Sabine Street,  
Houston, Texas.

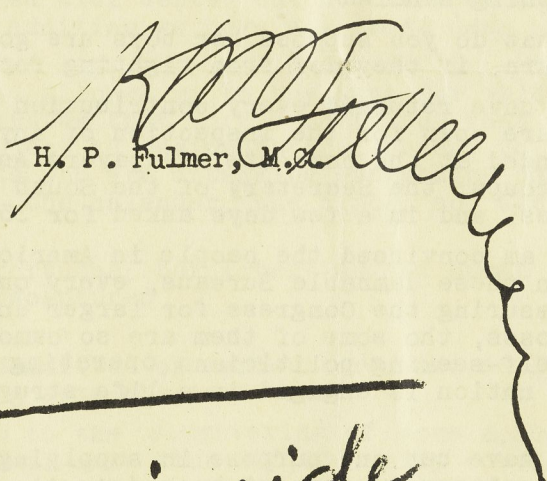
My dear Mr. Biggers:

I am in receipt of your statement concerning the Alphabetical Agencies Created under the Roosevelt New Deal Party.

I would like to know just what line of business you are engaged in. In the next place I would like to know whether or not you would prefer going back to the conditions which existed in every line of business in 1930-33, when Mr. Roosevelt took charge as President of the United States.

I would then be in a better position to give serious consideration to what you have to say in your statement.

Yours very sincerely,

  
H. P. Fulmer, M.C.

HPF-w

See Answer inside

Copy BIGGERS PRINTING COMPANY • HOUSTON 10, TEXAS •

Houston, Texas  
June 5, 1943

Honorable H P Fullmer  
Congressman from South Carolina  
Washington, D C

Dear Sir:

On May 4th I had a letter from you relative to the Alphabetical Agencies created under the Roosevelt New Deal Party. Am sorry I could not answer sooner

I did not send you the folder. It was sent by some one else. For many months I had been wondering about the number of these Bureaus. Either there was no record of them, or those in charge did not want to give the information, so I decided to get it

After printing a limited number to give to friends I thought might also be interested in seeing such a list, I became a bit uncertain, and sent out only a few copies as a "feeler" to names taken at random from my local mailing list. The response overwhelmed me. By noon the second day I had calls for more than 5,000; before these could be printed the requests had grown into the thousands, and at this date I am nearing the 200,000 mark--every one asked for. I shall continue to bear the burden of supplying free to those willing to distribute, and who ask for them \* (SEE NOTE)

I have received more than 2,000 letters, and yours is the only one critical. They come from every walk of life and every section of the nation. Small town merchants about to fold up; large manufacturers fearful of what is in store; postal cards; RFD numbers; farmers; cooperatives, and just plain citizens

Senators, Congressmen, Governors--those high in the ranks of both parties--have written for copies for distribution. All ask that they be billed for the cost, or enclose checks. A money order for \$2 from the mother of three boys in the armed forces--one in Africa, one in the South Pacific, and the youngest in a Texas training camp. She attempted to carry on the filling station business her boys had to give up. The OPA was so hard-boiled she closed the business "improper handling of gas rationing coupons". It has been my information that no two of these Bureaucrats have ever been able to agree on how they want anything handled

What do you suppose her boys are going to think of that Bureau when they return, if they do, from fighting for America?

I have returned every contribution and shall continue to do so. The records are open for the inspection of anyone you care to designate. You will be astounded at the comments. Taxpayers Associations in three states; educational groups; the Secretary of the South Texas Press Association wrote for 200 copies, and in a few days asked for 350 more to supply the demands

I am convinced the people in America are awakening to the dangers involved in these damnable Bureaus, every one of which at this very minute is high-pressuring the Congress for larger and larger appropriations, not for war purposes, tho some of them are so camouflaged, but solely for the benefit of the self-seeking politicians operating them, and who are not interested that our nation is engaged in a life struggle and too busy to guard the rat holes

I have but one purpose in supplying these folders: I want to do something to put our Government back into the hands of the people and their duly elected representatives, and to restore faith and confidence in the minds and hearts of the people in their Government. Can this be done under the Roosevelt New Deal Party?

\* (NOTE) By August the demand had become so great I was compelled to make a nominal charge of \$1 per 100 copies to cover postage and printing

An attempt was made to liquidate the NYA. The War Manpower Commission was created with McNutt in charge, and, according to newspaper reports, the first thing he did was to pick up the NYA bodily and carry it over to the new Board--not a day lost, not a cent saved the taxpayers; another Board took care of the Faithful!

We see every day where some defeated New Dealer is placed in a better paying Government job than his home voters ousted him from. There's Josh Lee, of Oklahoma; an attempt to pay off Jimmie Allred, of Texas; Flynn, and Brown, and so on down the line. You know them better than I do. Will Congress awaken to such practices before it is too late? Is the Roosevelt New Deal Party allowing evil influences to hide behind a false cry of WAR while the nation is being plundered?

\* \* \* \*

You ask who I am and what line of work engaged in. I am the head of a small but very modern printing company. Do not own one dime of stock in any other corporation; draw a modest salary; am able to get along comfortably, and hope to retire in a few years--unless the New Deal Party gets us all in reverse

As to your question: "Whether or not you would prefer going back to the conditions which existed in every line of business in 1930-32 when Mr Roosevelt took charge as President of the United States"

That is a fair question and I shall answer it sincerely:

YES! I would prefer what we had when Mr Roosevelt took charge to what we have now, and I am not referring to the war part

Then we had distress, but we had our rights, we had our liberties, we had our self-respect, we had our initiative, we had self-confidence. We had faith in our Government, and faith in our ability to come out of the depression. The "gimme" era had not blossomed

We did not have "verboden" signs at every turn; we had not been fingerprinted, numbered, regimented. We had not been told where we could work, when we could work, and for what salary we could work. We had not been told what we could plant, how much of the crop we could harvest, where we could sell it, and for what price we could sell it. We had not been told what we could buy, when we could buy it, where we could buy it, and the number of points we had to pay for it

Had the people of America been warned of the ultimate cost of the hypocritical generosity of those experimenters in Washington, such a foolish program would never have been allowed. But like old age, it crept upon us so slowly and was fed to us so adroitly that we were enmeshed in the coils before we realized what was happening

Then we were individually burdened with debts, but now look at what we are collectively burdened with, and in addition we have all these damn Bureaus on our backs

Yes, I would prefer a system that allowed me to buy that for which I did not have the money to pay, than a system that forbid me to buy that for which I did have the money to pay. I object to regimentation; object to being ruled by a bunch of fan-tailed theorists who are attacking everything that has made America great--even the geography, the calendar, the clock, and the unchangeable law of supply and demand

It is easy to rebuild our lost fortunes, but liberties and human rights once taken away are not easily recaptured

\* \* \* \*

I note you are Chairman of the Committee on Agriculture, and as I have long been active in that line, am making some observations:

I objected then and I object now to the slughtering of some 6,200,000 pigs; hundreds of thousands of brood sows; more than 800,000 dairy cows, not even allowing the hides to be saved because that would lower the price of leather, when at that time shoes were so high most people could not afford a new pair. I objected to destroying hundreds of thousands of acres of growing farm products, the essentials and necessities of life. All this with millions hungry and unclothed. Some how I feel that God will punish those who do such foolish things

I protested to our Congressman when two new post offices were erected in this county--right in the midst of cheap gas, cheap and abundant fuel oil-- and the heating plants were designed and installed requiring hard coal from Pennsylvania and other states. John L Lewis was in the saddle, and the railroad boys were whooping it up for more rail tonnage. The New Deal Party graciously complied

Was it right, sensible or honest? It was extravagant

We have Boards, Bureaus and Commissions to deal with production, and we have Boards, Bureaus and Commissions to deal with surpluses along the same lines. That does not make sense. The real burdensome surplus we have is that of Boards, Bureaus and Commissions, and a surplus of political gangsters living off the efforts of the producers and the farmers. All the farmer asks is a market, and he will find a way to produce

I am getting along well in years and have gone thru several depressions, some of them much worse than this one, but none so deliberately and purposely drawn out. The others got going in a short time. I lost something like a quarter of a million dollars in this depression, but I did not blame the Government. If this depression had been left alone it would have corrected itself, as the others did. But the New Deal Party had to call in a bunch of super-economists, Guinea pig experimenters, and it has been prolonged needlessly

The Roosevelt New Deal Party will go down in history for just what it is: A rotten, selfish, plundering political machine. I do not believe that any true Democrat can go along with the Kelley-Nash-Mead-Flynn-Hague outfit--every one of them a front rank New Dealer

The whole policy of the Roosevelt New Deal Party seems to be to upset everything that is proven. We were wrong yesterday, therefore we are right today because we are different. If things are scarce we shall make them too plentiful; and if plentiful we shall make them too scarce. If prices are high we shall make them too low, and if low we shall make them too high

I have in my possession a list of large land owners in Texas who were paid \$5,000 and more per year for not producing crops. Many of them are big ranches, insurance companies, and corporations that never did produce crops. Others were paid more for allowing their land to lie idle than they could have made by working it. The tenants went to the cities and got on relief, the lands grew up in Johnson grass and weeds, and thousands of rich bottom farms are now ruined for all time--a high price the land owner paid for New Deal relief

At the very time our cotton industry was at its lowest ebb, the largest cotton concern in the world (Anderson, Clayton Company, of Houston) began erecting modern gins (electric), oil mills, compresses, and great cotton plantations in Mexico and South American countries, taking away America's cotton business because we were paying a bonus for NOT producing while foreign countries were paying a bounty TO produce. Another indictment that the New Deal Party paid a premium on laziness and put a penalty on thrift

I fear the confusion, turmoil and strife now prevalent is for a sinister purpose, and that it has been deliberately planned by those who brought forth such Bureaus as the NYA, the USES, and others equally vicious. There may be those who want things to get out of control so that martial law can be invoked. That will be the final step to a dictator

I love my country, love its past, I love what its future can be. The same methods that made America Great can make it even greater. I have fear of what is in store unless those of you in charge at Washington take back to Congress the control you have surrendered to the President and these selfish Bureaus and Agencies. I pray that you be given the courage to do so

With kindest regards to you personally, and the highest possible faith in our Congress to do the right thing when you are given the light to guide you, I am

Yours truly

(Signed) E M BIGGERS  
100 Sabine Street  
Houston 10, Texas

①

When it comes to trout fishing, Montana means Mecca. ~~XXX~~ Our millions of acres of pristine countryside, laced with an infinite variety of trout waters annually attract thousands of anglers. These men and women from every state and many foreign countries join native Montanans streamside for what can only be described as the finest angling in the United States. We Montanans are justly proud of the fact that almost everybody can go home from Montana with a mind full of beautiful memories and a logbook full of exciting and challenging fishing. We are especially proud because it has not been easy. The destruction of Montana's trout fishing has been a constant threat for more than thirty years.

During that time Montanans have rallied to the cause, giving freely of their time, skills, and effort that we all might enjoy angling for wild trout in unspoiled waters. While our numbers are small, we have never lacked an effectively organized core of dedicated individuals. With Trout Unlimited as the pivotal force, we have compiled a track record of even-handed fisheries conservation that is unequalled anywhere else. We anticipate having to continue the fight for decades and are making preparations now.

seriously

Only one factor has limited our effectiveness--the lack of adequate funding. It is ironic that the same qualities that make Montana's trout fishing so good and so worth saving are also the factors that limit our fund-raising potential within the state. Open spaces, fresh, air, cold, X clear water and fighting trout we have in abundance. That abundance is largely attributable to low population density. Low population, however, is also the key to understanding the fact that we ~~XX~~

2

do not have the economic base from which to ~~XXXXXX~~ fashion an adequately financed, perpetually operating conservation machine. We can assure you, however, that such a machine is now a necessity if we are to protect the angling we all enjoy.

In short, we in Montana have the natural resources, we have the manpower, and we have a record of ~~XXXXXX~~ action--a plan for the future. We do not have the necessary money!

As mentioned earlier, many of the people who utilize our trout fishing resources come from other states and countries. On some of our streams, in fact, non-residents constitute as high as 90% of the total angler population for the entire year. Through membership in TU, FFF, and ALA, some of these people have contributed to the preservation and enhancement of Montana trout fishing. Many non-residents, however, in concert with Montanans, have expressed a desire to act more directly. But, they have not had at their disposal a convenient, properly constituted, and financially secure mechanism for extending their help . . . . UNTIL NOW!

A group of concerned Montanans has formed the Foundation For Montana Trout (FMT), a non-profit Montana corporation designed to fund and ~~AM~~ operate a perpetual trust. The earnings from invested trust funds will be used to protect and enhance ~~XXX~~ Montana trout resources ~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~, on a broad front.

~~XXXXXXXXXXXX~~ In other words, all of us who fish in ~~Montana~~ ~~XXXXXXXXXXXX~~ Montana ~~XXXXXXXXXXXX~~ will be beneficiaries of the trust.

FMT has been awarded tax-exempt and tax-deductible status under section 501-c.-3 of the IRS code. That means that all donations to FMT are deductible from your gross income; it further means that FMT pays no taxes on the donations it receives or on the money it earns through investment. ~~XXXXXXXXXXXX~~

~~XXXXXXXXXXXX~~  
~~XXXXXXXXXXXX~~



This situation guarantees that all of your donation is applied toward the goals you support.

FMT is managed by a board of nine directors, all of whom have demonstrated a lifelong devotion to angling and well-reasoned conservation. Most anglers will recognize several names from the following list: (list officers and directors)

The board of directors have resolved to place in permanent trust no less ~~XXXX~~ than 90% of all monies received, utilizing only the remaining 10% for the solicitation of ~~XXXXXX~~ further funding and/or administration of the Foundation. The only possible exception to this occurs when a donor specifically requests that his or her donation be used for administrative or fund-raising purposes. Most of you will recognize that the ~~XX~~ above figures describe an unusually low administrative overhead for a charitable organization.

The earnings from the trust will fund a wide variety of trout-related conservation projects. Because only the earnings from the trust can be spent, you need contribute but once--your dollars will continue working forever. Furthermore, FMT's Bylaws ensure that only bona fide trout conservation projects may be pursued. By these means, FMT guarantees that your donation will effectively and perpetually contribute to the protection of Montana's trout resources.

FMT's initial goal is to raise \$400,000.00. If only 400 concerned individuals give \$1,000.00 each, we will reach our goal. On the other hand, if 40,000 anglers give \$10.00 each, we will reach our goal. The actuality of the situation is somewhere in between, but we firmly believe that the funding potential X exists because every year tens of thousands of people ~~have been fishing throughout their lives in Montana. This~~

have the fishing experience of their lives in Montana. Those experiences are worth protecting, and we believe people will pay to see them protected.

Once the initial goal is reached, prudent investment will yield a significant amount of money annually to be used for trout conservation. Continued solicitation of funding will ensure that the principle amount keeps pace with both growing conservation demands and inflation.

FMT has some very definite ideas about how to spend the money we earn--ideas based on decades of conservation activity in Montana. Our top priority is to re-establish a full-time staff position for Trout Unlimited in this region. In 1975, after a successful fund-raising campaign (The Friends of Montana), the Montana Council of Trout Unlimited hired Jim Handley as Northern Rocky Mountains Representative. His responsibilities included lobbying, membership growth and services, direct resource action, public relations, and organizational coordination in Montana, Idaho, and Wyoming. After fifteen months of successful, full-time advocacy of the trout fishery, the position was terminated due to lack of funds.

Ironically, it was the termination of that position ~~XX~~ which provided the impetus to start the Foundation for Montana Trout. Having seen the benefits that accrue to a volunteer action organization from the coordinating activities of ~~XXXX~~ full-time staff, ~~XXXXXXXXXXXX~~, concerned anglers in the region resolved to find a way to ~~XX~~ permanently ensure the existence of a professional representative for trout anglers.

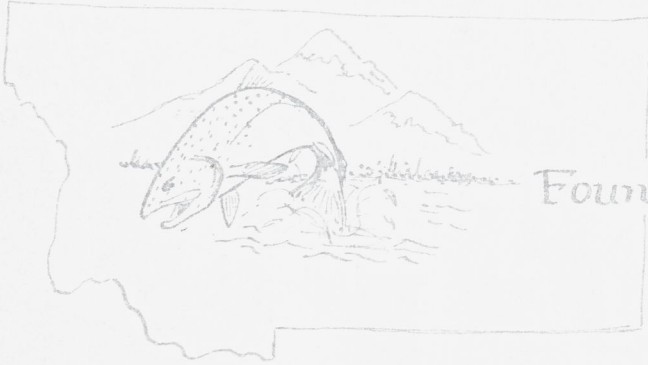
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The original funding mechanism (The Friends of Montana) had failed to provide a secure vehicle for the acceptance and management of sums of money large enough to perpetually support a paid staff position. FMT, designed ~~KX~~ solely to collect, manage, and disburse ~~MONY~~ trout conservation ~~XX~~ monies, fills that vacancy. In other words, donors to FMT can be assured that they will be helping to support a permanent,  
continuously active advocate for trout fishing in the region.

Founda

# Foundation for Montana Trout

P.O. Box 652  
Ennis Montana 59729



①

Found-



Foundation for Montana  
Trout

②

③

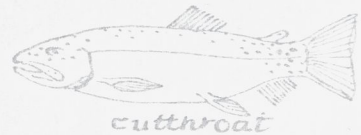


Rainbow



Brown

Foundation  
for  
Montana  
Trout



cutthroat



Brook



Foundation for  
Montana Trout

P.O. Box 652 Ennis Montana  
59729



August 9, 2007

MTF --- Board of Directors:

Attached is a report from Montana River Action covering their accomplishments from January 1 to July 22, 2007. Joe Gutkoski, as you will read has kept up on River issues. We just need more like Joe.

The Fall meeting is tentatively scheduled for Sept. 21, 2007. We will plan to meet during the noon hour in David Thompson's office.

Please have agenda items to Bud or I by Sept. 1.

Jim Darling is working to get the RFP's out and I would suggest those who agreed to help in expanding coverage this year contact Jim with your ideas. I am sure Jim will appreciate all the help he can get.

In haste,

Gordon Haugen  
22 Barclay Drive  
Bozeman, Montana  
59715

(406) 556-8436

## 2007 Report to Montana Trout Foundation

To: Gordon Haugen, Coordinator  
22 Barclay Drive  
Bozeman, MT 59715

From: Montana River Action  
304 N. 18<sup>th</sup> Ave.  
Bozeman, MT 59715  
406-587-9181  
Joe Gutkoski, President

Date: July 22, 2007

Following is an outline of efforts and accomplishments that Montana River Action has been involved in from January 1, 2007 to July 22, 2007.

**MRA wrote LC 435, "Sell or Donate Water Rights" for instream flow and subsequently requested bill drafting by Legislative Services to sustain fisheries.**

LC 435 evolved into Senate Bill SB 128 sponsored by Senator Jessie Laslouch (D-Anaconda) and eventually passed in the 2007 Legislature. This bill authored by MRA was also introduced in the 2005 Legislature, but was killed by the agriculture community.

As land use changes and land holdings with senior water rights are subdivided, an opportunity is presented to help solve Montana's long-range stream dewatering problems that must not be missed. Both traditional water right holders and newcomers buying lands with water rights want the option of giving their water back to instream flow and to see it protected and remain in the stream.

Up to the passage of SB 128, the Department of Fish, Wildlife and Parks (FW&P) was precluded by law from buying water rights permanently for instream flows. They could lease, but they could not buy. (My mother always told me, it is better to buy than rent.) A law was needed allowing water right holders to sell or donate to FW&P their water rights -- for money or tax benefit donation, whatever the term they choose -- to permanently give the water back to streams. Tax authorities rule that tax benefits are not available unless the donation of water rights is in perpetuity.

Public agencies, communities and participants want long-range solutions to dewatering problems. With the passage of SB 128, FW&P started to immediately negotiate with ARCO (who purchased the Anaconda Mining Co.) on water that ARCO holds in the Upper Clark Fork River Basin (, Butte, Anaconda, Deerlodge and Drummond). Also attached to this bill was the repealing of the termination date on leasing of water by FW&P.

This was one of the few instream flow laws passed in the 2007 Legislature.

**MRA wrote LC 463, "Emergency Stream Flow for Fisheries" and requested bill drafting by Legislative Services. Representative Robin Hamilton (D-Missoula) agreed to sponsor LC 463.**

There is a legal basis for protecting important fisheries in times of drought emergencies. It is in the public interest to perpetuate natural fish resources for future uses. Flowing streams maintain water quality and contribute to a healthy environment for the public.

Public trust values determine that 25 percent of the Average Annual Flow (AAF) in streams is the minimum needed to maintain basic aquatic life. Public agencies have installed and maintained a system of gauging stations throughout Montana and have been measuring flows for 100 years. In May 2005 Montana Department of Fish, Wildlife & Parks, in their latest dewatering inventory, revealed that 4,739 miles of important fisheries are chronically or periodically dewatered each year, leaving stream flows below the point where stream habitat is adequate for fish to survive. Either the fish move up or down, or die. Because native fish pre-date man's diverting of water, it would be constitutional and not a taking of property to allow a minimum of 25% of the AAF to sustain important, natural fisheries in year-round flowing streams.

On September 24, 2002, the Montana Supreme Court delivered a majority opinion that "a diversion is not required for a valid appropriation of water." State claims to water rights and instream flows for fish, wildlife and recreation are valid. The court said that these uses can be considered equal with irrigation. The ruling reversed the 1988 Bean Lake Decision that implied that our Constitution did not recognize rights for fish and wildlife. The ruling amends the "use it or lose it" doctrine and validates the State's claim to water rights for instream flows and protects irrigators' right to leave water in streams.

The Emergency Stream Flow for Fisheries bill would take not authority away from district judges, water courts, water commissioners, water masters, ditch companies or ditch riders, nor from any legal system that manages water rights. Authority is vested in their legal judgments to control all water diversions. When an individual stream reaches a low flow of 25% of the AAF, then water commissioners would begin limiting water diversions – first in time, first in right – so that 25% of the AAF remains in the stream to sustain fisheries. This is the streams right.

Representative Robin Hamilton (D-Missoula) agreed to sponsor the bill. Legislative Services Bureau announced the bill is unconstitutional and would do no further work in writing LC 463. Although this bill was introduced in past legislatures, Legislative Services did not allow this bill to see the light of day in 2007.

The solution to dewatering is to provide some real protection (25% of the AAF) for fisheries, sharing water with other users.



### **Banning Tire and Smelter Slag Burning.**

MRA supported and testified in favor of HB 408 sponsored by Representative Wiseman (D-Bozeman). This bill would have banned the Holcim cement plant at Three Forks from burning 1,100,000 tires a year, lead smelter slag and toxic hazardous waste in their cement kilns. The Department of Environmental Quality decided that a pollution burning permit was not needed to burn toxic slag, even though it contains high levels of arsenic, cadmium, lead and other heavy metals. Despite support from Governor Schweitzer, the bill was defeated on a party-line vote in the House Natural Resources Committee.

### **Stream Setback Law.**

MRA supported and testified in favor of SB 345 which required new homes and commercial builders to be set back 250 feet from the ordinary high-water mark from tier-1 streams and 150 feet from tier-2 streams. SB 345 was defeated by the real estate agencies.

### **Stream Access at Public Bridges.**

MRA supported and testified in favor of HB 70 which allowed public access to public streams at public bridges. This bill was defeated on a party-line vote in the House.

### **Ground Water Regulation Bill.**

MRA supported and testified in favor of HB 138 which required a hydrological study of any new groundwater well application in closed basins.

### **Gallatin River Outstanding Resource Water (ORW)**

MRA supported and testified in favor of ORW designation from where the Gallatin River flows out of Yellowstone National Park to the confluence with Spanish Creek, 38.6 miles downstream. This designation would prevent the Department of Environmental Quality from authorizing projects that would further degrade the river and maintain its quality and quantity for future generations. The bill was canceled by its sponsors because of resistance from real estate agencies, land speculators and major landowners.

### **Other Water Legislation**

Other water legislation – challenging the credulity of the reader and too numerous to repeat here -- was supported and opposed by MRA.

## Other MRA Activities

### **Coordinating MRA's River Watch Program.**

Volunteers monitor a stream, river, lake, pond or wetland for signs of dewatering, degradation, mis-use, pollution or other harm to the waters of Montana. We have built a network of River Watchers to report on the health of our waters and to follow up on suspected violations of our water laws. Information and knowledge collected is used to shine the light of day on violations and to search for remedies to stop impacts and reclaim the natural balance of the waters.

### **Adopt-A-Stream program.**

Maintain MRA Adopt-A-Stream program where volunteers select a water-based habitat and annually clean these up.

### **Four Corners Subdivision Impact Area.**

Another Montana story has developed with 12 un-permitted wells along the banks of the Gallatin River drilled by Zoot Enterprises for its subdivisions. Via a few banks over to the 2007 Legislature, this case landed in the Governor's office on the desk of Bruce Nelson, former Zoot Administrative officer and cousin to Chris Nelson, owner of Zoot. Now Bruce Nelson is the Governor's Chief of Staff in Helena.

The DNRC has issued permits to subdividers in the Four Corners area that allow them to circumvent the Upper Missouri Basin closure to new water appropriations passed in 1993 due to basin over-appropriation of water. There are more rights than there is water. Through the years, MRA has filed with DNRC seven objections and one water use complaint against what is taking place in the Four Corners area. Presently (July 24, 2007) we are going into mediation with our opponents who diminish the river's flow. The Four Corners Community Foundation and the West Gallatin Irrigation Canal Company, as well as other Four Corners individual objectors are with us in this court suit. MRA has invested a considerable amount of additional time in these court cases.

*Joe Gutkowski Pres.  
Montana River Action*

7-23-07



# Montana Fish, Wildlife & Parks

1400 South 19th Avenue  
Bozeman, MT 59718

Ross Bruner  
114 Hitching Post Road  
Bozeman, MT 59715

January 26, 2005

Hi Ross,

Thank you for taking time to meet with me yesterday. I learned a lot from our conversation. I also appreciate the chance to have shared some thoughts with you.

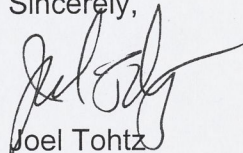
Among other things you asked yesterday what role I thought the Montana Trout Foundation (MTF) might still play supporting conservation projects in light of changes that have occurred since the MTF was first established. Frankly I see several positive contributions should the MTF continue in its current incarnation. As I described to you, many good conservation projects never get beyond conceptual stages because public funds to support these types of projects are too stringently geared to research, or implementation, without sufficient support for initial stream assessment or actual project design. The Trout Creek restoration project we discussed is a good example. In order to receive potentially significant funds from the Natural Resources Conservation Service (NRCS) to implement stream treatments in this damaged drainage, project designs with sufficient detail to meet NRCS requirements must first be developed and submitted with a grant request. These designs require a stream assessment to identify problems and the most effective treatments, in addition to considerable data collection to detail what will actually be done at any given site. Funds for assessment and design work like this are one place where the MTF could really help. A relatively small amount of money, say one or two thousand dollars in the Trout Creek case, could be the decisive factor launching a much bigger project that has the potential to greatly benefit significant portions of our local fisheries. Of course the MTF could also be very helpful simply buying tools or equipment to support a given project. Yesterday I mentioned the need to purchase pond outlet structures to restrict northern pike movements in the Gallatin River drainage. A few thousand dollars contributed here would provide a lot of security to the trout fisheries of this drainage!

Beyond just filling funding gaps, however, I also think the MTF has a potential to position itself now to be especially helpful working with private landowners to realize projects that might otherwise fail for lack of acceptable financial support. I am thinking now of situations where money from "environmental" groups is often turned down by landowners because of the concern, perceived or real, that accepting this money would obligate them to conform to potentially disagreeable requirements of the funding group. Angler access issues are common points of contention. Landowners also turn down funds from some groups (and thereby stop projects) because they fear that accepting the money will be interpreted to mean that they support the stated values of that group.

By adopting a "less-strings attached" willingness to contribute money to various projects, the MTF might help influence otherwise unwilling landowners to consider stream or fishery projects that in fact do benefit everyone, but that might not otherwise allow (just for example) direct access to the improved fishery. As its support of conservation projects to benefit streams without pushing other agendas becomes known, the MTF should gain significant credibility as a conservation group whose first and most important concern is resource conservation. This credibility in turn will give the MTF a significant voice influencing local resource conservation projects: MTF's financial support of a project in itself will be associated with a determination that a conservation project has merit for the resource. Importantly, this stamp of approval will be independent of any personalities who might otherwise be involved. Benefiting natural resources is ultimately what we all value most. And it certainly is the single achievement that will be most appreciated by future generations.

Ross, thank you again for the opportunity to share these thoughts with you. Please feel free to contact me anytime if you have further questions.

Sincerely,



Joel Tohtz  
FWP Fisheries Biologist  
406-994-6938  
[jtohtz@montana.edu](mailto:jtohtz@montana.edu)

# MONTANA TROUT FOUNDATION NEWSLETTER

*Founded in 1976 "Preserve the Legend"*

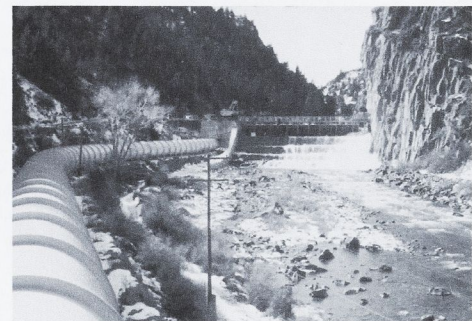
*Winter 2004*

## *Your Donations Actually Do Make A Difference. The Following Project is a Great Example.*

The Madison River is considered by many as one of the world's finest wild trout streams, but even as good as it is, it has some serious problems. One is a long standing thermal problem, which has plagued the Madison River below Ennis Reservoir. Since the mid-1960's there has been evidence the wide shallow Ennis Reservoir has been causing an unnatural rise in the water temperatures in the lower river. In the upper river water temperatures seldom exceed the low 70's F during the mid summers months, but in the lower river temperatures can reach 80-83 F in some years. Brown and rainbow trout cannot live for any length of time at temperatures above 82F.

Over the last 50 years several fish kills have been attributed to these high summer water temperatures with the last being in 1988. This thermal problem not only threatens the existence of wild trout, but can seriously impact angling success. In the 1970's Ennis Reservoir was identified as one of the factors causing this high temperatures along with river flow rates and air temperature. With financial aid from the **Montana**

**Trout Foundation** to a fisheries graduate student at Montana State University, a study to determine the impacts to angling was conducted. The graduate student, Geoff Mc Michael, found that the ability to catch trout was significantly related to water temperatures. Catch rates were the highest when water temperatures were between 46 and 59 F, but catchability sharply decreased as water temperatures increased and by 66F most anglers found angling success very unsatisfactory. During most summers, water temperatures are generally too warm during the months of July and August to provide satisfactory angling success. In the late 1980's and early 90's, the hydroelectric operations on the Madison and Missouri Rivers was due for re-licensing through the Federal Regulatory Commission. This general occurs every 50 years. This process allowed all interested parties, including anglers, the opportunity to influence the conditions on how these facilities were to be operated over the next 50 years. Fortunately studies like the one financed by you through the Montana Trout Foundation could be used to determine the final operational plans authorized by FERC. (See the benefits shown in the **2003 Trout Fishing Report**). If you would like a copy of this study please contact us.



## **2003 Wild Trout Fishing Report**

The 2003 fishing season in Montana was marred by the persistent drought which has plagued the state for the last three years. The hot dry summer was presided by a below average snow pack which resulted in many streams having special restrictions on fishing hours or total closures. In spite of these severe climatic conditions, wild trout fishing in Montana was relatively good, especially in streams where water users worked with fishery interests to produce minimum flows for wild trout. One of these streams was the Madison River. Because of extreme high air temperatures during July and August, the operator of Ennis Dam had to augment flows to the lower river during the heat of each day to prevent water temperatures from reaching acute levels for the wild brown and rainbow trout. This water was released from the upstream storage reservoir, Hebgen, providing excellent flows and optimum waters temperatures for the upper river. Angling in the Madison River was so good because of this that angling use was up significantly from previous years.

### **What Are the Foundation's Priorities?**

With the primary objective of the MTF being the preservation of Montana's Wild Trout resources, we select fisheries projects that: 1- help preserve in-stream flows; 2- projects that educate anglers, youth and the general public on wild trout fisheries and their needs; 3- native fish preservation; 4- whirling disease; and 5- fisheries habitat enhancement.

### **Who Is the Montana Trout Foundation?**

Obviously you who have donated to the Foundation are the most important group, because it take money to finance these important projects. A Board of Directors comprised of dedicated anglers who donated

their time and energy to promote the Foundation manages MTF deciding the priorities and which projects to fund.

The present members are:

Bud Lilly, Manhattan – President  
Ross Bruner- Bozeman – Treasurer  
Gordon Haugen – Bozeman – Secretary  
Joel Shouse – Bozeman  
Tim Crawford- Bozeman  
Harry Miller – Billings  
John Wilson – Helena  
David Thompson – Bozeman  
Skip Gibson - Bozeman  
E. Richard Vincent – Resource Consultant

### **How Can I Learn More About MTF?**

If you would like to learn more about MTF you can contact us by mail at P.O. Box 3165, Bozeman, MT 59772 or by e-mail at [montanatrou@imt.net](mailto:montanatrou@imt.net) or visit our web site at [www.montanatrou.net](http://www.montanatrou.net).

### **WE NEED YOUR HELP**

If you would like to donate to MTF please send the attached form below with your donation. It is tax deductible!

Name \_\_\_\_\_

Address \_\_\_\_\_

I have enclosed a check for \_\_\_\_\_

\_\_\_ use the funds as you see fit.

\_\_\_ I would like my donation used as follows:

**Montana Trout Foundation**  
**Summary of Activity in the Matt Olson Estate Matter**  
**March 13, 2004 Meeting of the Board of Directors**

- (1) October 16, 2003 --- A special meeting of the Board of Directors of the Montana Trout Foundation was held and the following actions were authorized:
  - (a) The placing of the Matt Olson gift, in the amount of \$50,000.00, with the Montana Fish, Wildlife and Parks Foundation as a permanent maintenance endowment for the Three Dollar Bridge FAS.
  - (b) Expending up to \$6,100.00 to reimburse the Olson family for expenses.
  - (c) Expending up to \$1,400.00 to pay the costs to obtain and install an acknowledgment plaque at the Three Dollar Bridge FAS.
  - (d) Expending up to \$600.00 to help defray the Olson family expenses to travel to the dedication ceremony.
- (2) Between October 16, 2003 and December 22, 2003 --- Negotiate and execute Settlement Agreement. All parties, except William Luetke, executed agreement. A copy of the Settlement Agreement is attached as Exhibit "A".
- (3) December 22, 2003 --- File Motion to Approve Settlement Agreement.
- (4) January 15, 2004 --- 22<sup>nd</sup> Judicial District Court entered Order Consolidating Actions, Approving Settlement Agreement and Dismissing Pending Motion and Action with Prejudice. This order was filed with the Clerk of Court on January 16, 2004. A copy of the Order is attached as Exhibit "B".
- (5) January 21, 2004 --- Notice of Entry of Judgment filed with the 22<sup>nd</sup> Judicial District Court.
- (6) February 18, 2004 --- Payment of the sum of \$6000.00 to the Olson family and the sum of \$50,000.00 to the Montana Fish, Wildlife and Parks Foundation. The Endowment Agreement was also delivered to the Foundation on this date. A copy of the Endowment Agreement is attached as Exhibit "C".
- (7) February 26, 2004 --- Acknowledgment of Receipt of Contribution filed with the 22<sup>nd</sup> Judicial District Court. Copies of the Acknowledgment and the date stamped Praecipe are attached as Exhibit "D".
- (8) March 9, 2004 --- Satisfaction of Judgment mailed to 22<sup>nd</sup> Judicial District Court for filing. A copy of the Satisfaction is attached as Exhibit "E".

- (9) A schedule to complete Settlement Agreement terms has been agreed to:
- (a) By March 1, 2004, Fish, Wildlife and Parks will prepare a preliminary proposal for the placement of a stone/monolith at Three Dollar Bridge FAS upon which the memorial plaque shall be placed.
  - (b) By April 1, 2004, Fish, Wildlife and Parks will begin construction of a suitable stone/monument at Three Dollar Bridge FAS.
  - (c) By May 1, 2004, Fish, Wildlife and Parks will have completed construction of the stone/monolith at the Three Dollar Bridge FAS.
  - (d) By May 15, 2004, the Montana Trout Foundation will have a plaque ready to affix to the stone/monolith at the Three Dollar Bridge FAS.
  - (e) By June 1, 2004 placement of the plaque by the Montana Trout Foundation will be completed.
  - (f) June 15, 2004 – Tentative public dedication ceremony of the Matt C. Olson Endowment and Memorial at Three Dollar Bridge FAS. (Settlement Agreement sets August 1, 2004 as the final date to have Memorial completed.)
- (10) Additional contributions to maintenance endowment – A copy of the estimated annual maintenance budget for Three Dollar Bridge FAS is attached as Exhibit “F.”
- (11) Monitoring.
- (12) Questions.



1 Kent M. Kasting, Esq.  
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2 716 South 20<sup>th</sup> Avenue, Ste #101  
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(406)586-4383  
4 (406)587-7871 fax

5 Tom Anacker, Esq.  
ANACKER LAW FIRM  
945 Technology Blvd.  
6 Bozeman, Mt 59718  
(406)586-9111  
7 (406)586-8333 fax

8 Co-Counsel for Montana Trout Foundation, Inc.

9  
10 MONTANA TWENTY-SECOND JUDICIAL DISTRICT COURT, CARBON COUNTY

11 \* \* \* \* \*

12 IN THE MATTER OF THE ESTATE OF	)	Cause No. DP85-45
	)	Judge Blair Jones
13	)	
14 MATT C. OLSON,	)	<b>SETTLEMENT AGREEMENT</b>
	)	<b>IN RE CAUSES DV03-75</b>
15 Deceased	)	<b>AND DP85-45</b>

16 It is specifically agreed that the issues raised in the  
17 Complaint filed in Cause No. DV03-75 and the Motion to Reopen  
18 Probate and Provide Accounting of a Specific Devise, and Return  
19 the Specific Devise to the Estate and Distribute the Specific  
20 Devise to the Residuary Beneficiaries, filed by Andrew P. Olson  
21 in Cause No. DP85-45 shall be settled and resolved as follows:

22 1. Within thirty one (31) days after entry of an order  
23 approving this Settlement Agreement in all respects, the Montana  
24 Trout Foundation Inc., (MTF) shall pay to the Montana Fish,  
25 Wildlife and Parks Foundation, Inc. (the Foundation) the sum of  
26 \$50,000 cash with the Foundation to then deposit and hold in  
27 perpetuity those monies in its general endowment fund. The annual  
28 investment earnings from the Foundation's general endowment fund  
which are attributable to this \$50,000 contribution shall then be

1 used to fund ongoing maintenance costs related to the Three Dollar  
2 Bridge Fishing Access site located on the Madison River in Madison  
3 County, Montana. (A copy of the map reflecting the exact location  
4 of this site is attached to this Stipulation and is identified as  
5 Exhibit A) The Foundation shall use only the earnings from this  
6 \$50,000 initial contribution to assist The Montana Department of  
7 Fish Wildlife and Parks (FWP) in paying for the following  
8 expenses:

9 Weed control; litter pickup and removal and  
10 related supplies; restroom maintenance; road  
11 maintenance; signage maintenance; replacement  
12 fencing maintenance and repairs; and such  
13 other ongoing maintenance expenses as might  
14 be needed to keep the site clean, safe and  
15 aesthetically pleasing.

16 Should the cost to maintain the site be less than the  
17 earnings attributable to the \$50,000, in any particular year, such  
18 excess shall, at the option of Foundation, be either added to the  
19 original \$50,000 contribution or given to FWP to be used to pay  
20 for habitat improvement at the Three Dollar Bridge access site.  
21 If the costs to maintain this site on an annual basis exceed the  
22 amount of annual earnings attributable to the initial \$50,000  
23 contribution, principal shall not be invaded, it being the express  
24 intention of all of the undersigned that the \$50,000 remain intact  
25 in perpetuity with any earnings therefrom to be used solely for  
26 the purpose of maintaining the above described site. The  
27 Foundation further agrees to accept additional contributions which  
28 may be made in the future and add such contributions to the  
original \$50,000 when it receives specific instructions from any  
donor to do so. The fund created by this Settlement Agreement  
shall be known as the Matt C. Olson Three Dollar Bridge Endowment  
Fund. The management and investment of these funds shall be in

1 accordance with the standard investment/management  
2 procedures/policies of the Foundation.

3 2. The FWP agrees to secure and place, at its expense, at  
4 a suitable location on the perimeter of the parking area of the  
5 Three Dollar Bridge access site, a stone/monolith which will then  
6 be used to display an appropriate plaque/engraving as more  
7 particularly described in paragraph 3 below for the purpose of  
8 acknowledging the \$50,000 gift made by Matt C. Olson in his Last  
9 Will and Testament. This stone/monolith shall be in place on or  
10 before June 1, 2004.

11 3. MTF agrees to secure and pay for a plaque/engraving on  
12 the stone/monolith described in paragraph 2 above which will  
13 state:

14 Ongoing maintenance of this site is  
15 made possible by a bequest from the  
estate of Matt C. Olson

16 February 28, 1947 - November 14, 1985  
17 Red Lodge, Montana

18 A dedicated and generous flyfisherman.

19  
20 This plaque/engraving shall be completed and in place no  
21 later than August 1, 2004.

22 4. The MTF shall pay to Andrew P. Olson, the sum of \$6,000  
23 to reimburse him the attorney's fees and costs he has incurred in  
24 connection with Cause No's. DV03-75 and DP85-45. This sum shall  
25 be paid within 31 days after the Court enters an Order approving  
26 this Stipulation.

27 5. The undersigned jointly move the Court for an order  
28 reforming the Last Will and Testament of Matt C. Olson, under the  
doctrine of cy pres, so as to allow the \$50,000 original bequest  
to be used in the manner set forth above on the grounds that the

1 exact instructions of the testator are unable to be achieved and  
2 the agreed upon method of utilizing the bequest accomplishes as  
3 closely as possible what the testator wanted achieved in  
4 originally making the \$50,000 bequest to the State of Montana  
5 Department of Fish Wildlife and Parks.

6 6. All of the undersigned hereby release and forever  
7 discharge each other from any and all further liabilities, known  
8 or unknown, which are in any way related to the issues raised in  
9 Cause No's DV03-75 and DP85-45, the same having been fully and  
10 completely resolved by the terms of this Settlement Agreement.  
11 The Complaint in Cause No. DV03-75 shall be dismissed with  
12 prejudice. The Motion and Responses filed in Cause No. DP85-45  
13 shall be withdrawn the same having been resolved by this  
14 Settlement Agreement. The undersigned further agree to execute  
15 and/or secure such other written releases as may be necessary and  
16 required in order to achieve a complete, final and full resolution  
17 and settlement of any and all claims related to the original  
18 \$50,000 bequest of Matt C. Olson.


19 7. This Settlement Agreement is intended to supercede and  
20 take the place of any and all prior agreements which may have been  
21 made in Cause No. DP85-45.

22 8. This Settlement Agreement may be signed in counter parts  
23 and once all signatures have been obtained, an Order reflecting  
24 the above Settlement Agreement shall be presented to the Court for  
25 its review and approval at a hearing to be scheduled with  
26 appropriate advance notice being sent to all interested  
27 parties/heirs.

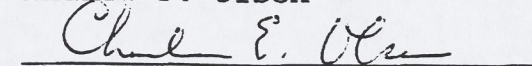
28 9. Should any interested party object to this Settlement  
Agreement, each of the undersigned, by signing this agreement,

1 would request and move the Court to overrule and reject any such  
2 objection and approve this Settlement in its entirety.

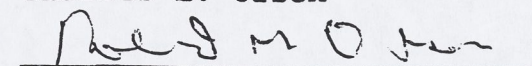
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Andrew P. Olson

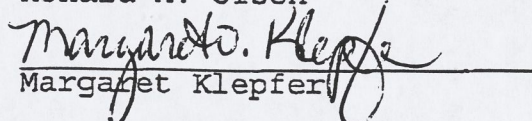
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Dated

  
Charles E. Olson

11-26-03  
Dated

  
Ronald M. Olson

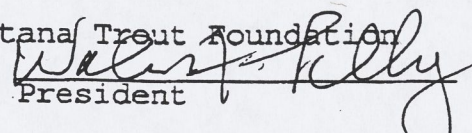
11-26-03  
Dated

  
Margaret Klepfer

11-26-03  
Dated

William B. Luetke

Dated

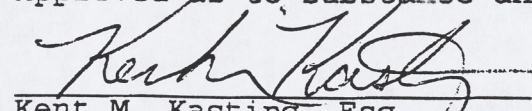
Montana Trout Foundation  
By:   
Its President

12/08/03  
Dated

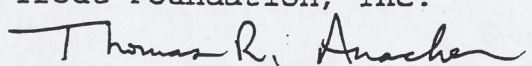
Montana Department of Fish  
Wildlife and Parks  
By: \_\_\_\_\_

Dated

Approved as to Substance and Form:

  
Kent M. Kasting, Esq.  
Co-Counsel for Montana  
Trout Foundation, Inc.

12/2/03  
Dated

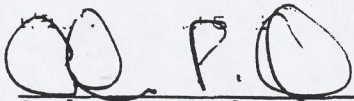
  
Thomas Anacker, Esq.  
Co-Counsel for Montana  
Trout Foundation, Inc.

12/3/03  
Dated

Jack Lynch, Esq.  
Counsel for State of Montana  
Department of Fish, Wildlife  
and Parks

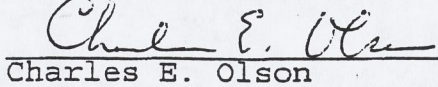
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1 would request and move the Court to overrule and reject any such  
2 objection and approve this Settlement in its entirety.

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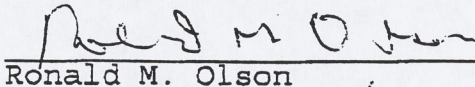
8 Andrew P. Olson

11-26-03  
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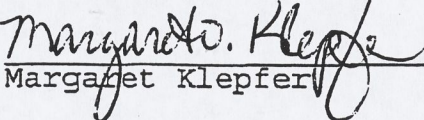
10 Charles E. Olson

11-26-03  
Dated

11 

12 Ronald M. Olson

11-26-03  
Dated

13 

14 Margaret Klepfer

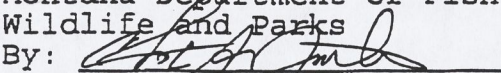
11-26-03  
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15 William B. Luetke

Dated

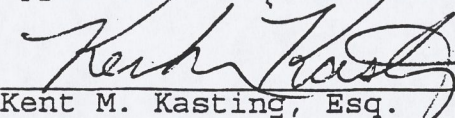
16 Montana Trout Foundation  
By: \_\_\_\_\_  
Its President

Dated

17 Montana Department of Fish  
18 Wildlife and Parks  
19 By: 

12/9/03  
Dated

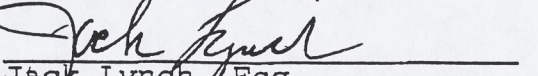
20 Approved as to Substance and Form:

21   
22 Kent M. Kasting, Esq.  
23 Co-Counsel for Montana  
24 Trout Foundation, Inc.

12/2/03  
Dated

25 Thomas Anacker, Esq.  
26 Co-Counsel for Montana  
27 Trout Foundation, Inc.

Dated

28   
Jack Lynch, Esq.  
Counsel for State of Montana  
Department of Fish, Wildlife  
and Parks

12/5/03  
Dated

1 The terms of the foregoing Settlement Agreement are hereby  
2 acknowledged and agreed to by the Montana Fish, Wildlife and Parks  
Foundation Inc.

3 Dated this 8<sup>TH</sup> day of DECEMBER 2003.

4 MONTANA FISH, WILDLIFE AND PARKS FOUNDATION INC.

5 By: *[Signature]*  
6 Its: EXECUTIVE DIRECTOR

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MONTANA TWENTY-SECOND JUDICIAL DISTRICT COURT, CARBON COUNTY

\* \* \* \* \*

IN THE MATTER OF THE ESTATE OF	)	Cause No. DP85-45 and
	)	Cause No. DV03-75
MATT C. OLSON	)	Judge Blair Jones
	)	
Deceased	)	<b>ORDER CONSOLIDATING</b>
	)	<b>ACTIONS; APPROVING</b>
	)	<b>SETTLEMENT AGREEMENT</b>
	)	<b>AND DISMISSING PENDING</b>
	)	<b>MOTION AND ACTION</b>
	)	<b>WITH PREJUDICE</b>

The Court has reviewed the following:

1. The file in Cause No. DV03-75;
2. The file in Cause No. DP85-45;
3. Montana Trout Foundation's Motion to Approve Settlement Agreement and Dismiss Pending Motion and Action together with the documents attached to that Motion.

The time for responding/objectioning to the Motions which are pending has expired and no responses/objections have been filed.

The Settlement Agreement which has been presented to the Court reflects an appropriate way to resolve the issues which have been raised related to the \$50,000 bequest the decedent originally gave to the State of Montana and accomplish the desires of the decedent as closely as possible to his original intent.



1 Based upon the foregoing, it is hereby ordered as follows:

2 1. Cause No. DV03-75 is hereby incorporated into Cause No.  
3 DP85-45. Cause No. DV03-75 is hereby dismissed with prejudice.

4 2. The Motion and Response pending in Cause No. DP85-45  
5 are deemed withdrawn, the same having been resolved by Settlement  
6 Agreement which is approved pursuant to this Order.

7 3. The Motion of Montana Trout Foundation Inc. to Approve  
8 the Settlement Agreement and Dismiss the Pending Motion/Action is  
9 hereby granted.

10 4. The Settlement Agreement which has been filed with the  
11 Court and which bears the signatures of all interested parties  
12 except that of William B. Luetke is hereby approved in all  
13 respects and each and every term/provision of that Agreement is  
14 incorporated into and made a part of this Order as if the same had  
15 been fully set forth within this order.

16 5. In approving the Settlement Agreement, the Court finds  
17 that its terms accomplish as closely as reasonably possible the  
18 original intent of the decedent and that application of the  
19 doctrine of cy pres is appropriate.

20 6. Based upon the foregoing, the parties/entities are  
21 directed and ordered to perform the obligations set forth and  
22 agreed to in the Settlement Agreement in a complete and timely  
23 manner.

24 7. Any orders heretofore entered in the probate matter  
25 Cause No. DP85-45 related to the \$50,000 bequest described above  
26 are hereby vacated and superceded by this Order.

27 Dated this 15<sup>th</sup> day of January 2004.

28 CERTIFICATE OF SERVICE

BY THE COURT

*Blair Jones*  
The Honorable Blair Jones

This is to certify that the foregoing was duly served by mail or fax upon  
the parties or their attorneys of record at their last known address  
this 15<sup>th</sup> day of January, 2004  
By *[Signature]*  
Court Administrator to HON. BLAIR JONES

Entered in Book 100  
Jan 16, 2004

1 c: Jack Lynch, Esq.- Attorney for  
2 Montana Fish, Wildlife & Parks  
3 P.O. Box 2000701  
4 Helena, Mt 59620-0701  
5  
6 Tom Anacker, Esq.  
7 ANACKER LAW OFFICE  
8 945 Technology Blvd.  
9 Bozeman, Mt 59718  
10  
11 Kent M. Kasting, Esq.  
12 KASTING, KAUFFMAN & MERSEN, P.C.  
13 716 South 20<sup>th</sup> Avenue, Ste #101  
14 Bozeman, Mt 59718  
15  
16 Andrew P. Olson  
17 513 Riverside Drive  
18 Madison, WI 53704  
19  
20 Charles E. Olson  
21 10822 Alloway Dr.  
22 Potomac, MD 20854  
23  
24 Roland M. Olson  
25 10517 Highway A  
26 Mount Horeb, WI 53572  
27  
28 Margaret Klepfer  
416 N. Arthur Circle  
Verona, WI 53593  
  
William B. Luetke  
P.O. Box 992  
Red Lodge, MT 59068  
and  
William B. Luetke  
2630 Stringham Ave.  
A-230  
Salt Lake City, UT 94109

## MATT OLSON ENDOWMENT AGREEMENT

We, representatives of the Matt Olson Estate and the Montana Trout Foundation, hereby give to the Montana Fish, Wildlife and Parks Foundation for the use and benefit of Flyfishermen and Flyfisherwomen of the State of Montana the following gift: \$50,000.00

Said gift shall be used to create the Matt Olson Flyfishing Fund for the Three Dollar Bridge Fishing Access Site as a permanent endowment. Funds distributed from the endowment shall be used by the Montana Department of Fish, Wildlife and Parks for up-keep and maintenance of the Three Dollar Bridge Fishing Access Site.

### ADMINISTRATION

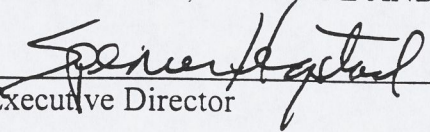
Said endowment shall become a part of the Montana Fish, Wildlife and Parks Foundation. These funds and all future additions to the endowment, shall be subject to the provisions of this instrument and shall be classified as permanent endowment funds and administered under the provisions of the Montana Code Annotated, Section 72-30-101 through 72-30-207. If in the opinion of the Board of Montana Fish, Wildlife and Parks Foundation, future circumstances change so that the purposes for which the endowment is established become illegal, impractical, or no longer able to be carried out to meet the needs of Flyfishermen and Flyfisherwomen in the State of Montana said Montana Fish, Wildlife and Parks Foundation may designate an alternative use for the endowment payout to further the objective of providing a pristine place to fish for Flyfishermen and Flyfisherwomen in Montana, in the spirit of the Matt Olson Flyfishing Fund fishing access site original purpose.

### INVESTMENT, PAYOUT AND REINVESTMENT

This endowment may be merged or commingled with other funds held by the Montana Fish, Wildlife and Parks Foundation for investment purposes in accordance with the policies of the Montana Fish, Wildlife and Parks Foundation. Funds distributed from the endowment in a year may be retained and expended for the purposes of the endowment in subsequent years, or may be reinvested, at the discretion of the Board of the Montana Fish, Wildlife and Parks Foundation, as a permanent addition to the principal of the endowment. The Montana Fish, Wildlife and Parks Foundation shall receive an annual amount equal to 1.0% of the assets for administration.

Dated this 19<sup>th</sup> day of December, 2003

MONTANA FISH, WILDLIFE AND PARKS FOUNDATION

By:   
Its: Executive Director

Dated this 06 day of 024 Feb., 2004

MONTANA TROUT FOUNDATION

By: Walter Kelly  
Its: President

Dated this 23<sup>rd</sup> <sup>January</sup> day of December, 2004

MONTANA DEPARTMENT OF FISH, WILDLIFE AND PARKS

By: Mr. Jeff Nagew  
Its: Director

Approved As To Legal Content

Jack Lynn 1-23-04  
date

COPY

Thomas R. Anacker, Esq.  
ANACKER LAW OFFICE  
945 Technology Blvd., Ste. 102  
Bozeman, MT 59718  
(406)586-9111  
(406)586-8333 fax

Co-Counsel for Montana Trout Foundation

MONTANA TWENTY-SECOND DISTRICT COURT, CARBON COUNTY,.

\* \* \* \* \*

IN THE MATER OF THE ESTATE OF )  
MATT C. OLSON, )  
Deceased. )  
\_\_\_\_\_ )

Cause No. DP85-45  
Judge Blair Jones

\* \* \* \* \*

**ACKNOWLEDGMENT AND RECEIPT OF CONTRIBUTION**

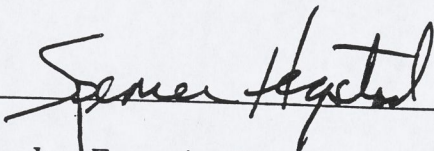
\* \* \* \* \*

The Montana Fish, Wildlife and Parks Foundation, by and through its Executive Director, hereby acknowledges receipt of a contribution in the amount of FIFTY THOUSAND AND NO/100 U.S. DOLLARS (\$50,000.00) donated by the Montana Trout Foundation, Inc., to a permanent endowment known as the Matt Olson Endowment. This contribution is received in accordance with the Settlement Agreement entered into in the above caption cause and approved by the Twenty-Second Judicial District Court in its Order dated January 15, 2004. The Matt Olson Endowment shall be administered as a permanent endowment in accordance with the Matt Olson Endowment Agreement

entered into by and among the Montana Trout Foundation, Inc., the Montana Department of Fish, Wildlife and Parks and the Montana Fish, Wildlife and Parks Foundation.

Dated this 19 day of February, 2004.

MONTANA FISH, WILDLIFE AND PARKS FOUNDATION

By: 

Its: Executive Director

COPY

Thomas R. Anacker, Esq.  
ANACKER LAW OFFICE  
945 Technology Blvd., Ste. 102  
Bozeman, Mt 59718  
(406)586-9111  
(406)586-8333 fax

Kent M. Kasting, Esq.  
KASTING, KAUFFMAN & MERSEN, P.C.  
716 South 20<sup>th</sup> Avenue, Ste. #101  
Bozeman, Mt 59718  
(406)586-4383  
(406)587-7871 fax

FILED FEB 26 2004  
GAYLE M. STRAUSBURG, Clerk of District Court  
BY SUSAN L. GODBEY  
SUSAN L. GODBEY, Deputy

Co-Counsel for Montana Trout Foundation

MONTANA TWENTY-SECOND JUDICIAL DISTRICT COURT, CARBON COUNTY,  
formerly knows as MONTANA THIRTEENTH JUDICIAL DISTRICT COURT,  
CARBON COUNTY

\* \* \* \* \*

IN THE MATER OF THE ESTATE OF	)	Cause No. DP85-45
	)	Judge Blair Jones
MATT C. OLSON,	)	
	)	
Deceased.	)	<b>PRAECIPE</b>
	)	
	)	
	)	
	)	

\* \* \* \* \*

**PRAECIPE**

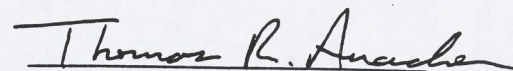
\* \* \* \* \*

To: Clerk of District Court  
22<sup>nd</sup> Judicial District Court  
P.O. Box 948  
Red Lodge, MT 59068-0948

Please file the enclosed Acknowledgment and Receipt of  
Contribution in the above-captioned cause. Please stamp the  
filing data on the enclosed copy of this Praecipe and return to

my office in the pre-addressed, stamped envelope which is also enclosed. Thank you for your assistance.

Dated this 25<sup>th</sup> day of February, 2004.

  
Thomas R. Anacker  
Anacker Law Office  
Co-counsel for  
Montana Trout Foundation



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945 Technology Blvd.  
Bozeman, Mt 59718  
(406)586-9111  
(406)586-8333 fax

Co-Counsel for Montana Trout Foundation, Inc.

**COPY**  
*original mailed  
to Carbon County  
3-9-04*

MONTANA TWENTY-SECOND JUDICIAL DISTRICT COURT, CARBON COUNTY

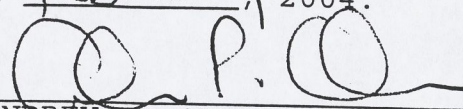
\* \* \* \* \*

IN THE MATTER OF THE ESTATE OF	)	Cause No. DP85-45
	)	Judge Blair Jones
MATT C. OLSON,	)	
Deceased	)	<b>SATISFACTION OF JUDGMENT</b>
	)	<b>RE ATTORNEY'S FEES IN RE</b>
	)	<b>CAUSES DV03-75 &amp; DP85-45</b>

The undersigned hereby states that he has received from Montana Trout Foundation, the sum of \$6,000.00, the amount due and owing for attorney's fees under paragraph 4 of that certain Settlement Agreement in re Causes DV03-75 and DP85-45, filed in the above matter, and incorporated by reference into an Order signed and entered by the above Court on January 16, 2004.

The undersigned acknowledges that this judgment regarding attorney's fees has now been paid in full and is satisfied in all respects.

DATED this 26 day of February, 2004.

  
\_\_\_\_\_  
ANDREW P. OLSON



**Lynch, Jack**

---

**From:** Reilly, Tom  
**Sent:** Tuesday, October 07, 2003 4:26 PM  
**To:** Lynch, Jack  
**Cc:** Kuser, Allan  
**Subject:** Maintenance Costs at Three Dollar Bridge FAS

Jack,

These are the numbers we came up with for yearly maintenance of the Three Dollar Bridge FAS;

- |                            |                  |
|----------------------------|------------------|
| 1. Weed Control            | \$1,000          |
| 2. Litter pickup, supplies | \$100            |
| 3. Latrine Pumping         | \$250            |
| 4. Road Maint.             | \$500            |
| 5. Signage Replacement     | \$200            |
| 6. Fencing Repairs         | \$300            |
| 7. Staff Hours             | \$550            |
| 8. Fee Collection          | \$100            |
| 9. Travel Expenses         | <u>\$500</u>     |
|                            | \$3,500 per year |

tom

Copy to Bud Lilly Dir. MRA

**2007 Report to Montana Trout Foundation**

To: Gordon Haugen, Coordinator  
22 Barclay Drive  
Bozeman, MT 59715

From: Montana River Action  
304 N. 18<sup>th</sup> Ave.  
Bozeman, MT 59715  
406-587-9181  
Joe Gutkoski, President

Date: July 22, 2007

Following is an outline of efforts and accomplishments that Montana River Action has been involved in from January 1, 2007 to July 22, 2007.

**MRA wrote LC 435, "Sell or Donate Water Rights" for instream flow and subsequently requested bill drafting by Legislative Services to sustain fisheries.**

LC 435 evolved into Senate Bill SB 128 sponsored by Senator Jessie Laslouch (D-Anaconda) and eventually passed in the 2007 Legislature. This bill authored by MRA was also introduced in the 2005 Legislature, but was killed by the agriculture community.

As land use changes and land holdings with senior water rights are subdivided, an opportunity is presented to help solve Montana's long-range stream dewatering problems that must not be missed. Both traditional water right holders and newcomers buying lands with water rights want the option of giving their water back to instream flow and to see it protected and remain in the stream.

Up to the passage of SB 128, the Department of Fish, Wildlife and Parks (FW&P) was precluded by law from buying water rights permanently for instream flows. They could lease, but they could not buy. (My mother always told me, it is better to buy than rent.) A law was needed allowing water right holders to sell or donate to FW&P their water rights -- for money or tax benefit donation, whatever the term they choose -- to permanently give the water back to streams. Tax authorities rule that tax benefits are not available unless the donation of water rights is in perpetuity.

Public agencies, communities and participants want long-range solutions to dewatering problems. With the passage of SB 128, FW&P started to immediately negotiate with ARCO (who purchased the Anaconda Mining Co.) on water that ARCO holds in the Upper Clark Fork River Basin (, Butte, Anaconda, Deerlodge and Drummond). Also attached to this bill was the repealing of the termination date on leasing of water by FW&P.

This was one of the few instream flow laws passed in the 2007 Legislature.

**MRA wrote LC 463, "Emergency Stream Flow for Fisheries" and requested bill drafting by Legislative Services. Representative Robin Hamilton (D-Missoula) agreed to sponsor LC 463.**

There is a legal basis for protecting important fisheries in times of drought emergencies. It is in the public interest to perpetuate natural fish resources for future uses. Flowing streams maintain water quality and contribute to a healthy environment for the public.

Public trust values determine that 25 percent of the Average Annual Flow (AAF) in streams is the minimum needed to maintain basic aquatic life. Public agencies have installed and maintained a system of gauging stations throughout Montana and have been measuring flows for 100 years. In May 2005 Montana Department of Fish, Wildlife & Parks, in their latest dewatering inventory, revealed that 4,739 miles of important fisheries are chronically or periodically dewatered each year, leaving stream flows below the point where stream habitat is adequate for fish to survive. Either the fish move up or down, or die. Because native fish pre-date man's diverting of water, it would be constitutional and not a taking of property to allow a minimum of 25% of the AAF to sustain important, natural fisheries in year-round flowing streams.

On September 24, 2002, the Montana Supreme Court delivered a majority opinion that "a diversion is not required for a valid appropriation of water." State claims to water rights and instream flows for fish, wildlife and recreation are valid. The court said that these uses can be considered equal with irrigation. The ruling reversed the 1988 Bean Lake Decision that implied that our Constitution did not recognize rights for fish and wildlife. The ruling amends the "use it or lose it" doctrine and validates the State's claim to water rights for instream flows and protects irrigators' right to leave water in streams.

The Emergency Stream Flow for Fisheries bill would take not authority away from district judges, water courts, water commissioners, water masters, ditch companies or ditch riders, nor from any legal system that manages water rights. Authority is vested in their legal judgments to control all water diversions. When an individual stream reaches a low flow of 25% of the AAF, then water commissioners would begin limiting water diversions – first in time, first in right – so that 25% of the AAF remains in the stream to sustain fisheries. This is the streams right.

Representative Robin Hamilton (D-Missoula) agreed to sponsor the bill. Legislative Services Bureau announced the bill is unconstitutional and would do no further work in writing LC 463. Although this bill was introduced in past legislatures, Legislative Services did not allow this bill to see the light of day in 2007.

The solution to dewatering is to provide some real protection (25% of the AAF) for fisheries, sharing water with other users.

### **Banning Tire and Smelter Slag Burning.**

MRA supported and testified in favor of HB 408 sponsored by Representative Wiseman (D-Bozeman). This bill would have banned the Holcim cement plant at Three Forks from burning 1,100,000 tires a year, lead smelter slag and toxic hazardous waste in their cement kilns. The Department of Environmental Quality decided that a pollution burning permit was not needed to burn toxic slag, even though it contains high levels of arsenic, cadmium, lead and other heavy metals. Despite support from Governor Schweitzer, the bill was defeated on a party-line vote in the House Natural Resources Committee.

### **Stream Setback Law.**

MRA supported and testified in favor of SB 345 which required new homes and commercial builders to be set back 250 feet from the ordinary high-water mark from tier-1 streams and 150 feet from tier-2 streams. SB 345 was defeated by the real estate agencies.

### **Stream Access at Public Bridges.**

MRA supported and testified in favor of HB 70 which allowed public access to public streams at public bridges. This bill was defeated on a party-line vote in the House.

### **Ground Water Regulation Bill.**

MRA supported and testified in favor of HB 138 which required a hydrological study of any new groundwater well application in closed basins.

### **Gallatin River Outstanding Resource Water (ORW)**

MRA supported and testified in favor of ORW designation from where the Gallatin River flows out of Yellowstone National Park to the confluence with Spanish Creek, 38.6 miles downstream. This designation would prevent the Department of Environmental Quality from authorizing projects that would further degrade the river and maintain its quality and quantity for future generations. The bill was canceled by its sponsors because of resistance from real estate agencies, land speculators and major landowners.

### **Other Water Legislation**

Other water legislation – challenging the credulity of the reader and too numerous to repeat here -- was supported and opposed by MRA.

## Other MRA Activities

### **Coordinating MRA's River Watch Program.**

Volunteers monitor a stream, river, lake, pond or wetland for signs of dewatering, degradation, mis-use, pollution or other harm to the waters of Montana. We have built a network of River Watchers to report on the health of our waters and to follow up on suspected violations of our water laws. Information and knowledge collected is used to shine the light of day on violations and to search for remedies to stop impacts and reclaim the natural balance of the waters.

### **Adopt-A-Stream program.**

Maintain MRA Adopt-A-Stream program where volunteers select a water-based habitat and annually clean these up.

### **Four Corners Subdivision Impact Area.**

Another Montana story has developed with 12 un-permitted wells along the banks of the Gallatin River drilled by Zoot Enterprises for its subdivisions. Via a few banks over to the 2007 Legislature, this case landed in the Governor's office on the desk of Bruce Nelson, former Zoot Administrative officer and cousin to Chris Nelson, owner of Zoot. Now Bruce Nelson is the Governor's Chief of Staff in Helena.

The DNRC has issued permits to subdividers in the Four Corners area that allow them to circumvent the Upper Missouri Basin closure to new water appropriations passed in 1993 due to basin over-appropriation of water. There are more rights than there is water. Through the years, MRA has filed with DNRC seven objections and one water use complaint against what is taking place in the Four Corners area. Presently (July 24, 2007) we are going into mediation with our opponents who diminish the river's flow. The Four Corners Community Foundation and the West Gallatin Irrigation Canal Company, as well as other Four Corners individual objectors are with us in this court suit. MRA has invested a considerable amount of additional time in these court cases.

*Joe Lutkowski Pres. MRA*  
7-23-07