

Minutes of a Meeting of the Industrial Commission of North Dakota

Held on April 28, 2026, beginning at 8:30 a.m.

Governor's Conference Room – State Capitol

Present: Governor Kelly Armstrong, Chairman

Attorney General Drew H. Wrigley

Agriculture Commissioner Doug Goehring

Also Present: This meeting was open through Microsoft Teams so not all attendees are known.

Agency representatives joined various portions of the meeting.

Governor Armstrong called the meeting of the Industrial Commission to order at approximately 8:34 am.

Ms. Karen Tyler, Executive Director, took attendance, and Governor Armstrong, Commissioner Goehring, and Attorney General Wrigley were present.

Governor Armstrong invited the room to stand and join the Commission in saying the Pledge of Allegiance.

**NORTH DAKOTA PUBLIC FINANCE AUTHORITY**

Ms. Angela Guptil presented the December 31<sup>st</sup>, 2025, financial audit. The audit resulted in an unmodified opinion, indicating the financial statements are free from material misstatement. No findings or recommendations were reported. No disagreements with management or difficulties in performing the audit were noted. The cost of the audit was \$28,723, compared to \$24,245 for the prior audit.

Ms. DeAnn Ament, presented consideration of approval of the following State Revolving Fund loans:

**Central Plains Water District** in the amount of a \$2,651,000 increase to the previously approved \$9,714,000 loan. The purpose of the loan is to provide filtration system upgrades at the Maddock water treatment plant and a new transmission line from the plant to Reservoir 2. The requested term for the Drinking Water State Revolving Fund (DWSRF) loan is 20 years. Central Plains Water District (District) will issue revenue bonds payable with water user fees. The net average annual payment for the revenue bonds will be \$135,368. The reserve requirement will be \$147,175 and the 110% coverage requirement will be \$148,905.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Drinking Water State Revolving Fund loan increase of \$2,651,000 to the previously approved \$9,714,000 loan for the Central Plains Water District.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

**A Resolution was made:**

RESOLUTION APPROVING  
LOAN FROM DRINKING WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Drinking Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4, 61-28.1, and 61-28.2; and

WHEREAS, the State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (the "NDPFA") and the Bank of North Dakota (the "Trustee"); and

WHEREAS, Central Plains Water District (the "Political Subdivision") has requested a \$2,651,000 loan increase to their previously approved \$9,714,000 loan (total \$12,365,000) from the Program for filtration system upgrades at the Maddock water treatment plant and a new transmission line from the plant to Reservoir Two; and

WHEREAS, NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Drinking Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

**City of New Town- Drinking Water** Loan in the amount of \$2,004,000. The purpose of the loan is to replace the existing ground storage reservoir with an elevated storage tank on the same site. The elevated tank will boost system pressures throughout the south pressure zone without the need to modify pressure zone boundaries. The requested term for the Drinking Water State Revolving Fund (DWSRF) loan is 20 years. The City of New Town will issue revenue bonds payable with city sales

tax. Enterprise fund revenues will serve as a secondary pledge of security should city sales tax be insufficient. The average annual payment for the revenue bonds will be \$118,400. The 110% coverage requirement will be \$130,239 and the required debt service reserve will be \$126,875.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Drinking Water State Revolving Fund Loan of \$2,004,000 for the City of New Town.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

**A Resolution was made:**

RESOLUTION APPROVING  
LOAN FROM DRINKING WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Drinking Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4, 61-28.1, and 61-28.2; and

WHEREAS, the State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (the "NDPFA") and the Bank of North Dakota (the "Trustee"); and

WHEREAS, the City of New Town (the "Political Subdivision") has requested a loan in the amount of \$2,004,000 from the Program to replace the existing ground storage reservoir with an elevated storage tank to boost system pressures throughout the south pressure zone without the need to modify pressure zone boundaries; and

WHEREAS, NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Drinking Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.

4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

Adopted: April 28, 2026

**City of Grand Forks-Drinking Water** Loan in the amount of \$4,543,000. The purpose of the loan is to construct a separated grade crossing where 42nd Street crosses underneath the railroad tracks. The existing dual 30" raw water lines, 14" reverse osmosis residual, and additional potable water lines will need to be relocated. To handle the storm water, a new storm sewer system, lift station, storm water quality pond and dry basins need to be constructed. The requested term for the Drinking Water State Revolving Fund (DWSRF) loan is 20 years. The City of Grand Forks will issue revenue bonds payable with city sales tax. The average annual payment for the revenue bonds will be \$269,245. The 110% coverage requirement will be \$296,169 and the required debt service reserve will be \$274,050.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Drinking Water State Revolving Fund Loan of \$4,543,000 for the City of Grand Forks.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

**A Resolution was made:**

RESOLUTION APPROVING  
LOAN FROM DRINKING WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Drinking Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4, 61-28.1, and 61-28.2; and

WHEREAS, the State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (the "NDPFA") and the Bank of North Dakota (the "Trustee"); and

WHEREAS, the City of Grand Forks (the "Political Subdivision") has requested a loan in the amount of \$4,543,000 from the Program to construct a grade separated crossing where 42nd Street crosses under the railroad tracks, relocate existing dual 30" raw water lines, 14" reverse osmosis residual, and potable water lines, and construct a new storm sewer system, lift station, storm water quality pond and dry basins to handle storm water; and

WHEREAS, NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Drinking Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

Adopted: April 28, 2026

**City of Grand Forks-Clean Water** Loan in the amount of a \$4,235,000. The purpose of the loan is to construct a separated grade crossing where 42nd Street crosses underneath the railroad tracks. The existing dual 30" raw water lines, 14" reverse osmosis residual, and additional potable water lines will need to be relocated. To handle the storm water, a new storm sewer system, lift station, storm water quality pond and dry basins need to be constructed. The requested term for the Clean Water State Revolving Fund (CWSRF) loan is 20 years. The City of Grand Forks will issue revenue bonds payable with city sales tax. The average annual payment for the revenue bonds will be \$251,125. The 110% coverage requirement will be \$276,238 and the required debt service reserve will be \$258,825.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Clean Water State Revolving Fund Loan of \$4,235,000 for the City of Grand Forks.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

**A Resolution was made:**

RESOLUTION APPROVING  
LOAN FROM CLEAN WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Clean Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4 and 61-28.2; and

WHEREAS, the Clean Water State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (NDPFA) and the Bank of North Dakota (the Trustee); and

WHEREAS, the City of Grand Forks (the "Political Subdivision") has requested a loan in the amount of \$4,235,000 from the Program to construct a grade separated crossing where 42nd Street crosses under the railroad tracks, relocate existing dual 30" raw water lines, 14" reverse osmosis residual, and potable water lines, and construct a new storm sewer system, lift station, storm water quality pond and dry basins to handle storm water; and

WHEREAS, the NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Clean Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

Adopted: April 28, 2026

**City of Kenmare- Clean Water Loan** in the amount of \$2,439,000. The purpose of the loan is for sanitary sewer main rehabilitation using cured in place pipelining and replacement where necessary. Also, the manholes will be rehabilitated and replaced where necessary. The requested term for the Clean Water State Revolving Fund (CWSRF) loan is 30 years. The City of Kenmare will issue revenue bonds payable with sewer fund revenues. The average annual payment for the revenue bonds will be \$103,344. The 110% coverage requirement will be \$113,679 and the required debt service reserve will be \$121,800.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Clean Water State Revolving Fund Loan of \$2,439,000 for the City of Kenmare.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

**A Resolution was made:**

RESOLUTION APPROVING  
LOAN FROM CLEAN WATER STATE REVOLVING FUND

WHEREAS, the Industrial Commission has heretofore authorized the creation of a Clean Water State Revolving Fund Program (the "Program") pursuant to N.D.C.C. chs. 6-09.4 and 61-28.2; and

WHEREAS, the Clean Water State Revolving Fund is governed in part by the Master Trust Indenture dated as of July 1, 2011 (the "Indenture"), between the North Dakota Public Finance Authority (NDPFA) and the Bank of North Dakota (the Trustee); and

WHEREAS, the City of Kenmare (the "Political Subdivision") has requested a loan in the amount of \$2,439,000 from the Program for sanitary sewer main rehabilitation using cured in place pipe lining and for manhole rehabilitation, replacing pipe and manholes where necessary; and

WHEREAS, the NDPFA's Advisory Committee is recommending approval of the Loan; and

WHEREAS, there has been presented to this Commission a form of Loan Agreement proposed to be adopted by the Political Subdivision and entered into with the NDPFA;

NOW, THEREFORE, BE IT RESOLVED by the Industrial Commission of North Dakota as follows:

1. The Loan is hereby approved, as recommended by the Advisory Committee.
2. The form of Loan Agreement to be entered into with the Political Subdivision is hereby approved in substantially the form on file and the Executive Director is hereby authorized to execute the same with all such changes and revisions therein as the Executive Director shall approve.
3. The Executive Director is authorized to fund the Loan from funds on hand in the Clean Water Loan Fund established under the Indenture upon receipt of the Municipal Securities described in the Political Subdivisions bond resolution, to submit to the Trustee a NDPFA Request pursuant to the Indenture, and to make such other determinations as are required under the Indenture.
4. The Commission declares its intent pursuant to Treasury Regulations '1.150-2 that any Loan funds advanced from the Federally Capitalized Loan Account shall be reimbursed from the proceeds of bonds issued by the NDPFA under the Indenture.

Adopted: April 28, 2026

Under policy P-3B, the Public Finance Authority Advisory Committee approved the City of Kindred Loan through the Clean Water State Revolving Fund (CWSRF). The project will extend sanitary sewer and stormwater services to the Newport Ridge Development area, construct a new stormwater storage pond, and install a new asphalt roadway on 7<sup>th</sup> Avenue with drainage improvements including ditches and culverts. The total estimated project cost is \$3,755,298 funded through: \$1,950,00 from the CWSRF loan request, \$1,592,693 from the Bank of North Dakota Infrastructure Revolving Loan Fund (IRLF) and \$212,605 from Cass County Flood Sales Tax fund. The project is expected to benefit approximately 325 people and support a total system population of 1,080. The requested CWSRF loan term is 30 years, with estimated annual bond payments of approximately \$80,751. The bonds will be repaid through special assessments and backed by the City's contingent general obligation authority if assessments are insufficient. Current sewer rates include a monthly base rate of \$9.05, a capacity charge of \$22.09, and a usage charge of \$1.36 per \$1,000 gallons.

Ms. DeAnn Ament presented the December 31, 2025, Annual Report. The Public Finance Authority reported ongoing activity across its financing programs. The Capital Financing Program issued \$43.6 million in bonds, with \$95.9 million outstanding and over \$307 million issued cumulatively. Under the State Revolving Fund Program approximately \$154 million in Clean Water loans and \$136.8 million in Drinking Water loans were approved. The total amount for SRF Program Bonds outstanding at the end of 2025 was \$326.2 million, and total SRF Program loans outstanding was over \$1.05 billion. No activity occurred under the Disaster Loan or Industrial Development Bond Programs in 2025. The Legacy Fund Infrastructure Bond Program has issued \$710.1 million in bonds to date, with \$622.2 million outstanding. Total biennial debt service for all Public Finance Authority bonds is approximately \$129.0 million.

### **STATE ENERGY RESEARCH CENTER (SERC)**

Mr. Jordan Kannianen presented an update on State Energy Research Center (SERC). The 2026-2027 biennium appropriations total \$7.5 million, with \$750,000 allocated to provide access to energy experts for timely studies. (Task 2). To date, \$500,000 has been approved for two projects: a geothermal energy feasibility study and development of an open-source Energy Atlas. Results from the geothermal study were presented, and the Energy Atlas is expected to be completed by the end of 2026. The remaining \$250,000 is available for future Task 2 funding.

Mr. Tyler Hamman provided a presentation on SERC Task 2 Funded Study on the Feasibility of Developing Geothermal Energy in North Dakota. He noted that past geothermal studies in the Williston Basin missed some key geological differences and that there is limited data on deeper, higher temperature areas. Earlier test projects were also limited and direct-use options like heating have not been explored as much. It was further noted that current laws are not very clear for deep geothermal development, and using existing oil and gas wells can be challenging. He recommended continuing research, drilling a test well to gather more data, developing a pilot program, expanding focus on direct-use applications, reviewing regulations, and identifying ways to reduce drilling costs.

### **DEPARTMENT OF MINERAL RESOURCES**

Mr. Nathan Anderson presented a proposed resolution to rescind prior appointments of hearing examiners and appoint designated individuals to serve as the Commissioner's examiners.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the resolution appointing hearing officers for the Department of Mineral Resources**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously**

Mr. Richard Suggs presented consideration of approval of the following orders:

**Case No. 32367 / Order No. 35122:** Petition of EOG Resources, Inc. for an order providing for the unitized management, operation, and further development of the Alger-Bakken (Ross) Unit Area, consisting of lands within portions of the Alger Field and Cottonwood Field in Mountrail County, ND; for approval of the unit agreement and unit operating agreement constituting the plan of unitization for the Alger-Bakken (Ross) Unit Area; for approval of the plan of operation; vacating the applicable spacing orders; and for such further and additional relief.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 35122 issued in Case No. 32367 approving the petition of EOG Resources, Inc. providing for the unitized management, operation, and further development of the Alger-Bakken (Ross) Unit Area, consisting of lands within portions of the Alger Field and Cottonwood Field in Mountrail County, ND; for approval of the unit agreement and unit operating agreement constituting the plan of unitization for the Alger-Bakken (Ross) Unit Area; for approval of the plan of operation; vacating the applicable spacing orders; and for such further and additional relief.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

**Case No. 32368 / Order 35123:** Application of EOG Resources, Inc. for an order determining that the plan of unitization for the Alger-Bakken (Ross) Unit Area, consisting of lands within portions of the Alger Field and Cottonwood Field, Mountrail County, ND, has been signed, ratified or approved by owners of interest owning that percentage of the working interest and royalty interest within said unit as is required by applicable statutes and rules of the Commission.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission authorize the Director of Department of Mineral Resources or the Assistant Director of the Oil and Gas Division to approve Order No. 35123 to be issued in Case No. 32368, determining that the plan of unitization for the Alger-Bakken (Ross) Unit Area, consisting of lands within portions of the Alger Field and Cottonwood Field, Mountrail County, ND, has been signed, ratified or approved by owners of interest owning that percentage of the working interest and royalty interest within said unit as is required by applicable statutes and rules of the Commission.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

Ms. Ashleigh Theil presented consideration of approval of the following orders:

**Case No. 32694 / Order 35551:** Application of KODA Resources Operating, LLC for an order authorizing the flaring of gas from certain current and future wells completed in the Fertile Valley-Bakken Pool, Divide County, ND, for a temporary period of time and to allow the volumes of flared gas to be excluded from the calculations of statewide and county wide flare volumes as an exception to the provisions of Commission Order No. 34127 and such further and additional relief.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 35551 issued in Case No. 32694 approving the application of KODA Resources Operating, LLC authorizing the flaring of gas from certain current and future wells completed in the Fertile Valley-Bakken Pool, Divide County, ND, for a temporary period of time and to allow the volumes of flared gas to be excluded from the calculations of statewide and county wide flare volumes as an exception to the provisions of Commission Order No. 24665 Policy/Guidance Version 09-22-2020 and such further and additional relief.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

**Case No. 28637 / Order 31179:** Application of Sinclair Oil & Gas Co. and Missouri River Royalty Corp. requesting an order pursuant to NDCC § 38-08-08 determining the proper costs for the drilling and operation of all wells operated by Hess Bakken Investments II, LLC located in a spacing unit described as Sections 27 and 34, T.154N., R.93W., Robinson Lake-Bakken Pool, Mountrail County, ND, and such other relief as is appropriate.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 31179 issued in Case No. 28637 directing Hess Bakken Investments II, LLC to submit to an audit of the overhead rates, salaries and wages, and miscellaneous charges for the subject wells; require the parties to report the findings to the Commission; and contemporaneous with the audit, require the parties to review and evaluate the overhead charges, salaries and wages, and miscellaneous charges in accordance with COPAS standards and make a good-faith attempt to reach a resolution on the charges without the need for Commission intervention and such other relief as is appropriate.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

Under other business, DMR Director Nathan Anderson provided an update on oil industry activity for the month of February along with general department updates. Oil production increased slightly to approximately 1.13 million barrels per day, with gas production at 3.392 bcf/day. Revenue forecasts remain based on 1.15 million barrels per day at \$59 per barrel. Mr. Anderson reported extended reach and U-style laterals continue to support stable production levels. The February average oil price was \$57.74 per barrel, with additional increases anticipated due to current international conflict. North Dakota currently has 26 drilling rigs, 10 frac crews, and approximately 125 workover rigs operating statewide, with activity increases expected during warmer months. DMR is pursuing several minor legislative updates led by Deputy Director Tara Vesey. State

Geologist Ed Murphy will retire July 1, 2026, and DMR expects to make a hiring decision for the position by mid-May. Mr. Anderson also reported ongoing succession planning for several critical roles, including DMR Finance Manager position. It was noted that four employees elected to participate in VSIP program.

The Industrial Commission took a brief five-minute recess before reconvening.

### **NORTH DAKOTA MILL AND ELEVATOR**

Mr. Vance Taylor and Ms. Cathy Dub presented for consideration of approval the capital project Terminal Bucket Elevator Leg Replacement Phase I for \$7,900,000. The proposed change is to remove and replace 2 bucket elevator legs and 1 conveyor belt including new mechanical drives and electrical equipment. The equipment being replaced in this project is original equipment from the construction of the Mill. This will provide for continued safe and reliable operation of the Terminal Elevator.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the proposed North Dakota Mill and Elevator capital project Terminal Bucket Elevator Leg Replacement Phase One for \$7.9 million to include the removal and replacement of two bucket elevator legs and one conveyor belt, and new mechanical drives and electrical equipment.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

Mr. Vance Taylor and Ms. Cathy Dub presented the Q3 FY 2026 Operating Results. Profits for the 3<sup>rd</sup> Quarter of the year were \$5,711,977 compared to \$6,771,507 last year. Operating activity for the nine months ending in March resulted in a profit of \$17,372,014 compared to \$17,530,044 last year, a decrease of .9%.

### **OTHER MILL BUSINESS**

It was reported that the new midds handling facility is operating well, with midds screening and production underway. Minor remaining items are being completed, but the facility is fully operational. Work has begun on the 9<sup>th</sup> floor addition project previously approved.

### **NORTH DAKOTA STUDENT LOAN TRUST**

Mr. Jared Mack of Eide Bailly presented the North Dakota Student Loan Trust financial statement audits for fiscal years ending June 30, 2024, and 2025. He reported that unmodified clean opinions were issued, with no instances of internal control deficiencies, findings, or noncompliance identified. The cost of the audit was \$11,000 vs \$10,200 for the previous audit.

### **BANK OF NORTH DAKOTA**

Mr. Jared Mack presented the Bank of North Dakota financial statement audits for fiscal years ending December 31, 2024, and 2025. He reported that unmodified clean opinions were issued,

with no instances of internal control deficiencies, findings, or noncompliance identified. An audit was also performed on the Bank's accounting standards. Mr. Mack explained that the Bank of North Dakota prepares its financial statements using private-sector (FASB) accounting standards. As a result, when evaluated under governmental (GASB) standards, the Bank receives an adverse opinion because the statements are not prepared in accordance with those standards, not due to any errors or deficiencies. He noted that FASB audit resulted in clean opinion and a federal compliance audit was also completed with no issues, findings, or instances of non-compliance.

Mr. Mike Morey presented an overview of the Bank of North Dakota's annual loan stress testing results. He noted that a portion of the commercial real estate portfolio is expected to see rate resets over the next two years, though significant increases are limited. Results were mixed across sectors, with some improvements in hotels and retail, while apartments and office properties showed higher stress, including cash flow concerns. Farm stress testing showed improved results, largely due to refinancing programs, and land values remain strong. Student loan stress results were consistent with prior years, with minimal impact unless interest rates increase significantly.

Kirby Evanger presented a summary of proposed updates to the Bank of North Dakota's General Loan Policy. The changes include revisions to approval authority levels, updates to job titles and department names, and changes in certain reporting requirements to the Industrial Commission. Additional updates include new provisions for Troubled Loan Modification refinancing, adjustments to environmental risk classifications, and revisions to appraisal and evaluation language to improve clarity, align with regulations, and eliminate redundancy.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the amendments to the BND General Loan Policy which include the following changes:**

**Incorporate the quarterly Concentration of Credit Report into the Executive Summary presented to the Industrial Commission**

**Update of certain job titles**

**Update of certain loan approval levels**

**Update of department title**

**Update to Troubled Loan Modification refinance provisions and Allowance for Credit Loss update frequency parameters**

**Adjustment to environmental risk industries**

**Updates to appraisal and evaluation language and elimination of redundancies**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

Don Morgan presented consideration of approval of amendments to Information Technology Steering Committee Policy. The update clarifies the committee's structure, responsibilities, and oversight of technology, cybersecurity, data governance, vendor management, and artificial intelligence initiatives, as well as meeting procedures and reporting requirements.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the proposed amendments to the Bank of North Dakota Information Technology Steering Committee Policy.**

Don Morgan, Rob Pfennig and Kirby Evanger presented the CEO Report which included the Q1 2026 Performance Highlights and 2026 Farm Financial Stability and Grain Inventory Dashboard. Total assets were approximately \$10.7 billion, with a loan portfolio of about \$6.2 billion and a securities portfolio of \$3.8 billion. Growth in commercial and agriculture lending contributed to portfolio increases, while residential loans continued to decline due to normal runoff. Earnings for the quarter were \$62.1 million, exceeding budget, driven by higher interest income from increased loan activity and cash balances, partially offset by higher interest expense. Non-interest expenses were below budget due to timing of projects. It was also noted that continued evaluation of credit loss allowances and that equity changes reflect income, market impacts, and distributions to state programs, including transfers to the State's General Fund. February 18 and 19, 2026 non-confidential Advisory Board and Committee Meeting Minutes were reviewed.

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**It was moved by Attorney General Wrigley and seconded by Commissioner Goehring, that under the authority of North Dakota Century Code Sections 6-09-35, 44-04-18.4, 44-04-19.1, 44-04-19.2 and 54-17.7-12, the Industrial Commission enter executive session for the purpose of Bank of North Dakota confidential business, Pipeline Authority confidential business and attorney consultation.**

**On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring voted aye. The motion carried unanimously.**

**Governor Armstrong reminded the Commission members and those present in executive session that the discussion must be limited to the announced purposes. The executive session began at 11:03 am.**

**The Commission met in executive session pursuant to N.D.C.C. 6-09-35, 44-04-18.4 and 44-04-19.2 to discuss Bank of North Dakota confidential business. Only Commission members, their staff, Commission staff, and Bank of North Dakota staff participated in the executive session.**

**Following the Bank of North Dakota executive session, the Commission met in executive session pursuant to N.D.C.C. 44-04-18.4, 44-04-19.2 and 54-17.7-12 to discuss North Dakota Pipeline Authority confidential business. Only Commission members, their staff, Commission staff, the Pipeline Authority Executive Director, BND staff, DMR staff, and representatives from WBI Energy Transmission participated in the executive session**

**Following the Pipeline Authority executive session, the Commission met in executive session pursuant to 44-04-19.1 and 44-04-19.2 for attorney consultation related to litigation. Only Commission members, their staff, Commission staff and DMR staff participated in the executive session.**

## **BANK OF NORTH DAKOTA EXECUTIVE SESSION ATTANDANCE**

### **Bank of North Dakota Employees:**

Don Morgan  
Craig Hansen  
Rob Pfenning  
Kirby Evanger  
Mike Morey  
Rick Geloff  
Kelvin Hullet

### **Others in Attendance**

Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office
Natalie Henes	Industrial Commission Office

## **NORTH DAKOTA PIPELINE EXECUTIVE SESSION ATTANDANCE**

### **North Dakota Pipeline Employees:**

Justin Kringstad

### **WBI Representatives:**

Rob Johnson  
Mark Anderson  
Annique Lockard

### **Department of Mineral Resources Employees:**

Nathan Anderson  
Richard Suggs  
Ashleigh Thiel  
Tara Vesey  
Kayla Lemieux

### **Others in Attendance**

Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office
Natalie Henes	Industrial Commission Office

## **ATTORNEY CONSULTATION ATTENDANCE**

Matt Sagseen

Attorney General's Office

### **Department of Mineral Resources Employees:**

Nathan Anderson

Richard Suggs

Ashleigh Thiel

Tara Vesey

Kayla Lemieux

### **Others in Attendance**

Jacy Schafer                      Governor's Office

Chris Joseph                      Governor's Office

Karen Tyler                      Industrial Commission Office

Jordan Kannianen              Industrial Commission Office

Natalie Henes                    Industrial Commission Office

**The executive session ended at 11:59 am. and the Commission reconvened in open session.**

**During the Bank of North Dakota executive session, a motion was made regarding a bank letter of credit.**

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the letter of credit.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

**During the Pipeline Authority executive session, a confidential request was presented.**

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission accept the recommendation of Justin Kringstad, Pipeline Authority Executive Director, and Karen Tyler, NDIC Executive Director, and pursuant to N.D.C.C. 44-04-18.4 and 54-17.7-12 grant the confidentiality request and determine that the request is confidential and the information described in the request is a trade secret, commercial, financial or proprietary information and is confidential.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

**Also discussed during the Pipeline Authority executive session were terms of a precedent agreement between the state and WBI Energy Transmission.**

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission direct the Pipeline Authority Executive Director to execute a precedent agreement with WBI Energy Transmission, Inc. to purchase capacity on the Bakken East**

**Pipeline, subject to a maximum obligation not to exceed \$50,000,000.00, under the terms set forth in the precedent agreement presented to and approved by the Commission on April 28, 2026.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

**During the attorney consultation executive session, litigation matters were discussed. No action was taken.**

#### **INDUSTRIAL COMMISSION ADMINISTRATIVE OFFICE**

Ms. Karen Tyler presented for consideration of approval the Industrial Commission meeting minutes for the special meeting held on March 17, 2026, and the regular meeting minutes held on March 25, 2026.

**It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the March 17, 2026, and March 25, 2026, Industrial Commission meeting minutes.**

**On a roll call vote, Commissioner Goehring, Attorney General Wrigley, and Governor Armstrong voted aye. The motion carried unanimously.**

#### **OTHER ADMINISTRATIVE BUSINESS**

An update was provided on the search for a new Mill President. The search committee plans to begin interviews within the next two weeks.

#### **ADJOURNMENT**

The next regular Industrial Commission meeting will be held Tuesday, May 12, 2026, in the Governor's Conference Room from 9:00 a.m.– 12:30 p.m.

With no further business, Governor Armstrong adjourned the meeting of the Industrial Commission at 12:17 pm.

North Dakota Industrial Commission

A handwritten signature in black ink, appearing to read 'K. Tyler', with a long horizontal flourish extending to the right.

Karen Tyler, Executive Director