

Minutes of a Meeting of the Outdoor Heritage Advisory Board
Held on June 7, 2019 at 8:30 a.m.
DMR Conference Room, 1000 E Calgary
Bismarck, ND

Present: Jim Melchior, OHF Advisory Board Chairman
Randy Bina, OHF Advisory Board
Joshua DeMorrett, OHF Advisory Board
Tyler Dokken, OHF Advisory Board
Bob Kuylen, OHF Advisory Board
Daryl Lies, OHF Advisory Board
Wade Moser, OHF Advisory Board
Kent Reiersen, OHF Advisory Board
Patricia Stockdill, OHF Advisory Board
Terry Steinwand, OHF Advisory Board
Rhonda Kelsch, OHF Advisory Board
Melissa Baker, OHF Advisory Board
Tom Claeys, OHF Advisory Board

Also

Present: A complete list of attendees is available in the Commission files

Chairman Jim Melchior called the meeting of the Outdoor Heritage Fund Advisory Board (“Board”) to order at 8:30 a.m. with a quorum being present. He stated the meeting is being live audio broadcasted over the internet and encouraged the members to use their microphones.

Chairman Melchior noted that Jay Elkin and Carolyn Godfread were not able to attend. No additions or deletions were made to the agenda.

It was moved by Mr. DeMorrett and seconded by Mr. Bina to approve the December 4, 2018 minutes as presented. By voice vote the motion carried unanimously.

Ms. Fine provided a financial summary as follows.

	Cash Balance
July 1, 2017 Balance	\$ 26,787,635.95
Interest Revenue through April 30, 2019	\$ 55,863.81
Revenues through April 30, 2019	\$ 10,799,176.90
Returned funds	\$ 30,234.42
Grant Expenditures through April 30, 2019	\$ (6,242,970.12)
Administrative Expenditures through April 30, 2019	\$ (97,456.65)
	31,332,484.31
Outstanding Administrative Expenses	\$ (52,543.35)
Outstanding Project Commitments as of April 30, 2019	\$ 21,203,150.75)
Balance	\$ 10,076,790.21

54-17.8-02 North Dakota Outdoor Heritage Fund – Continuing appropriation

There is created a North Dakota Outdoor Heritage Fund that is governed by the Commission. Any money deposited in the Fund is appropriated on a continuing basis to the Commission for the purposes of this chapter. Interest earned by the Fund must be credited to the Fund. The Commission shall keep accurate records of all financial transactions performed under this chapter.

57-51-15. Outdoor Heritage Fund - Deposits.

The tax revenue collected under this chapter equal to one percent of the gross value at the well of the oil and one-fifth of the tax on gas must be deposited with the State Treasurer. The State Treasurer shall allocate the funding in the following order:...

(e) (1) For the period beginning September 1, 2017, and ending August 31, 2019, the state treasurer shall allocate eight percent of the amount available under this subsection to the North Dakota outdoor heritage fund, but not in an amount exceeding ten million dollars per biennium. For purposes of this paragraph, "biennium" means the period beginning September first of each odd-numbered calendar year and ending August thirty-first of the following odd-numbered calendar year.

(2) After August 31, 2019, the state treasurer shall allocate eight percent of the amount available under this subsection to the North Dakota outdoor heritage fund, but not in an amount exceeding twenty million dollars per fiscal year.

Ms. Fine clarified that the Legislature authorized a maximum of \$7.5 million per year, for a total appropriation of \$15 million for the 2019-2021 biennium.

Administrative Discussion

Ms. Pfennig provided a report on the legislative session. There was one change to the program. Subsection 6 of section 54-17.8-06 now requires that grant applications forwarded to the Commission receive a favorable recommendation from a majority of the Advisory Board members. Ms. Pfennig noted that this law does not come into effect until July 1, 2019. If the Board would like to adopt that policy for this meeting, it would require a motion.

Mr. Melchior noted that in the past, the policy of the board has been to utilize a majority of the voting members present. This provides clarification of legislative intent.

In response to a question, Mr. Melchior clarified that all applications forwarded to the Commission must receive a favorable recommendation from seven members, regardless of the number of members present. For example, if only ten voting members attend a meeting, applications must still receive seven positive votes.

It was moved by Mr. Moser and seconded by Mr. Dokken that applications must receive a favorable recommendation from a majority of the Advisory Board members in order to be forwarded to the Industrial Commission for final approval.

The question was raised if a motion would still be required to release applications not receiving a recommendation to fund at any level from further consideration. Mr. Melchior stated that a motion would be required. During discussion, it was clarified that the seven vote requirement would only apply to the final vote. The Board may continue utilizing a majority vote of the members present for discussion purposes.

By voice vote the motion carried unanimously.

Mr. Melchior stated that the law prohibits the use of OHF funds for maintenance costs. Because of this, staff has prepared a draft definition of maintenance costs as follows:

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.*

Ms. Pfennig noted that a grants management software system is currently being procured and the definition will be helpful for the new online application system as well. Ms. Pfennig stated that the proposed language was taken from two different Attorney General opinions.

There was discussion regarding infrastructure that is in good condition as opposed to things that were constructed poorly, or things that have been damaged due to an event beyond an owner's control. The consensus of the Board was that if OHF funds are used to keep something in good condition, it is a maintenance expense.

Concern was expressed that by defining the term "repair" OHF would not be able to provide assistance to projects that are impacted by Acts of God or neglect. It was proposed to leave the language defining "repair" out of the definition of maintenance.

Others felt that the definition would not provide clarity without defining the term "repair." There was agreement that if the damage was caused by a natural disaster, OHF should be able to provide assistance. Some did not support utilizing OHF funds for repairs due to neglect.

There was discussion that applicants could be offered the opportunity to explain any extenuating circumstances they feel they might have that could go to the Board for consideration.

It was clarified in discussion that the Technical Committee has the authority to reject applications that do not meet the criteria for eligibility. While this rarely occurs, two projects were rejected during this round. One involved an irrigation pond on a golf course and one involved repair of a public road.

It was noted that having a definition regarding maintenance alerts the applicant that this is an issue.

It was proposed that the definition remains intact with the addition of language excepting damage caused by acts of God.

It was moved by Mr. Moser and seconded by Mr. Lies that the following definition of maintenance be recommended to the Industrial Commission for adoption:

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.

On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Lies, Melchior, Moser, Reierson and Stockdill voted yes, no one voted nay. The motion carried unanimously.

A question was raised if a policy was required to enable the Technical Committee to have authority to reject applications that clearly do not meet the program criteria. Mr. Melchior felt that this has already been an established practice and is not necessary. He noted that the Committee doesn't want to take the place of the Board and takes a very cautious approach to rejecting applications. To date, only three applications have been disqualified by the Technical Committee. It was noted that in the instances that the technical committee has rejected applications, it was prompted by a request from a Board member to review certain applications to determine if they are compliant with program.

Ms. Pfennig noted that during the Technical Committee a question was raised regarding the level of local match that the Board would like to see from communities. Funds from state agencies such as the State Water Commission, Game and Fish, Parks and Recreation, and DOT are usually not considered State

General Fund dollars. By law, they are eligible to be utilized as match for OHF. Federal funds are also eligible to be used as match.

Because of this, a project may not have any local match and still be eligible. Based on the discussion at the Technical Committee meeting, Ms. Pfennig asked if the Board wants to recommend a 25% local match requirement.

There was discussion regarding the match requirement for agricultural best management practices (BMPs.) The practice has generally been to require a 40% match requirement for projects involving BMPs on privately owned land. Ms. Pfennig clarified that in 2018, a policy was made that required a 40% match on fencing projects. It was the Technical Committee's understanding that the 40% requirement was for all BMPs. The general consensus was that this should be clarified. However, as it would not apply to the current applicants, it was determined that further discussion should be held at the end of the meeting.

Mr. Melchior called on the first applicant to make their ten-minute presentation.

14-17 North Dakota Conservation District Employees Association: ND Statewide Tree Planting Initiative, \$3,070,000

Project Summary: Provide financial assistance to implement agroforestry practices including farmstead, feedlot and field windbreaks, forestry, wildlife and riparian plantings, buffers, and living snow fences.

Ms. Sarah Tunge gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

In response to questions, the applicant stated:

- Of the prior funds awarded, \$3.9 million has been awarded. Approximately \$3.7 million has been spent. Some of the returned funds is due to landowners canceling projects.
- The contract is written for the next planting period. However, the applicant can ask for an extension.
- This is used as a gateway to encourage people to come into the Soil Conservation office and discuss other conservation measures.
- PLOTS may come up in conversation, but it is not a focal point or requirement. The Association is a volunteer organization, and so it doesn't solicit.
- Trees are not planted into native prairie.

The applicant was encouraged to find ways to promote and increase public access. Because this is public funds, the public should benefit.

14-18 (B) ND Natural Resources Trust: Working Grassland Partnership IV, \$1,225,000

Project Summary: Partnership to provide landowners with options to develop expired CRP acres into working grazing lands through previous phases of Working Grassland Partnership grant funds.

Mr. Terry Allbee gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

In response to questions, the applicant stated:

- The projects are long term projects and on schedule.

- They would like to keep the programs as consistent as possible. It is important to partners and landowners.
- In 2017-2018, there was not an option for reenrolling in CRP. There is a new Farm Bill, and landowners can reenroll into CRP if they choose. It is difficult to say how many will do so. This would be an option for landowners that want to put it into a grazing system.
- Participants find out about the program through the partners.

14-21 (C) Audubon Dakota: Grand Forks Area Prairie Management Toolbox Phase II, \$766,867

Project Summary: Provide forage and habitat enhancement resources to landowners within the Grand Forks area, covering five counties: Grand Forks, Eddy, Foster, Nelson, and Walsh.

Mr. Marshall Johnson and Ms. Sarah Hewitt gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

In response to questions, the applicants stated:

- A combination of methods is required for tree removal success. First the trees are removed, grazing systems may be redesigned. Prescribed fire is a tool that is used to keep suppression in effect as part of a long-term management plan.
- The dominant species being targeted is Russian Olive, but there are others as well including some willows, ash and cottonwood.
- Woody management is required for reenrollment in CRP. To reenroll, they must be clean of woody encroachment. There is nothing in the current CRP contract requiring management.
- Some prior sites were 60% overtaken by woody encroachment. There was quite a range in bids in the previous phase of the project making it difficult to estimate costs on a per acre basis. Estimates were calculated by specific sites; the estimates were generally per hour. There are 3-4 contractors, and so the amount varies.
- Herbicides are a follow up treatment for Russian Olive. In cases where the tree is stump cut, the stump can be treated so that suckers do not come up.
- A habitat management plan is required that prescribes how to prevent encroachment from reoccurring. Herbicide treatment and clipping can prevent encroachment. Herbicide treatment is encouraged to prevent trees coming back.

It was noted that local soil conservation districts may be able to perform the tree removal service at a cheaper cost.

It was noted that fencing systems can be structured to include sheep and goats in the same pasture. Applicant responded that this would be a secondary treatment for long-term management after the initial problem is addressed. Not all producers will want to utilize this strategy.

14-14 (A) City of Stanley: Main Street to Stanley City Pond Shared Use Pathway, \$275,800

Project Summary: Construct a shared use pathway to provide access to the Stanley City Pond and Scout Facility from Main Street.

Mr. Jeff Ebsch gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

In response to questions, the applicant(s) stated:

- Some oil companies that have been approached have been very generous, others have not been as responsive.

- The reservoir level is mostly natural. It does raise and lower. Applicant would ensure the road is above the high-water mark.

Mr. Claeys noted that the Forest Service has an individual in the area that could provide assistance with tree selection and planting. Because the trees planned for the project are large, he strongly encouraged the applicant to utilize the expertise of the Forest Service as a resource.

14-15 (D) City of Cavalier: Cavlandic Trail Reconstruction and Repair, \$306,000

Project Summary: Reconstruct and/or repair the Cavlandic Trail, a highly trafficked 6.5-mile paved trail that runs along the North side of Highway 5.

Mr. Kyle Gagner gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

In response to questions, the applicant(s) stated:

- The City of Cavalier has contributed \$10,000 and indicated that they would be willing to provide more.
- While the cracks have been sealed, the weeds come up fast. Weeds are sprayed as they appear. This will ultimately be a new trail, which is why the costs are so high. The new base will provide additional weed control.
- Other locations were considered. The trail is on highway right of way, and the current landowners have provided approval. It would be a major undertaking to develop the trail in a different place. Because of the floodplain, options are limited.

14-11 (B) Pheasants Forever: Precision Agriculture: Technology, Conservation, and Habitat, \$301,875

Project Summary: Provide cost-share assistance for between 10-20 growers with an estimated 3,600 acres for perennial cover establishment, cover crops, and pollinator habitat.

Ms. Rachel Bush gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

In response to questions, the applicant(s) stated:

- Currently, Pheasants Forever have an OHF project that focuses on the southwestern portion of the state. While there are funds available, they are restricted to counties south and west of the Missouri River. That project is focusing on whole pastures. There is an additional project that is focused on Ward County. This project would come directly through referrals from working with precision ag and conservation specialists. While some of the previously funded projects still have funds available, the footprint of the three projects are different.
- Pheasants Forever is interested in pollinator habitat because it is pheasant/chick habitat.
- This will be offered to areas in which Pheasants Forever has staff. Because this is a three year program and additional staff may be added, more areas may be able to be covered in the future.
- It is anticipated that the agreements with landowners would be 5 years. The applicant wanted the program to be flexible enough to entice participation.
- Haying is allowed after July 15. This program does not offer a rental payment so, the producer needs to be able to recover some funds.

14-07 (B) South McLean County Soil Conservation District: Turtle Creek Watershed Project Water & Habitat Initiative, \$150,000

Project Summary: Implement best management practices that either 1) mitigate impact of

animal feeding operations on 38.2 square miles of aquatic ecosystems, 2) create additional nonaquatic habitat and improve water quality of surface waters, or 3) preserve integrity of riparian ecosystems.

Applicant was unable to attend today, but a handout was provided.

14-23 (C) ND Parks and Recreation Department, Natural Resource Stewardship in ND's Parks, Preserves, and Natural Areas II, \$108,680

Project Summary: Conserve and enhance existing native and restored prairies, woodlands, and tree and shrub plantings within parklands to provide healthy ecosystems.

Ms. Kathy Duttonhefner gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

The Board did not have any questions for Ms. Duttonhefner. It was noted that the applicant provided excellent reports that clearly delineated the success of the prior project. Other OHF participants were encouraged to review the reports as an example.

14-13 (B) LaMoure County Soil Conservation District: Dickey/LaMoure Farmland Recovery Project, \$105,270

Project Summary: Within five to eight years, provide cost share to producers to treat 400 acres of saline areas at approximately 50 sites through testing treatments devised by NDSU Extension.

Mr. Bob Flath gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

In response to questions, the applicant stated:

- The project could be pursued without using OHF funds for rental payments. He recommended that there be a few years without the rental payment. He noted that they are seeing some strides regarding an understanding that the saline acres are not productive. The intent of this application is to go after larger scale operators that are renting property that are required to pay for the acres whether they are productive or not. These operators may not have cattle for haying.
- After the grass is established, if the acreage is used for hay, the grasses should come back year after year. Salinity within the soil should be reduced.
- Agreements can be with the owner of the lands, or the renter. It would depend on the contract that the renter has with the owner. The software being utilized is from the ND Dept. of Environmental Quality and allows for multiple signatures.
- Land rental payments will go to either the landowner or the renter, depending on the contract between the renter and the owner.
- If the project is successful, it could be built upon and expanded.
- There are no mowing/haying restrictions, especially after the first two years. The focus of the project is soil health, not wildlife benefits.
- NASS rental rates are used in the application. The average local rental rate is \$100-125 per acre.
- Land use is the reason that the salinity rose in the soil in the first place. However, rather than restricting land use beyond 5 years, the hope is that the education provided regarding best practices will be utilized.

14-12 (C) North Dakota Petroleum Foundation: Planting for the Future, \$88,650

Project Summary: Plant 30,000 trees every year for the next three years.

Ms. Tessa Sandstrom gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

In response to questions, the applicant stated:

- The landowners submitting the applications currently come from the southcentral region of the state. Applications from landowners from the northwestern portion of the state would be considered.
- Current projects haven't been located near roads, so setback requirements haven't been considered.
- These projects are taking place on private land, and so SHPO isn't required.
- Projects have been on existing cropland or pasture land, not native prairie.
- Some projects may be required to be planted by the PSC. Of the first 90,000 planted, ~15,000 were required plantings. At this time, it is not known if future plantings would be associated with requirements by the PSC.

14-10 (D) Dunn County Park Board: Little Missouri Recreation Area, \$85,600

Project Summary: Design a campground that will add 30 RV campsites and four tent sites, shoreline public picnic area, and mowing of old road beds to provide non-motorized trails.

Mr. Daryl Dukart and Ms. Carie Boster gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

In response to questions, the applicants stated:

- Corps approval has been granted for the fish cleaning station. The location is still being determined. ND Game and Fish has approved cost share for the fish cleaning station.
- The Corps defines transient camping as camping for up to 14 days. Opportunities for longer term camping is based on a lottery.
- Dunn County Park Board Management and the Campground Host will be responsible for ensuring the terms regarding transient and long-term camping are met.
- An online reservation system will be utilized that also collects payments.
- Because there will not be any grading, changes to the design are not anticipated. While the sizes vary, most RV sites are 50-60 feet deep and 40-50 feet wide. People that come to this area come because of the remoteness, and the goal is to maintain that quality.
- Campfires will be prohibited during burn bans. One water hydrant for every four RV sites will also be placed onsite, and the fire department is nine minutes away.

It was noted that this is a beautiful area.

14-01 (A) Barnes County Wildlife Federation: Chatauqua Park Boat Landing Road Repair, \$75,000

Project Summary: Excavate approximately 200'X200' and add concrete rubble so the existing fishing pier & boat landing can be used in spring/early summer.

The applicant was unable to make a presentation.

14-20 (C) Wildlife Forever: Prairie City USA, \$69,035

Project Summary: Restore underutilized municipal green spaces at 40 different sites within 20 communities throughout eastern North Dakota into native prairie and pollinator habitat.

John DeVries gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

In response to questions, the applicant stated:

- The seed is from wild prairie, but not necessarily from North Dakota.
- 20 communities are planned but have not been identified. The project could spread statewide. The goal is to locally source seed, so access to seed is required. There is a lot of work that is done to get community buy-in, and travel is required for this effort. The costs of travel would be provided as match.
- The 40 plots will be small (many less than 10'x10'). However, the major goal of the project is to establish Natural Resource Advisory Communities to keep growing the footprint within the communities.
- Even though the footprint of the plots is small, the value is great because it gives access to more people by being more visible. This project is about more than a small plot, it is about providing education to many. The usage of wildlife by diverse plantings is great. Other community groups such as 4H become partners in the maintenance and have a stake in the success.

14-16 (D) Morton County Water Resource District: Harmon Lake Erosion Control, \$44,138

Project Summary: Eliminate the erosion to the public swimming beach by reshaping the parking lot for the beach and install a curb and gutter system to divert the water to the west.

Mr. Tim Nielson gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

14-22 (D) City of Pembina/Pembina Recreation Board: Fort Daer Bathroom/Fish Cleaning Station Renovation, \$38,782

Project Summary: Add two private shower rooms (one handicap accessible) and remove the existing fish cleaning station on stilts and place on concrete at Ft. Daer recreation area.

Mr. Mike Fitzgerald gave a presentation (A copy of the handout is available in Commission files.)

14-08 (D) Voices for Lake Oahe: Cattail Bay Recreation Area Improvement, \$18,750

Project Summary: Construct a new fish cleaning station which would include running water, electrical power and lights, covered fish cleaning table, and a parking area.

Mr. Doug Vannurden gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

14-19 (D) Beulah Parks and Recreation: Beulah Troy Park, \$10,000

Project Summary: Replace current playground at Troy Park with updated state of the art playground that will include multiple learning and activity stations.

Applicant was unable to make a presentation.

14-04 (D) Mott Visionary Committee: Cannonball Trail, \$10,000

Project Summary: Construct a one and a half mile long rustic trail along the river banks that will begin at the school to attract nature lovers, fisherman, bicyclists, and birdwatchers.

Ms. Paula Anderson gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

In response to questions, the applicant stated:

- Some of the costs include labor to stake out the area and infill with dirt.

14-06, (D) Richardton Park Board: Richardton Park Beautification, \$4,740

Project Summary: Beautify the St. Mary's Park through the addition of six Autumn Maple and Mountain Ash along with four Siena Glen Maple Trees.

Applicant was unable to attend today.

14-02, (D) City of Milnor: Storm Lake Wildlife Observation Deck, \$17,725

Project Summary: Build a 12' x 24' wildlife observation deck next to Storm Lake's middle pod on the northeast corner of the lake on property owned by the City of Milnor.

Applicant was unable to attend today.

Upon completion of all the presentations, Chairman Melchior opened the meeting for public comment on any of the projects. No comments were provided.

There was general discussion by the OHF Advisory Board on Grant Round 14 applications as follows:

14-17 North Dakota Conservation District Employees Association: ND Statewide Tree Planting Initiative, \$3,070,000

- There was a question regarding administrative fees in general. The law allows for 5% of the award for awards over \$250,000 to be used for staffing. By policy, the Board has requested that applicants provide justification for why the funds are needed.
- The \$60,000 the applicant is requesting for administrative costs is within the amount allowed by law.
- In a previous project, the applicant has only used \$5,500 for administration expenses. This was billed on actual expenses. There is also an amount to cover cultural screenings. Based on past performance, the full amount will most likely not be used.
- This is a very good project with a proven track record.

14-18 ND Natural Resources Trust: Working Grassland Partnership IV, \$1,225,000

- Like the projects that they are doing and the fact that this is statewide. Maybe we should look at more of a statewide approach instead of a regional approach to avoid overlap.
- There was concern that the funds have been slow to be expended. Perhaps the length of time needs to be decreased.
- The organization has funds available, need for staffing needs to be more clearly documented.
- Others would support the staffing.
- Others agreed that it would be nice to see more immediate results.
- There was discussion about how to encourage projects to be implemented more quickly. It was noted that sometimes there is a lack of contractors to perform the work.
- A scaled approach can be beneficial, especially regarding long term projects with long term impacts. Concern was expressed regarding micromanagement of projects.
- It was noted that with many 5 year projects the big expenses aren't incurred until the second or third year.

14-21 Audubon Dakota: Grand Forks Area Prairie Management Toolbox Phase II, \$766,867

- This is a lot of money to take out trees.

- Other applications involving invasive species such as leafy spurge, houndstongue, and thistle have been denied in the past.
- Removing trees is expensive. Most concerns are with the maintenance afterwards and the methods and herbicides selected.
- There's a difference between noxious weeds that are required to be controlled by state law compared to invasive species. The only tree considered a noxious weed is salt cedar.
- The difference would be that they chose to let them grow.

14-14 City of Stanley: Main Street to Stanley City Pond Shared Use Pathway, \$496,425

- Paving doesn't seem like a good fit with conservation. Mott is happy with \$10,000 for a native trail.
- It provides access whether it is a paved or unpaved trail. It provides access to a conservation area.
- If they pave the road and not the trail, kids will ride their bikes on the road. The community invested \$1 million for the facility. Next to water, paving would be better than gravel. Gravel will be wet all the time This will be heavily used. This is a different set of circumstances than Mott.

14-15 City of Cavalier: Cavlandic Trail Reconstruction and Repair, \$306,000

- Some of the damage was caused from flooding. The dam has been constructed and should prevent a similar situation from occurring.
- Disappointment was expressed about the lack of local support. While there is local support, it is small in comparison to the cost of the project.
- More fundraising efforts are underway, and the costs are higher than they anticipated.
- A concern is what funds will be in place for upkeep over the next 10 years. Support for the project was expressed, but if the applicant fails to maintain the infrastructure, they would not support fixing it in the future.
- While the percentage is small, the amount for the community is significant.
- The appropriateness of paving is often questioned, but it does provide access for individuals with all abilities.
- The locals have gone to a lot of work to get several partners, which is a strength.
- A typical lifespan for this type of project, if installed and maintained properly, is 15-20 years.

14-11 Pheasants Forever: Precision Agriculture: Technology, Conservation, and Habitat, \$301,875

- When you look at what they're doing with the economics, it could have a tremendous benefit for both producers and wildlife across all of North Dakota.

14-07 South McLean County Soil Conservation District: Turtle Creek Watershed Project Water & Habitat Initiative, \$150,000

- The issue that the Technical Committee had is that the BMPs that would be utilized were unclear.
- More information is needed on what had been done with the prior award.
- Limited detail in the reports was provided. We need to do these types of projects, but we need to see results.
- They had talked about livestock waste runoff containment facilities. Those are expensive projects. In the past OHF has not funded those projects. If the Board were to recommend funding of this application a contingency restricting livestock waste runoff containment facility should be included. There are other funding sources for that activity.
- They do have a current active 319 watershed project, and the Painted Creek watershed will be funded in July.

14-23 ND Parks and Recreation Department, Natural Resource Stewardship in ND's Parks, Preserves, and Natural Areas II, \$108,680

- This is a great project with a history of success.
- Removal of hazardous trees is in the budget already, but it isn't a specific line item. The funds in the proposed budget would be for large trees that the applicant's staff and equipment cannot handle.

14-13 LaMoure County Soil Conservation District: Dickey/LaMoure Farmland Recovery Project, \$105,270

- This proposal is using OHF funds to pay rental fees, which the Board has avoided doing in the past.
- There seems to be confusion about who will get the payments – will it be big landowners or not?

14-12 North Dakota Petroleum Foundation: Planting for the Future, \$88,650

- Concerns were expressed about a lack of consideration for the State Historic Preservation Office (SHPO). It's our understanding that any time public funds are used for tree planting, which disturbs the land, there needs to be a cultural resource review. The applicant is strongly encouraged to contact SHPO.
- There appeared to be a lack of understanding regarding right of way designations. If this is approved, we should include a stipulation that SHPO approval is obtained and they follow all local easement regulations.
- There has also been concern with scalping. We should be using the best practices available.
- We do have a statewide project, they could utilize those funds. This would help ensure that the proper procedures are followed regarding planting best practices and adherence to SHPO and local regulations.
- The more opportunities that we have in place to plant trees the better. They do need to comply with state laws, and we should make them aware of that.
- PSC has some guidelines in place. They now reference NRCS tree planting specifications.
- This is a good partnership. The applicant needs to follow the proper setbacks and regulations. There is a learning curve. There were some issues that were brought to attention, such as the location of trees. NRCS can explain the guidelines to help make them aware.
- There is room for more partners in tree planting programs. We look forward to working with them. This expands the opportunities for landowners.
- Pasture often is native prairie. It was requested that a stipulation be put in place that trees are not put into unbroken prairie.

14-10 Dunn County Park Board: Little Missouri Recreation Area, \$85,600

- This area is heavily used and would be an asset to the area.
- The application was well done, with good partners in place.
- They're using local contractors that are doing the work at cost. This is a significant match that isn't being included. They have strong local buy-in.

14-01 Barnes County Wildlife Federation: Chatauqua Park Boat Landing Road Repair, \$75,000

- Is this maintenance, or is this a project that was never planned properly in the first place? Maybe it has just gotten enough use that it needs to be expanded and improved.
- The application was not filled out very well with limited detail. Some questions were not answered. Perhaps they will come back with more information.
- This was poorly planned decades ago, it is not lack of maintenance. The area is well used in the spring and early summer.
- When asking for \$75,000, more detail should be provided.

14-20 Wildlife Forever: Prairie City USA, \$69,035

- We have projects being done by Pheasants Forever that are much larger in scale. If they would do 2-3 larger plots in 2-3 communities, the impact could be much more significant. The project should focus on larger areas and establishing those areas as a pilot project. It would be much more impactful and easily managed than traveling to 20 communities for small plots.
- We would not be paying for their travel this time.
- He would like to eventually expand the size of the plots, and the cost of the seed is not cheap.
- It would be better to spend less time on the road talking to people and spend more time establishing a good product.
- The seed is expensive, but that is why the scope could be reduced.
- Concerns were expressed about controlled burning. Do we want to have 40 towns doing controlled burns? Most small towns do not have the capability to deal with a prescribed burn out of control. A prescribed burn out of control could have significant implications in a town.

14-16 Morton County Water Resource District: Harmon Lake Erosion Control, \$44,138

- This is a project that has been completed that has some issues, is this maintenance?
- What directive does this meet.

14-22 City of Pembina/Pembina Recreation Board: Fort Daer Bathroom/Fish Cleaning Station Renovation, \$38,782

- Support the fish cleaning station. The bathroom needs more justification.
- The comprehensive plan needed more detail.
- Both are buildings. If the comprehensive plan isn't adequate should we fund one of them? Why is one valued over the other?
- The comprehensive plan didn't justify improvements to buildings. There wasn't a clear alignment with the directives.

14-08 Voices for Lake Oahe: Cattail Bay Recreation Area Improvement, \$18,750

- They are commended for getting the Corps. to support the project.
- They do have a clear plan for Oahe.

14-19 Beulah Parks and Recreation: Beulah Troy Park, \$10,000

- This is a worth while project in line with our policies.

14-04 Mott Visionary Committee: Cannonball Trail, \$10,000

- No comment.

14-06 Richardton Park Board: Richardton Park Beautification, \$4,740

- This is a good project. Larger stock is appropriate for the location. There are concerns with the species they selected.
- The applicant did indicate that they would be happy to work with the Forest Service for species selection.
- Where is there a conservation element to large trees in a park in town.
- The amount they are asking for is very small, but the impact this would have on the community is great. Support for this project was expressed.

14-02 City of Milnor: Storm Lake Wildlife Observation Deck, \$17,725

- No comment.

Chairman Melchior asked the voting Board members to complete all scoring sheets and turn them in to Ms. Fine and Ms. Pfennig. A total of ten Board members are present so a minimum of six voting members need to recommend some level of funding in order for the application to be considered for funding.

Ms. Fine noted that Patricia Stockdill, Joshua DeMorrett, and Tyler Dokken have a conflict of interest.

Chairman Melchior listed the nine applications that did not receive a minimum of six votes recommending funding at some level, which include application numbers: 21, 15, 16, 07, 13, 01, 20, 22, 02. He noted that two of the applications, 14-21 and 14-15 had a tie vote of 5-5. He asked the Board if they wished to discuss those two applications further.

It was moved by Mr. Moser and seconded by Mr. Bina that the following applications not be forwarded to the Commission for funding:

14-21 Audubon Dakota: Grand Forks Area Prairie Management Toolbox Phase II (\$766,867.25)

14-15 City of Cavalier: Cavlandic Trail Reconstruction and Repair (\$306,000)

14-16 Morton County Water Resource District: Harmon Lake Erosion Control (\$44,137.50)

14-07 South McLean County Soil Conservation District: Turtle Creek Watershed Project Water & Habitat Initiative (\$150,000)

14-13 LaMoure County Soil Conservation District: Dickey/LaMoure Farmland Recovery Project (\$105,270)

14-01 Barnes County Wildlife Federation: Chatauqua Park Boat Landing Road Repair (\$75,000)

14-20 Wildlife Forever: Prairie City USA (\$69,035)

14-22 City of Pembina/Pembina Recreation Board: Fort Daer Bathroom/Fish Cleaning Station Renovation (\$38,782)

14-02 City of Milnor: Storm Lake Wildlife Observation Deck (\$17725.43)

Mr. Hutchens asked why people did not want to fund the Audubon Dakota project so that the applicant could have feedback. Comments included:

- Conservation component was unclear.
- Did not want to fund weed control.
- Landowners should take care of their land. It may have been different if there was a higher match.
- State Land Dept. just spent \$8,000 to take care of the problem. Those enrolled in CRP are getting paid, some of those funds can be used for maintenance.
- Need for improved conservation and habitat. However, we've funded this project before and it is unclear as to its accomplishments. This seems to be less about conservation and more about maintaining property.
- This is nothing against Audubon Dakota, landowners should have more skin in the game. However, we don't pay for other invasive species that are either as detrimental or more detrimental. They chose to watch those trees grow.

On a roll call vote, Bina, Dokken, Hutchens, Kuylen, Melchior, Moser, and Reiersen voted yes, and DeMorrett, Lies, and Stockdill voted nay. The motion carried.

14-17 ND Conservation District Employees Association (NDCDEA): ND Statewide Tree Planting Initiative (\$3,070,000)

It was moved by Mr. Bina and seconded by Mr. Kuylen that the ND Statewide Tree Planting Initiative submitted by ND Conservation District Employees Association be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$3,070,000. On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Lies, Melchior, Moser, Reiersen, and Stockdill voted yes, no one voted nay. The motion carried unanimously.

14-18 North Dakota Natural Resources Trust: Working Grassland Partnership IV (\$1,225,000)

It was moved by Mr. Moser and seconded by Mr. Lies that the Working Grassland Partnership IV submitted by North Dakota Natural Resources Trust be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$1,215,000 with the stipulation that funds not be used for staffing.

There was discussion that staffing is required to operate the projects. With a project this size, staffing seems reasonable.

It was moved by Mr. Reiersen and seconded by Mr. Hutchens to amend the funding amount to \$1,225,000 to include funds for staffing.

There was agreement that staffing is needed to carry out projects. However, it wasn't justified in the application. Some felt that this applicant is different than volunteer associations with minimal funds available. They do have funds available to use for staffing programs that align with their mission.

On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Melchior, Reiersen, and Stockdill voted yes and Lies and Moser voted nay. The motion on the amendment carried.

On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Melchior, Reiersen, and Stockdill voted yes and Lies and Moser voted nay. The amended motion carried.

14-14 City of Stanley: Main Street to Stanley City Pond Shared Use Pathway (\$275,800)

It was moved by Mr. Kuylen and seconded by Mr. Bina that Main Street to Stanley City Pond Shared Use Pathway submitted by the City of Stanley be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$275,800. On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Lies, Melchior, Reiersen, and Stockdill voted yes, and Moser voted nay. The motion carried.

14-11 Pheasants Forever, Inc.: Precision Agriculture: Technology, Conservation, and Habitat (\$301,875)

It was moved by Mr. DeMorrett and seconded by Mr. Dokken that Precision Agriculture: Technology, Conservation, and Habitat submitted by Pheasants Forever, Inc. be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$301,875. On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Lies, Melchior, Moser, Reiersen, and Stockdill voted yes, no one voted nay. The motion carried unanimously.

14-23 ND Parks and Recreation Department: Natural Resource Stewardship in ND's Parks, Preserves, and Natural Areas II (\$108,680)

It was moved by Mr. Bina and seconded by Mr. Moser that Natural Resource Stewardship in ND's Parks, Preserves, and Natural Areas II submitted by ND Parks and Recreation Department be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$108,680. On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Lies, Melchior, Moser, Reiersen, and Stockdill voted yes, no one voted nay. The motion carried unanimously.

14-12 North Dakota Petroleum Foundation: Planting for the Future (\$88,650)

It was moved by Mr. Moser and seconded by Mr. Kuylen that Planting for the Future submitted by North Dakota Petroleum Foundation (NDPF) be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$88,650 with the stipulation that NDPF consults with NRCS regarding regulations and field training.

It was noted that one of the Technical Committee members requested a stipulation that trees not be planted in native prairie. It was concluded that this is already included of NRCS regulations.

There have been questions raised regarding the quality of work being done. It is important that the NDPF is aware of the standards so that the project is successful.

Another felt that a good way to handle those concerns is to not fund the application at this time and let them improve their performance. They could reapply in the fall.

It was noted that the next grant round is in November. If the applicant was going to complete site visits and require certain land preparation, the November application deadline would be too late for them to complete that and move forward in the spring.

There was discussion that the applicant has great partners and the project has excellent potential. If they work with NRCS this project will do well.

On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Melchior, Moser, Reiersen, and Stockdill voted yes, Lies voted nay. The motion carried.

14-10 Dunn County Park Board: Little Missouri Recreation Area (\$85,600)

It was moved by Ms. Stockdill and seconded by Mr. Bina that Little Missouri Recreation Area submitted by Dunn County Park Board be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$85,600. On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Lies, Melchior, Moser, Reiersen, and Stockdill voted yes, no one voted nay. The motion carried unanimously.

14-08 Voices for Lake Oahe: Cattail Bay Recreation Area Improvement (\$18,750)

It was moved by Mr. Moser and seconded by Mr. Kuylen that Cattail Bay Recreation Area Improvement submitted by Voices for Lake Oahe be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$18,750. On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Lies, Melchior, Moser, Reiersen, and Stockdill voted yes, no one voted nay. The motion carried unanimously.

14-19 Beulah Parks and Recreation: Beulah Troy Park (\$10,000)

It was moved by Mr. Hutchens and seconded by Mr. Dokken that Beulah Troy Park submitted by Beulah Parks and Recreation be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$10,000. On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Lies, Melchior, Moser, Reiersen, and Stockdill voted yes, no one voted nay. The motion carried unanimously.

14-04 Mott Visionary Committee: Cannonball Trail (\$10,000)

It was moved by Mr. DeMorrett and seconded by Mr. Bina that Cannonball Trail submitted by Mott Visionary Committee be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$10,000. On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Lies, Melchior, Moser, Reiersen, and Stockdill voted yes, no one voted nay. The motion carried unanimously.

14-06 Richardton Park Board: Richardton Park Beautification (\$4,740)

It was moved by Mr. Kuylen and seconded by Mr. Dokken that Richardton Park Beautification submitted by Richardton Park Board be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$4,740 with the stipulation that Richardton Park Board works with Forest Service on selection of trees. On a roll call vote, Bina, DeMorrett, Dokken, Hutchens, Kuylen, Lies, Moser, Reiersen, and Stockdill voted yes, Melchior voted nay. The motion carried.

It was noted that the total amount of all the projects that will be recommended to the Industrial Commission for funding will be \$5,199,095.

Summary Report on Projects

Ms. Pfennig provided a brief report on total awards made through Grant Round 13. Through Grant Round 13, the total awarded is approximately \$41 million. Information breaking out awards by directive, activity and county was provided.

Discussion of Guidelines

Chairman Melchior noted that the current policy requires a match of 25%, with the exception of fencing which requires a landowner match of 40%. Several of the applications regarding best management practices (BMPs) for agricultural stewardship propose a 60/40 split for all practices, not just fencing. However, some applications do not propose a 60/40 split for BMPs. Chairman Melchior asked if the Board wanted to change the policy to be consistent for all BMPs.

In response to a question, Ms. Kelsch stated that NRCS pays based on the established practice cost. If you have 1,000 ft fencing at \$1.35, the cost would be \$1,350. OHF would cover 60% of the \$1,350, or \$810. The NRCS cost rate was utilized to standardized cost rates for OHF applicants.

Selection of Grant Deadlines for the Upcoming Biennium

Chairman Melchior stated that the proposed application deadlines for the next biennium are: March 2, 2020, September 1, 2020, and May 3, 2021.

It was moved by Mr. Moser and seconded by Mr. Bina that the following dates be accepted as OHF application deadlines: March 2, 2020, September 1, 2020, and May 3, 2021. By voice vote the motion carried unanimously.

Selection of New Chair and Vice Chair

Chairman Melchior called for nominations for Chair.

It was moved by Mr. Hutchens and seconded by Mr. Reiersen to nominate Mr. Kuylen as Chair for a two-year term.

Chairman Melchior called for any other nominations.

It was moved by Mr. Lies and seconded by Mr. DeMorrett to cease nominations and cast a unanimous ballot for Mr. Kuylen for Chair. By voice vote the motion carried unanimously.

Chairman Melchior called for nominations for Vice Chair.

It was moved by Mr. Hutchens and seconded by Mr. Reiersen to nominate Mr. Bina as Vice Chair for a two-year term.

Chairman Melchior called for any other nominations.

It was moved by Mr. DeMorrett and seconded by Mr. Moser to cease nominations and cast a unanimous ballot for Mr. Bina for Vice Chair. By voice vote the motion carried unanimously.

Chairman Melchior congratulated Mr. Kuylen and Mr. Bina.

Chairman Melchior noted that this is his last meeting on the Board, stating that it has been a pleasure serving. He wished the Board continued success in the future. He thanked Ms. Fine and Ms. Pfennig for their work.

The Board members expressed their appreciation for Chairman Melchior's service.

With no further business, Chairman Kuylen adjourned the meeting at 4:19 p.m.



Bob Kuylen, Chairman



Recording Secretary