

EASTERN PLAINS RC & D AREA, INC
QUARTERLY COUNCIL MEETING
October 17, 2007

The Eastern Plains RC & D Area, Inc., quarterly council meeting was held October 17, 2007, at the Prairie Development Center in Glendive. Those present were Dixie Berwick (Town of Culbertson), Ginny Archdale (Town of Wibaux), Dick Iversen (Assistant RC&D Coordinator), Mike Carlson (RC&D Coordinator), Cal Oraw (Certified Regional Development Specialist), Mickey McCall (Plentywood CD, Commissioners), David Pratt (NRCS), Kevin Dukart (City of Baker), Bruce Smith (Dawson County Commissioners), Lauren Sukut (Rural Employment Opportunities), Bill Leach (Prairie County), Lance Kalfell (Prairie County), Kathy Green (City of Glendive), Marlin Hanson (USDA-NRCS Glendive), Amanda Breitbach (Ranger Review), Desiree Thielen (SMART & Fallon County), Lalon Trang (Daniels County Commissioners), Julie Korkow (SEMDC), Blayr Barnard (SE MT SBDC), Peggy Iba (Horizons), Gene Buxcel (DCEDC), Tod Kasten (State of Montana), Linda Kindrich (MCFC), Nicole Smith (MRTC).

Chairman Dixie Berwick called the meeting to order and meeting participants introduced themselves. The agenda was reviewed and discussion of brucellosis was added to new business. A motion was made by Bruce Smith, seconded by Kathy Green to approve the agenda. Motion carried.

MINUTES AND TREASURER'S REPORT: A motion was made by Kathy Green, seconded by Kevin Dukart to accept the minutes and treasurer's report as distributed. Motion carried. Mike Carlson explained that administrative assistant Sarah Hermann is out on medical leave for four to six weeks, but had prepared the reports from home. He explained negative balances on the treasurer's report, as follows: Ag open, (\$400.21) is expecting a \$500 check from DNRC; EDAEM (\$5940.14) has a CD that is about \$6000 that they are waiting to mature before cashing; Growth Through Ag (\$765.00) is expecting a check; USDA-NRCS (\$4524.11) is expecting a check for \$3850 and the remaining amount will have to be covered from housing or CRDC.

COORDINATOR'S REPORT: Mike Carlson presented his quarterly written report. He noted that with housing being a major issue all over eastern Montana an upcoming workshop in Sidney on November 14 may be worth attending. He also talked about the RC & D's past involvement in Fairview Safflower Technologies Inc. (STI, Inc.) project and noted that they had purchased a grain elevator in Fairview. He noted MSU Extension Service is looking at a pilot program to provide a person to help an RC & D with economic development. Carlson also said his biggest interest recently has been renewable energy. Since last fall he has worked with nine different wind developers interested in eastern Montana. MDU is starting construction on the Diamond Willow wind project in Baker. John Deere Wind Energy is looking at sites and Invenergy is trying to lease 100,000 acres on the divide between Circle and Glendive. He said it all comes back to measuring wind and he is working on trying to get measuring towers up at various locations. Circle High School has signed up for a wind generator through a program from MSU, which should be a good learning experience for high school students. Carlson and others discussed the need for additional transmission capacity in Montana. He said the governor has a new energy development office. Carlson also said the Ag open was successful again this year and may result in some potato development in eastern Montana. Carlson also passed out a written report from Ray Trumppower, who is now chairman of the National Carbon Offset Coalition. The report showed that Montana landowners submitted 69 projects totaling approximately 138,450 metric tons of CO₂ and 59,354 tons will be placed on the market this year. Carlson said landowners are averaging about \$1 an acre on cropland, which isn't a lot but may help pay some taxes. EPRCD as an initiator of the NCOC is supposed to get 1 percent of any sales. Ray's report asked for support for the NCOC in obtaining governor's office assistance.

ASSISTANT COORDINATOR'S REPORT: Dick Iverson talked about his work on ethanol, noting that a feasibility study the RC & D helped with last year showed that a smaller, 20 million gallon plant, needed to obtain barley at \$2.65 or less and sell its ethanol at \$1.65 or more in order to be financially feasible if you have to borrow money to build the plant. Now the price of barley is up as high as \$5.35 and ethanol is as low as \$1.20. He said it may still be feasible at some time, and because no one in the U.S. is using barley for ethanol, he is working on getting that information out. To that end, the RC & D took Montana congressional staffers on a tour of the ethanol plant at Richardton on September 5-6th and had them talk

with the person who headed the equity drive for that plant. The next day they also toured feedlots near Beach. He said feedlot owners would like to see more ethanol plants, closer to their feedlots. They are pleased with the results they are getting with distiller grains. Iverson said he also has been working with the Fort Peck Tribe on developing agricultural lands with its unused water right, and he has been working with the tribe to get their buffalo herd vaccinated and health checked.

CRDC REPORT: Cal Oraw handed out a written report, noting that the EDA on August 27 approved the formation of the Eastern Plains Economic Development Corporation as an economic development district in Carter, Fallon, Dawson, Prairie and Wibaux counties, the same counties that the CRDC covers. He also handed out a scope of work for the EDD. He then introduced Blayr Barnard, Small Business Development Center coordinator from Colstrip, who talked about the marketing, business start up and business expansion services the SBDC offers to clients in the same five counties as well as those within the Southeast Montana Economic Development District. She said the SBDC has helped 21 clients in the past year and created six new jobs. Mike Carlson said the Eastern Plains RC & D and the new EDD will need to work on a joint working agreement and suggested a joint meeting of the EDD board and RC & D board for that purpose.

HOUSING EDUCATION REPORT: Homebuyer Educator Khrystye Earle could not attend but sent a written report noting that to date in 2007 she has held 13 classes with 110 students and three one-on-one-counseling sessions. She raised \$9,020 this year in an effort to take the program toward more self-sufficiency. Mike Carlson noted that the American Profile flyer in a recent newspaper had a feature on a straw homes project at Lame Deer. He said the RC & D through its first time homebuyer classes in Lame Deer played a part in this project.

GATEWAY TO OPPORTUNITY: Peggy Iba said the sixth annual Gateway to Opportunity will be held January 10, 2008, at Dawson Community College. She passed out a tentative schedule of events and encouraged people to attend. GTO will return to Dickinson, North Dakota the next year.

NRCS AREA REORGANIZATION: Mike Carlson explained that NRCS used to have two regional offices in eastern Montana, in Glasgow and Miles City. The Glasgow office has been closed so Dave Pratt alone will now be supervising the Eastern Plains RC & D coordinator and assistant coordinator. Dave is a former RC & D coordinator, having worked in that capacity at Shelby for seven years. Pratt said he is exploring how to fill the coordinators jobs; the budget looks okay now although the RC & Ds are currently working on a continuing resolution.

RC & D COORDINATOR AND ASSISTANT

COORDINATOR POSITIONS: Mike Carlson announced that he will be retiring January 3, 2008. He said he has mixed feelings about retiring because he feels the RC & D is working on some very good projects. He plans to work in January as a volunteer. He also noted that Dick Iverson may retire anytime and is looking at doing that some time next year. He said he thinks the RC & D should plan now for these transitions and ask to be involved in the hiring of new staff.

BROWNFIELD GRANT: Mike Carlson said the RC & D has agreed to support Great Northern Development's application to the EPA for a brownfield grant to establish a \$1 million revolving loan fund to clean up contaminated sites in 16 eastern Montana counties. Marlin Hanson questioned why the grant had to be written for such a big area. Carlson explained the EPA wants to see collaboration, and plans now are for subgrants to go to each CRDC.

GRANTS: Carlson noted the RC & D is offering grant writing assistance to a wind farm at Plevna and to the safflower plant at Fairview.

BRUCellosIS: Bill Leach, Prairie County Commissioner, said the Montana Association of Counties at a recent meeting in Great Falls voted to oppose the idea of split state status, whereby the area around Yellowstone Park would be split off from the rest of the state for brucellosis status. He said MACO feels the real issue is the need for a program with responsible management guidelines for the buffalo in and around Yellowstone Park. He said one option is that proposed by Les Graham which would involve

increased surveillance in areas around the park. Considerable discussion followed, with general agreement that some kind of buffalo herd management is needed. Leach said no action is needed from the RC & D at this point, but he would like the organization to be informed about the issue.

AREA REPORTS: Kevin Dukart said the City of Baker recently hired a consultant to do a housing plan and look at annexation. Nabors Drilling is going to build an office in Baker. Desiree Thielen said Fallon County is working on housing, water and sewer for some of the unincorporated areas, and wind energy. Lauren Sukart introduced herself as coordinator of Rural Employment Opportunities working through eastern Montana to train and place seasonal farm and ranch workers. Bill Leach and Lance Kalfell of Prairie County talked about their efforts to develop a facility that could house approximately 1000 original Evelyn Cameron photos. The photos are being offered to the Evelyn Cameron Foundation if the foundation can raise the purchase price and provide an appropriate facility. Prairie County also is trying to develop hiking trails in the badlands and other attractions that would keep those who come to see the Evelyn Cameron prints in the area for a longer period of time. Kathy Green said Glendive has finished a major project at its water plant and another at its lift station and is looking at increasing the size of its regional prison to give the inmates more opportunities to work outside. Linda Kendrick introduced herself as a loan officer with Montana Community Finance, which handles the SBA 504 loan program for this area. Bruce Smith said he has been working on Gateway to Opportunity and Horizons Leadership projects. He said housing is coming out of the Horizons projects as a key issue in every community and he is looking at having a workshop on cooperative housing projects at some time in the future. Lalon Trang said Daniels County is in the final stages of its Horizons program. Mickey McCall said Sheridan County is still working on financing for a fitness center. He also reported "\$70 oil and \$15 wheat and lots of new pickups." Marlin Hanson from NRCS in Glendive reported beet harvest is underway and Buffalo Rapids is updating some of its laterals. Tod Kasten said the Dry Prairie Rural Water just received support from the Rural Electric Cooperative and is working on federal funding. David Pratt talked about the farm bill, saying it is all over the board and we just need to take a wait and see approach. Julie Korkow said Broadus is getting a new airport landing strip and has completed a landfill project. A Broadus group is pursuing development of a travel plaza to take advantage of the fact that a truck comes through Broadus on average one per every 30 seconds. They are trying to have the Alzada to Crow Agency highway designated as the Warrior Trail, which would also continue into South Dakota. Broadus also just submitted an application for a noncommercial radio station. The Broadus pool was condemned this year, so they are looking at raising funds for that. Blayr Barnard said the SBDC will be holding marketing workshops in Forsyth October 29, Miles City October 30, Baker December 4, and Glendive December 5. Jim Atchinson of Colstrip complimented Cal and Mike on EDD approval, discussed housing, and talked about labor shortage for skilled tradesmen. He also noted there is an opening for an economic development director with the SE Montana Economic Development Corporation as Heather Ripplinger has moved out of state. Tod Kasten said Brockway is finishing up the Horizons program and will be completing its visioning statement at a dance and free supper. They also put up a new sign at Brockway telling the history of the area. Gene Buxcel from Dawson County reported that they have obtained funding for the 18-unit Makoshika estates housing project and local investors are going forward with a Big Sky Biodiesel plant. Ginny Archdale said Wibaux County has moved in a new medical clinic building and a new brewery will be opening in Wibaux. She also noted that a retired planner from Oregon, Marvin Gloege, has written a book about the declining population of eastern Montana and the need for planning if many of the small communities are going to survive. Dixie Berwick said the safflower plant is progressing in Culbertson, Basin Electric has plans for a project near Culbertson, and high school enrollment is about the same as last year, all positives for her community. Mickey McCall said a new house has just been built in the ghost town of Comertown.

ADJOURNMENT: Motion by Bruce Smith, second by Mickey McCall to adjourn at 12:10 p.m. Motion carried.

LUNCH: Prairie Development Center provided a lunch of locally produced products, including squash soup, barley cookies, and other farm to table recipes.

DOC UPDATES 1-2 pm: Tod Kasten talked about programs offered through the Montana Department of Commerce and other state agencies. He said the state has put more money into economic development

the past two years than in the previous five years. Funding is largely from the coal tax. Programs he said may be especially helpful are workforce training, planning grants, Big Sky Trust, and WIRED. He emphasized application needs to be made well before a business creates or fills a position. Discussion followed on labor shortages in eastern Montana.