

Minutes of a Meeting of the Industrial Commission of North Dakota

Held on February 24, 2026, beginning at 9:00 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 9:03 a.m.

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

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

- i. **City of Wahpeton Clean Water State Revolving Fund Loan** in the amount of \$16,006,000. The purpose of the loan is to construct lift stations, and sanitary and storm sewer to serve the new Legacy Lakes Development. The city will issue improvement bonds payable with special assessments. The bonds will be a contingent general obligation of the city with a deficiency tax levy backup provision. The average annual payment will be \$674,446.

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 \$16,006,000 for the City of Wahpeton.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring 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 Wahpeton (the "Political Subdivision") has requested a loan in the amount of \$16,006,000 from the Program to construct lift stations and sanitary and storm sewer to serve the new Legacy Lakes Development; 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: February 24, 2026

- ii. City of Wahpeton Drinking Water State Revolving Fund Loan** in the amount of \$3,011,000. The purpose of the loan is to resurface the interior and exterior of two water towers and repaint them to extend their useful service life. The city will issue revenue bonds payable with water user fees. The average annual payment will be \$176,266.

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 \$3,011,000 for the City of Wahpeton.

On a roll call vote, Governor Armstrong, Attorney General Wrigley, and Commissioner Goehring 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 Wahpeton (the "Political Subdivision") has requested a loan in the amount of \$3,011,000 from the Program to abrasively blast the interior and exterior surfaces of water towers one and two, then repaint them to extend their useful service lives; 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: February 24, 2026

Ms. Ament presented a memo regarding State Revolving Fund Loans approved by the PFA Advisory Committee pursuant to Policy P-3B which included a Clean Water SRF loan for the City of Reile's Acres in the amount of \$1,146,000 and a Drinking Water SRF loan for the City of McVile in the amount of \$1,006,000.

Ms. Ament presented for consideration of approval a resolution for the issuance of up to \$300,000,000 Series 2026 State Revolving Fund Program Bonds.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the 2026 Series Resolution for the issuance of up to \$300,000,000 of tax-exempt bonds for the North Dakota Public Finance Authority State Revolving Fund Program

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

NORTH DAKOTA HOUSING FINANCE AGENCY

Ms. Jennifer Henderson presented a report on the Agency's Declaration of Intent to Issue Multifamily Tax-exempt Bonds in an amount not to exceed \$20,000,000 for financing of the Brookstone Apartments project in Grand Forks.

The project is new construction on currently vacant land on the 3900 block of 39th Ave S in Grand Forks. All 160 units will be income and rent restricted between 40 and 60 percent of Area Median Income by the Low-Income Housing Tax Credit and Housing Incentive Fund programs. 16 of the units include the Agency's Universal Design features, providing the tenants of these accessible unites amenities above and beyond basic ADA requirements.

The issuance of a Declaration of Official Intent declares the intention to issue multifamily bonds; however, it does not obligate the Agency to give final approval for the issuance of the bonds. Final approval will require a separate action of the Commission at a future meeting. The Agency anticipates a bond pricing and issuance in the May/June timeframe.

NORTH DAKOTA MILL AND ELEVATOR

Mill President and CEO Vance Taylor presented the Mill's Q2 2026 and Fiscal YTD Financial Results.

Operations in the 2nd Quarter of the year resulted in a profit of \$5,672,041 compared to \$5,634,934 last year. For the six months ending December the Mill recorded a profit of \$11,660,036 compared to \$10,758,537 in the same period last year.

Sales for the 2nd quarter were \$118,140,272 compared to \$124,191,771 last year. Sales for the six months ending in December were \$234,406,697 compared to \$242,739,856 for the same period last year.

Operating costs for the 2nd quarter were \$13,886,833 compared to \$13,815,722 last year. Year-to-date operating costs are \$27,829,124 compared to \$26,523,430 last year.

CLEAN SUSTAINABLE ENERGY AUTHORITY (CSEA)

Deputy Executive Director Mr. Jordan Kannianen presented the CSEA Project Management and Financial Report for the program, reporting a total of 20 projects have been funded since program inception, \$74.5 million in total grant awards have been made, \$15.4 million in grant awards have been de-committed, \$545.5 million in loans have been approved and total project values are estimated at \$6.2 billion. For grant round 6 there was \$3.9 million in uncommitted cash available for grant awards.

Mr. Kannianen, along with Mr. Kelvin Hullet and Ms. Courtney Heiser from BND, presented the Authority’s recommendation to fund 3 projects with a total of \$3,422,376 in grants and \$40 million in loans. The recommended projects are:

Project Proposals recommended to the NDIC by the CSEA Advisory Board

Project #	Project Title	Applicant	Project Description	Project Total	Tech. Review Avg. Score (of 315)	Tech. Comm. Score	Grant Recommended by CSEA	Loan Recommended by CSEA
C-06-C	Packet Digital - ND Lithium-Ion Battery Manufacturing Plant	Packet Digital, LLC	Continue now-under-way construction of 80,000 sq ft lithium-ion battery cell manufacturing and research facility in Fargo. Will produce high-power and high-energy-density pouch cells for defense and aerospace systems.	\$100,827,845	303	38.9	\$ 2,297,376	\$ 10,000,000
C-06-D	The Forge Project	AmeriCarbon Forge, LLC	Construction of first US commercial-scale facility near Underwood producing Eco-Pitch, a coal-tar-pitch from ND lignite, along with carbon byproducts. 15k tons of Eco-Pitch & 15k tons carbon byproducts annually.	\$100,000,000	268.5	38.5	\$ -	\$ 30,000,000
C-06-E	The Forge Project: Rare Earths and Critical Materials Integration	Ore Spring Materials, LLC	Integrate Eco-Pitch carbon manufacturing with REE and CM recovery technologies. Establish a scalable, co-located platform at Forge site near Underwood.	\$4,500,000	252	36.8	\$ 1,125,000	\$ -
Total Requests:				\$205,327,845				
Available Funding:							Total Grants: \$ 3,422,376	Total Loans: \$ 40,000,000

It was moved by Commission Goehring and seconded by Attorney General Wrigley that the Industrial Commission accept the recommendation of the Clean Sustainable Energy Authority, approve the funding of the following projects in the amounts recommended, and authorize the Office of the Industrial Commission to enter into contracts, and the Bank of North Dakota to enter into Loan Agreements, for the projects:

C-06-C: Packet Digital – ND Lithium-ion Battery Manufacturing Plant

Grant: \$2,297,376

Loan: \$10,000,000

C-06-D: AmeriCarbon Forge, LLC – The Forge Project

Loan: \$30,000,000

C-06-E: Ore Spring Materials, LLC – The Forge Project: Rare Earths and Critical Materials Integration

Grant: \$1,125,000

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

BANK OF NORTH DAKOTA

Mr. Don Morgan presented the CEO Report which included updates on strategic, financial, risk, and policy and program matters. Under the strategic category, an update on the Bank's fintech focus and initiatives was presented along with an update on SB 2403 and HB 1623 which passed during the legislative special session and directed the creation of new loan programs by the bank.

Under the financial report, Mr. Morgan presented the results of the 2025 SMART Plan recruitment and retention bonus program, and based on performance metrics achieved, recommended a bonus payout of 14.25%.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the Bank of North Dakota 2025 SMART Plan results and the corresponding 14.25% recruitment and retention bonus for qualifying employees.

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

Mr. Morgan presented an update on the usage of the 2026 Farm Financial Stability Program and the 2026 Grain Inventory Loan Programs previously approved by the Commission at the November 25, 2025, Industrial Commission meeting and requested an adjustment in the funding allocation due to the high demand for the 2026 Farm Financial Stability Program.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve an adjustment to the allocation of the \$400 million in funds previously approved and available for the 2026 Farm Financial Stability Loan Program and the 2026 Grain Inventory Loan Program, making up to \$380 million available for the Farm Financial Stability Loan Program and up to \$20 million available for the Grain Inventory Loan Program, with other terms and conditions of the programs consistent with those presented by the Bank of North Dakota and approved by the Commission at the November 25, 2025, Industrial Commission meeting.

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

Mr. Morgan requested the consideration of approval of an officer designation for the newly created Chief Talent Officer position, which is now part of the Bank's executive team.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the designation of Ms. Brenna Grossbauer, Chief Talent Officer, as an officer of the Bank of North Dakota pursuant to a recommendation of the bank advisory board under bank operating policy and NDCC 6-09-02.2.

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

The December 17 and 18, 2025, non-confidential meeting minutes of the Bank Advisory Board and Board Committees were presented.

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, and 44-04-19.2 the Industrial Commission enter executive session for the purpose of Bank of North Dakota confidential business and Department of Mineral Resources attorney consultation.

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

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 consider those items listed on the agenda under 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 44-04-19.1 and 44-04-19.2 for attorney consultation related to litigation. Only Commission members, their staff, Commission staff and Department of Mineral Resources staff participated in the executive session.

The Commission was reminded that any formal action taken by the Commission would occur after it reconvened in open session.

The Commission and others present in executive session were reminded that the discussion must be limited to the announced purposes. The executive session was anticipated to last approximately 45 minutes and began at 10:25 a.m.

BANK OF NORTH DAKOTA EXECUTIVE SESSION

Industrial Commission Members Present

Governor Kelly Armstrong

Attorney General Drew H. Wrigley
Agriculture Commissioner Doug Goehring

BND Members Present

Don Morgan
Kirby Evanger
Rob Phennig
Kelvin Hullet
Craig Hanson
Courtney Heiser
Rick Geloff

Others in attendance

Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office
Carmen Devney	Industrial Commission Office

DMR ATTORNEY CONSULTATION EXECUTIVE SESSION

Industrial Commission Members Present

Governor Kelly Armstrong
Attorney General Drew H. Wrigley
Agriculture Commissioner Doug Goehring

DMR Members Present

Nathan Anderson
Mark Bohrer
Ed Murphy
Kayla Lamieux

Others in attendance

Jacy Schafer	Governor's Office
Chris Joseph	Governor's Office
Phil Axt	Attorney General's Office
Matt Sagsveen	Attorney General's Office
David Garner	Attorney General's Office
Dutch Bialke	Agriculture Commissioner's Office
Karen Tyler	Industrial Commission Office
Jordan Kannianen	Industrial Commission Office
Carmen Devney	Industrial Commission Office

A ten minute recess was taken after the DMR Attorney Consultation Executive Session.

The executive session ended at 11:38 a.m. and the Commission reconvened in open session.

During the Bank of North Dakota executive session, a motion and second was made related to the modification of one bank participation loan.

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

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

LEGAL UPDATE

Mr. Phil Axt and Mr. Matt Sagsveen provided the Commission with an update on current Defenses of State Law, Defenses of Federal Actions, and Challenges to Federal Actions.

DEPARTMENT OF MINERAL RESOURCES

Mr. Ed Murphy provided the Commission with the Geological Survey Quarterly Report, a report on the 2025 Strategic Plan accomplishments, and presented for consideration of approval the proposed 2026 Geological Survey Strategic Plan.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the DMR Geological Survey 2026 Strategic Plan as presented by the State Geologist.

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

Mr. Murphy presented for consideration of approval Case No 32456/Order No. 35230 regarding the creation of the “Rules and Regulations for Exploration and Production of Critical Minerals in Coal-Bearing Formations” codified as Article 43-02 North Dakota Administrative Code. He reviewed with the Commission comments that were submitted during the public comment period and the response of DMR to the comments.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 35230 issued in Case No. 32456 authorizing the creation of the “Rules and Regulations for Exploration and Production of Critical Minerals in Coal-Bearing Formations” codified as Article 43-02 North Dakota Administrative Code.

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

Mr. Mark Bohrer presented the following cases and corresponding recommended orders:

Case No. 32399/Order No. 35170 – regarding the application of Phoenix Operating LLC for an order amending the applicable orders for the Sheep Butte-Bakken Pool to extend the field outline, establish a standup 2560-acre spacing unit, authorize four horizontal wells and other such relief as appropriate.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 35170 issued in Case No. 32399 denying the application of Phoenix Operating LLC to amend the applicable orders for the Sheep Butte-Bakken Pool to (i) extend the field outline to include Sections 6, 7, 18, and 19, T.148N., R.103W. within the Sheep Butte-Bakken Pool; (ii) establish a standup 2560-acre spacing unit described as Sections 6, 7, 18, and 19, T.148N., R.103W., McKenzie County, ND, and authorize four horizontal wells to be drilled on such unit or granting such other relief as may be appropriate.

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

Case No. 31842/Order No. 34579 - regarding the application of Phoenix Operating LLC for an order amending the applicable orders for Cottonwood-Bakken Pool to establish an overlapping 3820-acre spacing unit and to authorize one horizontal well to be drilled and other such relief as appropriate.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 34579 issued in Case No. 31842 denying the application of Phoenix Operating LLC to amend the applicable orders for Cottonwood-Bakken Pool to establish an overlapping 3840-acre spacing unit described as Sections 10, 11, 14, 15, 22 and 23, T. 159N., R.92W., Burke County, ND and to authorize 1 horizontal well to be drilled on such unit and granting such other relief as may be appropriate.

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

Case No. 32483/Order No. 35263 - regarding the application of Oasis Petroleum North America LLC for an order amending the applicable orders for the Foothills and/or Cottonwood-Bakken Pools to establish an overlapping standup 2560-acre spacing unit and authorize three horizontal wells to be drilled and other such relief as appropriate.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve Order No. 35263 issued in Case No. 32483 denying the application of Oasis Petroleum North America LLC to amend the applicable orders for the Foothills and/or Cottonwood-Bakken Pools to establish an overlapping standup 2560-acre spacing unit described as Sections 23, 26 and 35, T.161N., R.92W. and Section 4, T.160N., R.92W., Burke County, ND, and authorize three horizontal wells to be drilled on such unit, or granting such other relief as may be appropriate.

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

Mr. Nathan Anderson presented the DMR Director's Update regarding oil production in the Bakken for the month of December.

Mr. Anderson reported that an offer has been made to a candidate for the Deputy Director position. The offer has been accepted, and a mid-March start date is expected.

State Geologist Ed Murphy has formally announced his retirement. He will retire on or around July 1, 2026, after nearly 46 years of service to the state. The process of hiring the new State Geologist has begun with the expectation of filling the position by mid to late April.

INDUSTRIAL COMMISSION ADMINISTRATIVE OFFICE

Executive Director Karen Tyler presented for consideration of approval the January 20, 2026, meeting minutes and the January 26, 2026, Special Industrial Commission Meeting Minutes.

It was moved by Commissioner Goehring and seconded by Attorney General Wrigley that the Industrial Commission approve the January 6, 2026, Industrial Commission meeting minutes.

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

The next regular Industrial Commission meeting will be held Wednesday, March 25, 2026, in the Governor's Conference Room from 1:00-5:00 pm.

With no further business, Governor Armstrong adjourned the meeting of the Industrial Commission at 12:33 pm.

North Dakota Industrial Commission

A handwritten signature in black ink, appearing to be 'K. Tyler', written over a horizontal line.

Karen Tyler, Interim Executive Director