

# Outdoor Heritage Fund Grant Application



## Instructions

After completing the form, applications and supporting documentation may be submitted by e-mail to [ndicgrants@nd.gov](mailto:ndicgrants@nd.gov). It is preferred that only electronic copies are submitted.

You are not limited to the spacing provided, except in those instances where there is a limit on the number of words. If you need additional space, please indicate that on the application form, answer the question on a separate page, and include with your submission.

The application and all attachments must be received by the application deadline. You may submit your application at any time prior to the application deadline. **Applicants are strongly encouraged to submit applications prior to the deadline for staff review in order ensure that proposals will be complete when submitted on deadline date.** Incomplete applications may not be considered for funding.

**Please review the back of this form to determine project eligibility, definitions, budget criteria, and statutory requirements.**

Project Name – Painted Woods Lake Flood Protection & Recreation Project

Name of Organization – McLean County Water Resource District

Federal Tax ID#

Contact Person/Title – Lynn Oberg, Chairman

Address – 1237 Riverside Lane

City – Washburn

State – North Dakota

Zip Code – 58577

E-mail Address – [obergm@westriv.com](mailto:obergm@westriv.com)

Web Site Address (If applicable)

Phone – 701.400.7793

List names of co-applicants if this is a joint proposal

**MAJOR Directive:**

Choose only one response

- Directive A.** Providing access to private and public lands for sportsmen, including projects that create fish and wildlife habitat and provide access for sportsmen;
- Directive B.** Improving, maintaining and restoring water quality, soil conditions, plant diversity, animal systems and by supporting other practices of stewardship to enhance farming and ranching;
- Directive C.** Developing, enhancing, conserving and restoring wildlife and fish habitat on private and public lands; and
- Directive D.** Conserving natural areas and creating other areas for recreation through the establishment and development of parks and other recreation areas.

**Additional Directive:**

Choose all that apply

- Directive A.**
- Directive B.**
- Directive C.**
- Directive D.**

**Type of organization:**

- State Agency
- Political Subdivision
- Tribal Entity
- Tax-exempt, nonprofit corporation.

**Abstract/Executive Summary.**

Summarize the project, including its objectives, expected results, duration, total project costs and participants. (no more than 500 words)

The Painted Woods Lake Flood Protection & Recreation Project (Project) will restore water quality and soil conditions, improve in-stream and riparian habitat for fish and wildlife, and enhance recreational access to public lands and waters within the Painted Woods Lake Wildlife Management Area (WMA). The in-stream habitat improvements will benefit stocked populations of rainbow trout, bluegill, perch, channel catfish, and other species that depend on healthy streams and riparian corridors. Additionally, the establishment of numerous wetland areas and the adjacent planting of native prairie grasses will create critical nesting and brood rearing habitat for ducks, geese, and pheasants.

Painted Woods Lake is located approximately 7 miles southeast of Washburn in McLean County. Importantly, this recreation destination is just 30 miles north of Bismarck along Highway 83. The 200-acre lake and the surrounding land make up a 1,200-acre WMA that is managed by North Dakota Game and Fish (NDGF) and US Fish and Wildlife Service (USFWS). Painted Woods Creek runs through this WMA, entering the lake from the north and exiting the lake to the west, where it joins the Missouri River.

Because of its convenient location along Highway 83 and the Missouri River, this WMA constitutes a critical recreation area for Washburn's 1,300 residents and the 130,000 people who reside in the Bismarck-Mandan metropolitan area. In fact, Painted Woods Lake is the only large (1,000 acres or more) recreation area along the Missouri River between Bismarck and Riverdale. Through this Project, the McLean County Water Resource Board (Board) will construct diverse habitat improvements and recreation access enhancements within the WMA.

On the downstream side of the lake, the project will construct a new dam that will establish backwater habitat, facilitate fish passage, and provide easy access for anglers. This dam will include an integrated fishing platform, a rock riffle structure for fish passage, and flat boulders for bank fishing on both sides of the dam. The project will also construct two box culverts to facilitate walk-in access across the creek channel and a gravel access path that leads to the dam.

On the upstream side of the lake, the project will construct a high flow channel, intake control structure, and outlet dam. Importantly, the project will provide nesting and brood rearing habitat for waterfowl by constructing numerous wetland areas adjacent to the high flow channel. Furthermore, native grass plantings within the riparian and upland areas will support pheasants, deer, and other game species. The Board has worked closely with NDGF throughout the planning and design phases of this project.

The Board previously received \$1,000,000 from the OHF to construct the rock riffle dam. The present application is requesting an additional \$2,000,000 to support construction of the dam, high flow channel, and associated recreation improvements. The Board is requesting additional funding because costs have inflated significantly since 2023. Furthermore, although the project has received broad support from agencies like USBR and USFWS (see attached letters of support), federal partners have provided very limited financial commitments to this project.

### **Project Duration:**

#### **Indicate the intended schedule for drawing down OHF funds.**

Project design will be completed in winter of 2025. Bidding is scheduled for spring of 2026. The Board anticipates constructing the Project during the summer and fall of 2026. The intended schedule for drawing down funds is as follows: For June through October 2026 (i.e., over a 5-month period), the Board intends to draw \$400,000 per month to support construction costs.

**Amount of Grant request: \$2,000,000**

**Total Project Costs: \$4,979,320**

Note: in-kind and indirect costs can be used for matching funds.

**Amount of Matching Funds: \$1,979,320**

**A minimum of 25% Match Funding is required.** Indicate if the matching funds will be in-kind, indirect or cash. Please provide verification that these matching funds are available for your project. Note that effective as of July 1, 2015 no State General Fund dollars can be used for a match unless funding was legislatively appropriated for that purpose.

Amount of Match	Funding Source	Type of Match (Cash, In-kind or Indirect)
\$910,835	McLean County WRD local funding	Cash
\$253,875	McLean County WRD rock materials	In-Kind
\$795,810	Department of Water Resources Cost Share Program	Cash
\$18,800	USFWS National Fish Passage Program	Cash

**Certifications**

I certify that this application has been made with the support of the governing body and chief executive of my organization.

I certify that if awarded grant funding none of the funding will be used for any of the exemptions noted in the back of this application.

**Narrative**

**Organization Information – Briefly summarize your organization’s history, mission, current programs and activities.**

Include an overview of your organizational structure, including board, staff and volunteer involvement. (no more than 300 words)

The McLean County Water Resource District (District) is a political subdivision of the State. The District is governed by a three-member board of managers. It includes Lynn Oberg (Chair), Shannon Jeffers, and Gerard Goven. The Board is appointed by the McLean County

Commission and tasked with the responsibility of managing, conserving, protecting, and developing waters of the State for the benefit of the public. The Board is devoted to fulfilling this mandate in collaboration with other agencies in order to protect and promote the health, safety, and general welfare of the people of North Dakota. Today the Board manages a variety of programs related to drainage permits, flood mitigation, protection of water bodies, maintenance of water quality, and promotion of biodiversity.

McLean County has approximately 9,800 residents that rely on and contribute to North Dakota's agriculture, mining, and energy industries. The District has limited resources to conduct legislatively mandated duties. Management activities are supported by a \$1.74M levy which generated a budget of \$158,500 in 2024. One significant and ongoing project is the Katz Dam Safety Improvement Project, which is supported by the Outdoor Heritage Fund. Other current and recent projects include the Fort Mandan Flood Control Project, Turtle Creek Watershed Plan, management of the Yanktonai Dam, and control of cattail drainage obstruction at numerous locations.

The Water Resource Board is voluntary and has no staff. The District does obtain financial management services from the McLean County Auditor and retains professional engineering services as needed to accomplish program goals.

**Purpose of Grant – Describe the proposed project identifying how the project will meet the specific directive(s) of the Outdoor Heritage Fund Program**

Identify project goals, strategies and benefits and your timetable for implementation. Include information about the need for the project and whether there is urgency for funding. Indicate if this is a new project or if it is replacing funding that is no longer available to your organization. Identify any innovative features or processes of your project. Note: if your proposal provides funding to an individual, the names of the recipients must be reported to the Industrial Commission/Outdoor Heritage Fund. These names will be disclosed upon request.

For tree/shrub/grass plantings: provide a planting plan describing the site design, planting methods, number of trees/shrubs by species and stock size, grass species and future maintenance. A statement certifying that the applicant will adhere to USDA-NRCS tree/shrub/grass planting specifications along with the name of the governmental entity designing the planting may be substituted for a planting plan.

For projects including Section 319 funding: provide in detail the specific best management practices that will be implemented and the specific projects for which you are seeking funding.

For projects including fencing: A minimum cost share of 40% by the recipient is preferred. Include detailed information on the type of fencing to be installed, whether funding is requested for boundary fencing, new or replacement of existing fencing, and/or cross fencing.

**Purpose of Grant**

High flows within Painted Woods Creek have caused widespread erosion of the channel's banks, severe damage to the dam located downstream of Painted Woods Lake, and associated water quality impairments. Moreover, overland breakout flows have yielded costly damage to agricultural fields to the west of the creek. The flood mitigation component of this

Project is urgent because of the severity and costliness of flood damage to local habitat, private property, and public infrastructure. This Project will mitigate flood damage primarily through the two major design components described below. An innovative feature of this Project is the integration of vital fish and wildlife habitat improvements and recreation access enhancements with flood reduction practices that will restore water quality and soil conditions.

First, the Project will construct a high flow channel to the east of the existing creek. While the creek will continue to convey low flows, the high flow channel will bypass the reach that holds back flood waters. Phase 1 of this effort constructed the downstream 2,000 feet of the high flow channel, along with a 16-foot access road that crosses the channel to provide walk-in recreation opportunities. Phase 2 of this effort will construct the upstream 2,500 feet of the high flow channel and its intake control structure. As with Phase I, the Phase 2 scope includes the establishment of numerous wetland areas adjacent to the high flow channel and the planting of diverse native grasses along the riparian areas. The channel's corridor will thus create abundant nesting and brood rearing habitat for ducks, geese, pheasants, and other game species.

Second, the Project will replace the failing weir dam and control structures on the downstream side of Painted Woods Lake. Urgent action is required because operators currently access the failing dam via a rusty steel structure that is frequently filled with ice and debris. The District will thus install new box culverts, a sheet pile headwall structure, and a sluice gate. As described above, in addition to maintaining water levels for flood reduction, the new dam and associated structures will improve in-stream habitat conditions by forming backwater habitat and enabling fish passage. The Project will simultaneously provide sportsmen with access to this public resource via a gravel pathway, integrated fishing platform, and flat boulders for bank fishing.

Ultimately, this Project offers a unique opportunity to coordinate high-impact habitat improvements and recreation enhancements with flood mitigation and safety improvements. The Project's design will be completed in Winter 2025. The District plans to bid the project in Spring 2026 and to complete construction before December 2026. This is a new project, i.e., this request is not replacing funding from another organization.

Is this project part of a Comprehensive Conservation Plan?  Yes  No

If yes, provide a copy with the application.

*Note: Projects involving buildings and infrastructure will only be considered if part of a Comprehensive Conservation Plan. Please refer to the "Definitions" section at the back of the form for more details.*

**Management of Project – Provide a description of how you will manage and oversee the project to ensure it is carried out on schedule and in a manner that best ensures its objectives will be met.**

Include a brief background and work experience for those managing the project.

The Board has retained Moore Engineering Inc. (Moore) to perform design, permitting, public engagement, and construction oversight for the Project. With respect to management of the Project, Moore will provide bid preparation and construction engineering services. This will

include preparation of contract documents, regular meetings with contractors, observation of construction, schedule management, compliance reviews, and other services to ensure that the Project progresses on time, within budget, and in keeping with the highest quality standards. Moore has decades of experience providing water resource engineering services for communities throughout North Dakota. The firm regularly provides concept development, environmental review, design, permitting, and construction oversight for large watershed management and flood protection infrastructure projects that incorporate fish passage and other habitat enhancements for wildlife.

**Evaluation – Describe your plan to document progress and results.**

Please be specific on the methods you will utilize to measure success. Note that regular reporting, final evaluation and expenditure reports will be required for every grant awarded.

The Board will partner with Moore Engineering Inc. to develop a formal construction management plan that includes record keeping and invoice management practices. The Board will submit a monthly progress report to the Outdoor Heritage Fund that includes copies of invoices accrued and proposed activities for the subsequent reporting period.

**Financial Information**

**Project Budget – Use the table below to provide an itemized list of project expenses and describe the matching funds being utilized for this project.**

Indicate if the matching funds are in the form of cash, indirect costs or in-kind services. The budget should identify all other committed funding sources and the amount of funding from each source. **A minimum of 25% match funding is required.** An application will be scored higher the greater the amount of match funding provided. (See Scoring Form.)

Certain values have been identified for in-kind services as detailed under “Budget Information” at the back of this form. Refer to that section and utilize these values in identifying your matching funds.

**NOTE: No indirect costs will be funded. Supporting documentation for project expenses, including bids, must be included or application will be considered incomplete.**

Project Expense	OHF – Current Request	OHF – Prior Award	Applicant’s Match Share (Cash)	Applicant’s Match Share (In-Kind)	Other Project Sponsor’s Share	Total Each Project Expense
Construction	\$2,000,000	\$1,000,000	\$265,565	\$253,875	\$293,660	\$3,813,100
Contingency	\$	\$	\$218,272	\$	\$171,590	\$389,862
Design Eng	\$	\$	\$188,748	\$	\$154,431	\$343,179
Construction Eng	\$	\$	\$188,748	\$	\$154,431	\$343,179
Permitting	\$	\$	\$24,750	\$	\$20,250	\$45,000
Geotech Report	\$	\$	\$24,750	\$	\$20,250	\$45,000
<b>Total Costs</b>	<b>\$2,000,000</b>	<b>\$1,000,000</b>	<b>\$910,835</b>	<b>\$253,875</b>	<b>\$814,612</b>	<b>\$4,979,320</b>

Note: Costs for seeding, fencing, pipelines, wells, and cover crops cannot exceed NRCS Field Office Tech Guide without justification. Projects involving perimeter fencing must follow NRCS eligibility standards.

**Budget Narrative – Use the space below to provide additional detail regarding project expenses.**

Work on the downstream side of the lake is considered a “Dam Deficiencies and Repair” project and is thus eligible for 40% cost share from the DWR. Work on the upstream side of the lake is considered a “Rural Flood Control” project and is eligible for 60% cost share from the DWR. However, the DWR’s cost share percentages are applied after other state and federal grant awards, i.e., DWR does not match other state or federal funds. The total DWR cost share amount is \$795,810.

An integral component of the initial funding strategy for this project was the USFWS’ National Fish Passage Program (NFPP). Prior conversations with USFWS staff suggested that this project was a strong candidate for NFPP funding that could receive a substantial award. However, because of limited available funding and considerable competition nationally, the project has only received a small award of \$18,800 from USFWS to date.

The Board previously received a \$1,000,000 OHF award for construction of the rock riffle dam and associated recreation improvements. The present application is requesting an additional \$2,000,000 to support construction of the dam, high flow channel, and habitat improvements within the WMA. This request for additional funding is a result of the significant inflation of costs since 2023 and the unavailability of federal grant funding.

The Board will provide a local match of \$1,164,710 (i.e., 23% of project costs). An estimated \$253,874 will be provided as an in-kind match of rock materials from Falkirk Mine. The remaining local match will consist of \$910,835 in cash. The Board has engaged Ducks Unlimited, Pheasants Forever, and other private organizations. Preliminary conversations suggest that these non-governmental organizations will provide some financial support for the creation of wetland areas and the establishment of riparian and upland habitat areas.

**Sustainability – Indicate how the project will be funded or sustained in future years.**

Include information on the sustainability of this project after OHF funds have been expended and whether the sustainability will be in the form of ongoing management or additional funding from a different source.

As described above, the Painted Woods Lake WMA is managed by the USFWS and NDGF. The Garrison Conservancy District operates the dam structure on behalf of the USBR. The Board has obtained letters of support from each of these agencies. The WMA will continue to be managed through this robust interagency partnership, which will ensure the sustainability of investments made by all contributing partners.

**Partial Funding – Indicate how the project will be affected if less funding is available than that requested.**

The District has access to limited financial resources for implementing vital projects that protect public waters, improve associated habitat, and facilitate recreational access. If an Outdoor Heritage Fund grant is not awarded, the Project will be delayed until sufficient funding is obtained.

**Partnership Recognition - If you are a successful recipient of Outdoor Heritage Fund dollars, how would you recognize the Outdoor Heritage Fund partnership? \* *There must be signage at the location of the project acknowledging OHF funding when appropriate.***

As with other projects, the Board will post signage at entrance locations to acknowledge all project sponsors. Signage with the Outdoor Heritage Fund listed as a project sponsor will be posted at prominent locations to ensure that sportsmen and other users are able to view these signs and appreciate the State's commitment to improving fish and wildlife habitat and enhancing recreation opportunities. Moreover, both the Board and its engineering consultant will use social media and digital marketing campaigns to advertise the Project, promote its benefits, and recognize its contributing partners.

**Awarding of Grants - Review the appropriate sample contract for your organization on the website at <http://www.nd.gov/ndic/outdoor-infopage.htm>.**

Can you meet all the provisions of the sample contract?  Yes  No

If there are provisions in that contract that your organization is unable to meet, please indicate below what those provisions would be:

## **ABOUT OHF:**

The purpose of the North Dakota Outdoor Heritage Fund is to provide funding to state agencies, tribal governments, political subdivisions, and nonprofit organizations, with higher priority given to projects that enhance **conservation** practices in this state by:

**Directive A.** Providing access to private and public lands for sportsmen, including projects that create fish and wildlife habitat and provide access for sportsmen;

**Directive B.** Improving, maintaining and restoring water quality, soil conditions, plant diversity, animal systems and by supporting other practices of stewardship to enhance farming and ranching;

**Directive C.** Developing, enhancing, conserving and restoring wildlife and fish habitat on private and public lands; and

**Directive D.** Conserving natural areas and creating other areas for recreation through the establishment and development of parks and other recreation areas.

## **EXEMPTIONS**

Outdoor Heritage Fund grants may not be used to finance the following:

- Litigation;
- Lobbying activities;

- Any activity that would interfere, disrupt, or prevent activities associated with surface coal mining operations; sand, gravel, or scoria extraction activities; oil and gas operations; or other energy facility or infrastructure development;
- The acquisition of land or to encumber any land for a term longer than twenty years; or
- Projects outside this state or projects that are beyond the scope of defined activities that fulfill the purposes of Chapter 54-17.8 of the North Dakota Century Code.

OHF funds may not be used, except after a finding of exceptional circumstances by the Industrial Commission, to finance:

- A completed project or project commenced before the grant application is submitted;
- A feasibility or research study;
- Maintenance costs;
- A paving project for a road or parking lot;
- A swimming pool or aquatic park;
- Personal property that is not affixed to the land;
- Playground equipment, except that grant funds may be provided for up to 25% of the cost of the equipment not exceeding \$10,000 per project and all playground equipment grants may not exceed 5% of the total grants per year (see Definitions/Clarifications for how this will be calculated);
- Staffing or outside consultants except for costs for staffing or an outside consultant to design and implement an approved project based on the documented need of the applicant and the expenditures may not exceed 5% of the grant to a grantee if the grant exceeds \$250,000 and expenditures may not exceed 10% of the grant to a grantee if the grant is \$250,000 or less (see Definitions/Clarifications for how this will be calculated);
- A building except for a building that is included as part of a comprehensive conservation plan for a new or expanded recreational project (see Definitions/Clarifications for definition of comprehensive conservation plan and new or expanded recreational project); or
- A project in which the applicant is not directly involved in the execution and completion of the project.

The goal of the Industrial Commission is that at a minimum 15% of the funding received for a biennium will be given priority for recreation projects that meet Directive D.

The following projects are not eligible for funding, unless there is a finding of exceptional circumstances by the Industrial Commission include:

- Construction or refurbishment of indoor/outdoor ice rinks,
- Construction or refurbishment of indoor/outdoor athletic courts and sports fields,
- Other substantially similar facilities.
- Infrastructure that is not part of a comprehensive conservation plan.
- Projects not meeting a minimum funding request of \$2,500.

## **Budget Information**

In-kind services used to match the request for Outdoor Heritage Fund dollars shall be valued as follows:

- Labor costs \$15.00 an hour
- Land costs Average rent costs for the county as shown in the most recent publication of the USDA, National Agricultural Statistics Services, North Dakota Field Office
- Permanent Equipment Any equipment purchased must be listed separately with documentation showing actual cost. (For example: playground equipment)
- Equipment usage Actual documentation
- Seed & Seedlings Actual documentation
- Transportation Mileage at federal rate
- Supplies & materials Actual documentation

More categories will be added as we better understand the types of applications that will be submitted. We will use as our basis for these standards other State and Federal programs that have established rates. For example, the North Dakota Nonpoint Source Pollution Management Program has established rates. If your project includes work that has an established rate under another State Program, please use those rates and note your source.

### **Definitions/Clarifications:**

Building - Defined as “A structure with a roof either with walls or without walls and is attached to the ground in a permanent nature.”

Comprehensive Conservation Plan - Defined as “A detailed plan that has been formally adopted by the governing board which includes goals and objectives--both short and long term, must show how this building will enhance the overall conservation goals of the project and the protection or preservation of wildlife and fish habitat or natural areas.” This does not need to be a complex multi-page document. It could be included as a part of the application or be an attachment.

New and Expanded Recreational Project means that the proposed building cannot be a replacement of a current building. The proposed building must also be related to either a new or expanded recreational project--either an expansion in land or an expansion of an existing building or in the opportunities for recreation at the project site.

Playground equipment calculation - Only the actual costs of the playground equipment (a bid or invoice showing the amount of the equipment costs must be provided) - cannot include freight or installation or surface materials or removal of old equipment, etc.

Staffing/Outside Consultants Costs - If you are requesting OHF funding for staffing or for an outside consultant, you must provide information in your application on the need for OHF funding to cover these costs. For example, if you are an entity that has engineering staff you must explain why you don't have sufficient staff to do the work or if specific expertise is needed or whatever the reason is for your entity to retain an outside consultant. If it is a request for reimbursement for staff time then a written explanation is required in the application of why OHF funding is needed to pay for the costs of that staff member(s)' time. **The budget form must reflect on a separate line item the specific amount that is being requested for staffing and/or the hiring of an outside consultant.** This separate line item will then be used to make the calculation of 5% or 10% as outlined in the law. Note that the calculation will be made on the grant less the costs for the consultant or staff.

Maintenance – Activities that preserve or keep infrastructure in a given existing condition, including repairs. Repair means to restore to sound condition after damage, to renew or refresh; except repairs due to damage caused by Acts of God.

## **Scoring of Grants**

**Oral Presentation.** Please note that you will be given an opportunity to make a ten-minute Oral Presentation at a meeting of the Outdoor Heritage Fund Advisory Board. These presentations are strongly encouraged.

**Open Record.** Please note that your application and any attachments will be open records as defined by law and will be posted on the Industrial Commission/Outdoor Heritage Fund website.

All applications will be scored by the Outdoor Heritage Fund Advisory Board after your ten-minute oral presentation. The ranking form that will be used by the Board is available on the website at <http://www.nd.gov/ndic/outdoor-infopage.htm> .

## **Awarding of Grants**

All decisions on requests will be reported to applicants no later than 30 days after Industrial Commission consideration. The Commission can set a limit on duration of an offer on each application or if there isn't a specific date indicated in the application for implementation of the project, then the applicant has until the next Outdoor Heritage Fund Advisory Board regular meeting to sign the contract and get the project underway or the commitment for funding will be terminated and the applicant may resubmit for funding. Applicants whose proposals have been approved will receive a contract outlining the terms and conditions of the grant.

## **Responsibility of Recipient**

The recipient of any grant from the Industrial Commission must use the funds awarded for the specific purpose described in the grant application and in accordance with the contract. The recipient cannot use any of the funds for the purposes stated under Exemptions on the first page of this application.

If you have any questions about the application, the Commission can be reached at 701-328-3722 or [ndicgrants@nd.gov](mailto:ndicgrants@nd.gov).

Revised: November 4, 2019, April 12, 2023