

Minutes of a Meeting of the Outdoor Heritage Advisory Board
Held on December 10, 2019 at 9:00 a.m.
DMR Conference Room, 1000 E Calgary
Bismarck, ND

Present: Bob Kuylen, OHF Advisory Board Chairman
Randy Bina, OHF Advisory Board
Tyler Dokken, OHF Advisory Board
Jay Elkin, OHF Advisory Board
Brad Erickson, OHF Advisory Board
Carolyn Godfread, OHF Advisory Board
Daryl Lies, OHF Advisory Board
Wade Moser, OHF Advisory Board
Kent Reierson, OHF Advisory Board
Rachel Retterath, 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 Bob Kuylen called the meeting of the Outdoor Heritage Fund Advisory Board (“Board”) to order at 9:00 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 Kuylen welcomed Mr. Brad Erickson and Ms. Rachel Retterath to the Board.

Mr. Reierson made a motion to discuss the maintenance and repair definition that was adopted at the June 7, 2019 meeting. Dokken seconded. In a voice vote, the motion carried unanimously.

Ms. Pfennig noted that the North Dakota Century Code allows a finding of exceptional circumstance which includes maintenance costs if it is beyond its useful life. There was discussion from some Board members that projects that outlive their useful life are not maintenance, but rather replacement or new projects. Mr. Claeys stated if a project has used up its reasonable life, it should be considered a new project and then maintenance would not apply.

It was moved by Mr. Hutchens and seconded by Mr. Reierson to approve the June 7, 2019 minutes as presented. The motion carried unanimously.

Ms. Fine provided a financial summary as follows.

	Cash Balance
July 1, 2019 Balance	\$ 30,662,352.54
Interest Revenue through October 31, 2019	\$ 19,412.71
Revenues through October 31, 2019	\$ 2,887,480.30
Returned funds	\$ -
Grant Expenditures through October 31, 2019	\$ (1,305,732.65)
Administrative Expenditures through October 31, 2019	\$ (850.00)

	\$ 32,262,662.90
Outstanding Administrative Expenses	\$ (149,150.00)
Outstanding Project Commitments as of October 31, 2019	\$(23,778,287.43)
Balance	\$ 8,335,225.47

House Bill 1014, (2019 Session)

OIL AND GAS TAX REVENUE ALLOCATIONS - NORTH DAKOTA OUTDOOR HERITAGE FUND. Notwithstanding the provisions of section 57-51-15 relating to the allocations to the North Dakota outdoor heritage fund, for the period beginning September 1, 2019, and ending August 31, 2021, the state treasurer shall allocate eight percent of the oil and gas gross production tax revenue available under subsection 1 of section 57-51-15 to the North Dakota outdoor heritage fund, but not in an amount exceeding \$7,500,000 per fiscal year.

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

15-9 (B) Ducks Unlimited: Grasslands Enhancement Project Phase II, \$619,000

Project Summary: Collaborate with producers to improve grazing systems on an estimated 8,000 acres of state school trust, tribal, public, and private land through infrastructure enhancements and planned grazing along with providing both technical and financial assistance.

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

In response to questions, the applicant stated:

- Native grass species are planted when replanting grass.
- Water development does include drilling wells, power needed to move the water, and pipelines to transfer water into a tank.
- Lessees maintain the infrastructure after five years similar to leasing.
- The lease agreements are aligned with the landowners' lease agreement which allows the projects to be completed on both state and public lands. The wells are a permanent infrastructure.
- If an individual owns the land, the lease agreement covers a rotational grazing requirement with a goal of directly benefiting the habitat.
- The grazing coalition mentor network is helpful for ranchers that have never done rotational grazing.
- Producers change and lease terms vary. If the operator changes during the lease, there is no guarantee that the infrastructure will stay in place. To help counteract this, water infiltration testing is completed with the landowner or lessee to educate about importance and benefit of retaining the infrastructure, such as water absorption in the soil.
- Numerous leases have been held for generations.
- Approximately 3,400 acres were completed on school lands under the previous project.
- On tribal lands, the tribe owns the infrastructure improvements.
- On school lands, any fences that are put up are owned by the individual that leases the land. If the lessee eventually loses the land due to being outbid, a well would help ensure continued cross-fencing.
- Trust Lands provides a rent credit provided up to \$4,015 with an additional depreciation credit on a ten-year scale. Prior to the land going out to auction, there is a stipulation that requires the existing lessee to be reimbursed for the depreciation amount before the land can be leased.
- Interest in tribal participation has increased and hopefully will expand with the Three Affiliated Tribes in New Town.

- Completing SHPO reviews and getting a well driller caused project delays.
- A list of 117 well drillers in the State is kept in case there are any issues with the current well driller. Numerous wells will be installed in the spring.
- Under the current award a lot of the projects are in the development phase and 16 lessees have shown interest.

15-5 (C) ND Hettinger County Water Resource District: Cannonball River Fish Passage at Karey Dam, ~~\$258,779~~ \$253,770 – applicant presented a revised budget.

Project Summary: Remove the existing Karey Dam and replace it with an engineered rock ramp the same crest height as the existing dam in order to improve river connectivity, re-establish the fish passage, and reduce the long-term maintenance requirements.

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

In response to questions, the applicant stated:

- There is a plan to remove the sediment which will be checked for any radioactive material and then piled off to the side for landowners to access.
- The original purpose of the dam was for irrigation, but the primary purpose will be for wildlife, flood control, and safety.
- If the dam were to be completely removed, there would be a serious sedimentation problem and noxious weed issue all the way upstream.
- There are roads in place that provide access to the river for recreation and part of it is city property with a golf course.
- The access road is a township road. It may need to be fixed up to handle construction equipment.
- The arched replacement dam will carry to the same height as the current dam.
- A lot of fishing occurs below dam, but above the dam it is minimal because there is not fish passage.
- The last time this application was submitted, the Water Board was proposing a match of \$67,250. This application has proposed match of \$50,000. While this looks like a reduction in support, it is actually an increase because the proposed \$50,000 is for construction only. Previously, the costs of designing the project were included as match. Those costs have still been incurred; they're just not included in the application.

15-6 (C) Benson County Water Resource Board: Sheyenne River Fish Passage at Bouret Dam, ~~\$117,250~~ \$115,750 – applicant presented a revised budget

Project Summary: Remove the existing dam and replace it with an engineered rock ramp at a reduced dam crest height which will provide fish passage, improve fish and aquatic biota habitat, and re-establish river connectivity.

Mr. Brian Maddock and Ken Hoffert gave a presentation (A copy of the PowerPoint presentation is available in Commission files.)

This dam will be two feet lower which is less expensive and a better fit. The current dam has already lost one foot so the new dam will only be losing one foot.

In response to questions, the applicants stated:

- There is access on both sides of the river.
- A parking lot is located on the north side that is utilized by local fisherman.
- Their attorney is working to renew the easement for access.

15-8 (C) North Dakota Natural Resources Trust: North Dakota Grassland Restoration Project 2, \$100,000

Project Summary: Continue assisting landowners with cost-share for the restoration of 2,000 acres of grassland within three years to benefit wildlife species and agricultural grassland.

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

In response to questions, the applicants stated:

- Any cropland that a landowner chooses to put into grass is eligible because the landowner chooses the location.
- Typically, bromegrass is not targeted. Normally, it is marginal cropland.
- Public access is not required, but landowners are encouraged to participate in PLOTS or other programs.
- Public access is typically not factored into the scoring process, but there are conversations with all landowners about public access.

15-11 (C) Audubon Dakota: Grand Forks Area Prairie Management Toolbox Phase II, \$1,268,170

Project Summary: Provide financial and technical assistance to conserve the unique alkaline grassland ecosystem through conservation practices, such as invasive species removal, and support grazing infrastructure on 6,500 acres across four counties-Grand Forks, Eddy, Foster, and Nelson.

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

In response to questions, the applicants stated:

- From Phase 1 to Phase 2, the price per acreage increased from \$25 to \$195 because initially only properties with lower invasion were selected and now more invaded properties will be worked on which increases the cost.
- The project includes working with native prairie and enrolled CRP acres, but not expired CRP acres. Currently on the waitlist are approximately 2,500 acres of enrolled CRP.
- The rental rates of those acres are unknown.
- If the individual is enrolled in PLOTS, it would be a time frame specified by PLOTS. Otherwise, it would be throughout the term agreement. Woody invasion removal agreements have a five-year non-conversion agreement and grazing infrastructure agreements have a ten-year time frame.
- Most landowners were receptive to the idea of public access and the “Ask Before You Enter” sign.
- Cost and equipment needed are the biggest prohibitors for tree removal. Larger trees encroach easily so if the funds are unavailable one year, the problem could double the following year.
- Most landowners are active and only about 10% are absentee.
- Most landowners have tried to resolve the issue of invasive species on their own, but the extent of the issue is beyond their financial capabilities and equipment.

15-7 (A) Watford City Park District: McKenzie Bay Recreation Area Improvements, ~~\$112,480~~ \$14,345 – applicant presented a revised budget

Project Summary: Increase capacity of boat trailer parking area by paving/ marking each space which will reduce detriment, enhance access, improve sight lines, increase safety, reduce rutting, and be handicap accessible.

Ms. Shirley Brentrup gave a presentation with a revised budget and scope of work. The revised scope of work included: Purchase and installation of accessible pathway, parking pad, border, and wood fiber at playground

No questions were asked of the applicant.

15-12 (A) Casselton Park District: Fishing Dock-Tinta Tawa Park, \$45,000

Project Summary: Purchase a new aluminum fishing dock that will not rust or corrode with laminate all-weather decking that is lighter and will allow for easier transfer in and out of the water at Tinta Tawa Park.

The applicant was unable to attend.

15-01 (D) Minot Park District Foundation: Minot Family Recreation Area Day-Use Park, \$1,365,000

Project Summary: Development of an 18-acre day-use park including: access road and parking lot, pavilion, shared use path, trees, sign, site furnishings, water connection, drainage improvements, and electrical feed. This is Phase 1 of a 3 Phase project to develop a total of 240 acres that will include an 18-hole golf course, preserved natural prairie areas, recreational trails, club house/warming facility, picnic areas, winter park, and stormwater management & irrigation supply areas.

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

In response to questions, the applicant stated:

- The lake is located slightly off the trail which currently is wetland but will be used as irrigation for the golf course.
- The work on the lake is part of the golf course construction.
- Regarding the orchard, there is a Horticulturist and City Forester on staff for maintenance purposes.
- If awarded funding, Phase 1 completion would be spring of 2021. The intent is to come back to OHF for each phase of the project.
- A portion of the existing golf course would be removed due to frequent flooding so the back nine would be more of a natural area for trails which would be easier to clean-up. The golf course is located on the wet side of the new dike.
- Community engagement in developing the plan began in 2015. Recently, a meeting was held with all user groups and trails ranked high on the list.
- Site furnishings include benches, garbage cans, and picnic tables.
- A total of \$310,000 is for the park pavilion and monument signs and most of the funds will be for the pavilion.
- Anticipate there will be an education component for the fruit trees via social media or onsite training on how to properly pick fruit to prevent damage to trees, as well as plant a fruit tree in your own yard.
- A five-year plan was just completed, and this project is in the top five goals of the plan.
- The option of keeping this area as natural as possible and eliminating the need for pavement and concrete has been explored. To minimize grading work, anything not in the fairway will not get disturbed. The objective is to maintain the course as natural as possible.
- The parking lot area is within the city zoning requirements which will not allow a gravel road. The requirement is for a paved parking lot which would also be ADA compliant.
- The pavilion is viewed as a necessary component of this project. This will prevent the cancellation of events due to weather factors. The pavilion is also a regional destination and amenities are expected by the public.

- The pavilion will be constructed of steel columns and a roof.

A Board member complimented the applicant on a well-done plan.

15-13 (D) Turtle Mountain Band of Chippewa: Belcourt Lake Park Rejuvenation Project, \$48,567

Project Summary: Rejuvenate the Belcourt Lake Park area located in the Turtle Mountain Chippewa Reservation by installation of a commercial playground, rest room facility, picnic arbor, three boat docks, and fencing around the playground perimeter.

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

In response to a question, the applicant stated:

- Their comprehensive conservation plan for sustainability consists of the following:
 - Hire a Conservation Law Enforcement Officer who will serve to enforce Fish and Wildlife codes and protect Natural Resources habitat areas on the reservation.
 - Utilize the AmeriCorps Program to hire young adults between ages 18-24 to assist in Sky Chief Park development and operation.
 - Purchase portable sawmill equipment and build an equipment housing facility. A total of \$123,050 has been committed to the project with tribal and BIA funds.
 - Through a Tribal Senior Program, hire seniors ages 55 and over to assist with park maintenance. Funded by BIA at \$80,000.
 - Through a Tribal Youth Program, hire youth ages 14-18 to work alongside seniors to assist with park maintenance. Funded by BIA at \$65,000.

15-10 (D) City of Cavalier: Cavlandic Trail Redevelopment, \$310,316

Project Summary: Repair the Cavlandic Trail which is a 6.5-mile paved non-motorized trail used for biking and walking, add six new interpretive signs along the trail at unique outdoor habitat and geological points, and install three bike repair stations.

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

In response to questions, the applicants stated:

- A memorandum of understanding has been executed between the City, County, and State Park each for 1/3 maintenance upkeep.
- The project is not physically under construction, but bids have been accepted for the most difficult in-need part of the repair. The remainder of the trail would be completed with the proposed OHF funding request.
- The new trail will be eight feet wide.
- The improved trail will look very similar to the current trail. Depending on the quality of the current trail, some places will still be utilized as a base and some will be removed and replaced.
- The expected lifetime of the renovated trail is 25-30 years.
- Initially, the project was 6.5 miles, but was divided into phases in order to utilize existing funding for the 3.5 miles completed. The current trail is beyond its useful life and it is time to replace it.
- The current trail has been in place for 20 years.
- The funding originally came from many partners. ND Parks and Rec provided a significant amount. It was split into three phases and \$133,000 was raised locally.
- The total project costs include both Phase 1 and Phase 2 to be completed in 6.5 months.

- Phase 1 has been bid out and the bids have been accepted.
- If OHF funds are received, both phases will be completed. Doing both phases at the same time will save between \$50,000-\$60,000 in contractor fees.
- Regarding an educational conservation component, there are six interpretive signs spread out over the 6.5 miles. One science teacher devised an outdoor classroom for students and the trail would be a great second step in getting students closer to the nature preserve at the Heritage Center in Icelandic State Park.

It was noted that the Cavlandic Trail Association provides significant in-kind labor that is not included in the budget and should be included. This is a small, rural location. Resources are not available, so significant volunteer labor is required.

15-03, (D) City of Milnor: Storm Lake Wildlife Observation Deck, \$13,659

Project Summary: Build a 12' x 24' wildlife observation deck next to Storm Lake on the northeast corner of lake with handicap accessibility, bench seating, and pollinator gardens on both sides of the deck. Step one of a multi-step project to include a walking path around Storm Lake.

Ms. Carol Peterson gave a presentation with a revised application. (A copy is available in Commission files.) The wildlife observation deck will be larger, approximately 4 x 20 feet which will be placed on the west side and further away so that it can be observed.

In response to questions, the applicant stated:

- The bank going down to the deck is somewhat steep. The pollinators will be broadcasted and interspersed with the grass.
- Outdoor enthusiasts will enjoy observing the pollinator garden which will also help the wildlife.
- Compared to the last grant round, there was not enough letters of support or local support, financially. A conservation component was also missing. The planting of trees was discussed in the last grant round, but because that area used to be Highway 13, there was uncertainty as to how well a tree would do in that location. This is the reason for the pollinator garden in this current grant round.

North Dakota Parks and Rec provided the applicant with pollinator seeds.

It was noted that sourcing plants from out of state make them not as adaptable to local weather. North Dakota wildflowers do not seed regularly, usually between 2-4 years although they have a 50+ year life span. A recommendation was made to use local plants. Prairie Restorations out of MN has a location in ND and could provide help. Also, the NDSU Extension Service can provide pollinator assistance. Putting grass in amongst wildflowers would also be helpful along with putting in transplanted plants which will establish a lot more quickly and be a better option.

Upon completion of all the presentations, Chairman Kuylen opened the meeting for public comment on any of the projects.

- Mr. Les Thomas stated that the area surrounding the Cavlandic trail is quite unique scenery and landscape.

There was general discussion by the OHF Advisory Board on Grant Round 15 applications as follows.

15-9 (B) Ducks Unlimited: Grasslands Enhancement Project Phase II, \$619,000

- Concern was expressed that there is a tendency to not spend all the money allocated from the prior grant rounds before coming to OHF requesting money for similar projects. To foster creativity, current projects should be completed first to determine what did and did not work and then come back with a new direction. Creativity is not encouraged if the same projects keep receiving funding.
- Payments to producers are being made, but reporting varies which affects the timeliness of information. Some projects are set up to report on a six-month or yearly basis.
- There was not sufficient justification for the \$10,000 in staffing.
- The reason that some applicants have a lot of projects in the making with minimal money spent is due to difficulty in finding contractors.
- It would be nice to see these organizations work on the projects they have already been awarded before coming to the Board with similar projects.
- These are the types of projects that North Dakotans want, and the applicant is to be commended for partnering with state agencies and addressing fencing issues.
- The \$10,000 for staffing is allowable by state law.
- Staffing is required to complete these projects in a timely and efficient manner. This project is about creating habitat which is what the OHF was designed to address.
- To minimize open projects, a limit could be placed on the number of open projects an applicant can be working on. However, this should not be too complex because these are good projects.
- It is on public trust land, which is accessible, putting it at a distinct advantage.
- One problem is the sustainability of the project with a guarantee of only five years. The State and Department of Trust Lands do not fund any fencing and/or repairs on State Lands. What happens to this 5 or 10 year down the road?
- In southwestern North Dakota on State school lands, there is no grass. This project would greatly enhance the wildlife habitat. The land is currently not managed well, so this project would enable the cattle to move around the whole section. The hope is that people would work together to keep the project sustainable, but there is no guarantee.
- The central part of the state is also grazed heavily and providing water along with cross-fencing will improve the habitat. A positive is that if the land changed hands within five years and there was still money left, the new owner would pay the State for some of the costs. This would enable a buy-in to more effectively maintain the fencing.
- Can the State enforce requiring a new lessee to pay for some of the fencing?
- The State is not involved in the fencing business. It would not survive a legal challenge because the State does not own the fencing.
- Not all State land is poorly managed, but much of it does lack diversity and production.

15-5 (C) ND Hettinger County Water Resource District: Cannonball River Fish Passage at Karey Dam, \$258,779

- Direction is needed from the Industrial Commission on using Water Commission funds. Both dam projects are 95%+ State funded. It is easy to understand why a local entity is unable to provide a substantial amount of local funds. What is the current value of the dam?
- These low head dam replacements have outlived their useful lives so is it considered a new project. Fish passage is good for the whole river system, which could explain the minimal local buy-in. These projects were originally funded with State money so there is cause for why they should be repaired with State money.
- If the water decreases any further, noxious weeds will become a substantial problem for the next 30-40 miles.
- There are also benefits for fish and from preventing erosion. From a recreation standpoint, encountering low-head dams on a kayak or canoe can be dangerous. Although public safety is not

the mission of the OHF, it does meet the directives by providing environmental and recreational benefits.

- There was one fatality on a State property associated with a low head dam this year. Safety is an important aspect of recreation.

15-6 (C) Benson County Water Resource Board: Sheyenne River Fish Passage at Bouret Dam, \$117,250

- Same comments as above.

15-8 (C) North Dakota Natural Resources Trust: North Dakota Grassland Restoration Project 2, \$100,000

- A total of \$5 million awarded from prior grant rounds has not been expended. The projects need to be completed first so the Board can view the results before requesting additional funds.
- If the Board cannot see the projects being fully executed on the ground, it is hard to decipher demand.
- Some projects were set-up to be completed as ten-year projects which was approved by the Board. An additional start up program for people in need should be no issue if there is a need. It might not be a fair criticism of these groups who are working as fast as they can work. Money on the books for these organizations that will eventually spend the funds in a manner aligned with the directives of OHF should not be a problem. Every time an organization had unused money, there was a valid reason.
- It was noted that this conversation comes up frequently. Support was expressed for a policy so that the issue does not need to be discussed at each meeting.
- Numerous applicants have asked for extensions due to weather related issues.
- It's important that the Board look at the amounts awarded, expended, and approved time frames of projects.

15-11 (C) Audubon Dakota: Grand Forks Area Prairie Management Toolbox Phase II, \$1,268,170

- If an individual cannot afford to remove the invasive species on their land, the State should not have to do it for you. There are benefits to some invasive species, such as Russian Olive. If the State spends all this money on invasive species removal, the land becomes a lot more valuable for the individual to sell.
- The absentee landowner issue was not sufficiently addressed.
- If there is a tree interfering with a fence, a chainsaw will fix the issue. Landowners should be responsible for controlling any invasive species on their land.
- Were the producers in this project recipients of their local weed board cost share program? There are other programs out there to help.
- It could be a maintenance issue if landowners did not keep up with weed control. Tall grass prairies which are important to habitat are in danger.
- Are the funds expended for tree removal any different from those for cross fencing or a water source? The funds are still providing benefit for the prairie.
- The earlier CRP contracts did not require Russian Olive removal. For some people with prior CRP, the removal of invasive species as a result can be a huge undertaking to do alone.
- There are only two native prairie areas in eastern North Dakota and the goal is protect both locations.
- Maintenance is a problem that can get away from people.
- There was also some opposition in putting wells on people's property to build infrastructure which should be paid for by the landowner/lessee.
- The difference between not putting water in a pasture and maintenance of invasive species is that cattle will not graze away from the water and putting in a water infrastructure system will allow the whole pasture to rejuvenate by rotating cattle.

- Individuals do not have to complete the invasive species removal all at one time. It can be done by completing 10 acres every year.
- Is this a question of not taking care of the land or not understanding the negative impact? Maybe the issue is not necessarily intentional, but rather an issue of not being correctly informed or educated.
- Slope County had an issue with burrs coming into the area from out-of-state hunting dogs and no funding was provided to help resolve that problem. To fund this one would not be consistent.
- The majority of these projects will not get done without funding so its not a problem unless there is money to resolve it.
- In some cases, an individual will receive more from the federal government when it's time to re-enroll in CRP versus renting to someone from the private sector. This reflects poor management and the land should not have been allowed to get into this condition in the first place.
- There is opposition to the tree removal, but not the restoration of the tall grass.

15-7 (A) Watford City Park District: McKenzie Bay Recreation Area Improvements, \$14,345

- If anyone is familiar with the area, it is needed, the group does good work, and it does meet the directive.
- It is a very heavily used recreation area.
- DOT had been contacted about the alternative roads fund which is meeting in December where the funds will be committed and not get refilled until the next biennium. It is a once per biennium deal so any additional funding would have to wait.
- The matching funds on the revised application is an in-kind match for the cement labor and materials along with the playground accessible border, fiber fill, and installation expenses of \$2,662.

15-12 (A) Casselton Park District: Fishing Dock-Tinta Tawa Park, \$45,000

- The Game and Fish inspected the dock which just needed some maintenance and that falls outside the parameters of OHF.
- The Game and Fish offered to help pay for some of the repairs.

15-01 (D) Minot Park District Foundation: Minot Family Recreation Area Day-Use Park, \$1,365,000

- This is a well put together comprehensive plan. If this is a project that gets funded and moves forward, OHF will be a proud sponsor.
- Currently, it is untouched natural property, but if funded it will have a golf course, buildings, and pavement which are contradictory to any conservation plan. OHF is being asked to fund a park that local entities should fund.
- More detail should have been provided regarding costs such as site furnishings. It is unclear if those items would be eligible for OHF funds.
- If this project would be funded, modifications to the requested funding would need to be made.
- Under definition, the pavilion would be defined as a building.
- The applicant did provide a comprehensive conservation plan, but some argue it is not an overall plan which would not give the Board authority to fund a building.
- The Board has rejected fish cleaning stations because it is a building without a comprehensive conservation plan.
- This will be a great park for the City of Minot, but it should be funded by locals.
- This is a big project within a big city, but the percentage of local match is rather low.

- This is only the first of four phases and it looks like the conservation component will come in later phases. The Board could inform the applicant of the need for a conservation plan later if funding were to be received.
- Getting the community involved in the outdoors is a conservation outcome. As this would be the hub to start the connection to other trails in future phases, people could advance amongst a spectrum of recreational activities. The paved areas would be accessible to people with a variety of abilities to connect with the natural areas. It is a spectrum and the Board needs to think about that regarding the population being served and how people get connected to the outdoors.
- There really is not a significant match. If you take out the paving, the match is only 12.5%
- The applicant is leveraging its share of the design and engineering of the project all in Phase 1 to make up the match. Probably only \$50,000-\$60,000 is attributable to this phase. When that is taken into consideration, the local match is small.

15-13 (D) Turtle Mountain Band of Chippewa: Belcourt Lake Park Rejuvenation Project, \$48,567

- No comments.

15-10 (D) City of Cavalier: Cavlandic Trail Redevelopment, \$310,316

- Having the signed agreement for maintenance is a positive aspect of this project along with interpretive signage and educational aspects.
- What are the exceptional circumstances for future projects?
- Paving of trails is eligible.
- Trails can easily be ruined in four years if not maintained.
- The city, county, and parks system have a Memorandum of Understanding (MOU) outlining roles and responsibilities during the summer and winter seasons. In the past, if it belongs to everyone it belongs to no one so the formal MOU should provide a positive path forward.
- Not everyone can climb hills, so paved paths provide an opportunity for all to get out and enjoy nature.
- The project was initially rejected due to a lack of local funding support which has now been fulfilled.
- The applicant has been responsive to the concerns of the Board and completed what was asked.
- Regarding paving, parking lots and roads are ineligible, but paved trails are eligible. Paved trails are one of the most desired opportunities by citizens.
- In the future, maybe more conservation will be put along the trail, such as pollinators. When applicants fully address what the Board wants, they demonstrate a commitment to the project.

15-03, (D) City of Milnor: Storm Lake Wildlife Observation Deck, \$13,659

- There is no difference between this application and the prior application that was rejected. The project still consists of an observation deck. If people want to observe wildlife, a better alternative would be a walking path project.

Chairman Kuylen asked the voting Board members to complete all scoring sheets and turn them in to Ms. Fine and Ms. Pfennig.

Ms. Fine noted that there were no conflicts of interest.

Chairman Kuylen listed the four applications that received less than seven votes for funding which include application numbers: 15-01, 15-03, 15-09, and 15-12.

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

- 15-01 (D) Minot Park District Foundation: Minot Family Recreation Area Day-Use Park, \$1,365,000
- 15-03, (D) City of Milnor: Storm Lake Wildlife Observation Deck, \$13,659
- 15-09 (B) Ducks Unlimited: Grasslands Enhancement Project Phase II, \$619,000
- 15-12 (A) Casselton Park District: Fishing Dock-Tinta Tawa Park, \$45,000

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

15-5 (C) Hettinger County Water Resource District: Cannonball River Fish Passage at Karey Dam, \$258,779 **It was moved by Mr. Lies and seconded by Mr. Dokken that the Cannonball River Fish Passage at Karey Dam, submitted by Hettinger County Water Resource District be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$258,779. On a roll call vote, Bina, DeMorrett, Dokken, Elkin, Erickson, Hutchens, Kuylen, Lies, Moser, Reiersen, Retterath, and Stockdill voted yes, no one voted nay. The motion carried unanimously.**

15-6 (C) Benson County Water Resource Board: Sheyenne River Fish Passage at Bouret Dam, \$117,250 **It was moved by Mr. Lies and seconded by Mr. Elkin that the Sheyenne River Fish Passage at Bouret Dam, submitted by Benson County Water Resource Board be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$115,750. On a roll call vote, Bina, DeMorrett, Dokken, Elkin, Erickson, Hutchens, Kuylen, Lies, Moser, Reiersen, Retterath, and Stockdill voted yes, no one voted nay. The motion carried unanimously.**

15-8 (C) North Dakota Natural Resources Trust: North Dakota Grassland Restoration Project 2, \$100,000 **It was moved by Mr. Hutchens and seconded by Mr. Bina that the North Dakota Grassland Restoration Project 2, submitted by North Dakota Natural Resources Trust be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$100,000. On a roll call vote, Bina, DeMorrett, Dokken, Erickson, Hutchens, Kuylen, Reiersen, Retterath, and Stockdill voted yes. Elkin, Lies, and Moser voted nay. The motion carried.**

15-11 (C) Audubon Dakota: Grand Forks Area Prairie Management Toolbox Phase II, \$1,268,170 **It was moved by Mr. Hutchens and seconded by Ms. Godfreed that Grand Forks Area Prairie Management Toolbox Phase II, submitted by Audubon Dakota be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$78,730 for grassland restoration and native prairie, but cannot be used for tree removal.**

There was discussion about the potential benefits and disadvantages with moving forward with only a portion of the proposed project.

Some felt that the applicant should come back in March with a proposal pertaining to the issue at hand. There is difficulty in passing something that was not directly addressed and explained as the project. It is not restoration of tall grass prairie, but rather livestock and wildlife grazing systems to go around the areas restored in the removal of invasive species. Concern was expressed that fence would be put up around an unusable piece of property. The issue is the uncertainty about where exactly the proposed funding will go because it was not specifically addressed in the application. The overarching goal of the proposal was tree removal and then enhancing that land with the tree removal. The Board is doing a disservice to everyone to pass just a small portion of the request. The applicant should come back with a fully developed project specifying when tree removal and then prairie restoration will occur.

Others felt that this project could easily be done with no conflict regarding the trees which could be brought back as a separate issue. The Board has addressed the concern by stipulating it must be grassland restoration. This action does not preclude the applicant from finding alternative ways to remove trees. This project is about rebuilding the native prairie in the Grand Forks area. Only a portion of the project involving restoration of native tall grass prairie will be funded and the other part will be delayed. Restoration is the key part of the program.

Ms. Pfennig asked for clarification regarding what will be considered eligible match for administrative purposes. Staff and indirect costs were included as proposed match, and it was unclear if that would still be acceptable.

The consensus was that only the line item involving grassland restoration was eligible for both OHF funds and match. If the applicant cannot deliver based upon those contract terms, they will need to reapply.

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

15-7 (A) Watford City Park District: McKenzie Bay Recreation Area Improvements, \$112,480

It was moved by Mr. Bina and seconded by Ms. Godfread that McKenzie Bay Recreation Area Improvements, submitted by Watford City Park District be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$14,345. On a roll call vote, Bina, DeMorrett, Dokken, Elkin, Erickson, Hutchens, Kuylen, Lies, Moser, Reiersen, Retterath, and Stockdill voted yes, no one voted nay. The motion carried unanimously.

15-13 (D) Turtle Mountain Band of Chippewa: Belcourt Lake Park Rejuvenation Project, \$48,567

It was moved by Ms. Godfread and seconded by Mr. Dokken that Belcourt Lake Park Rejuvenation Project, submitted by Turtle Mountain Band of Chippewa be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$48,567. On a roll call vote, Bina, DeMorrett, Dokken, Erickson, Hutchens, Kuylen, Moser, Reiersen, Retterath, and Stockdill voted yes. Elkin and Lies voted nay. The motion carried.

15-10 (D) City of Cavalier: Cavlandic Trail Redevelopment, \$316,735

It was moved by Mr. Lies and seconded by Ms. Retterath that Cavlandic Trail Redevelopment, submitted by the City of Cavalier be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$310,316. On a roll call vote, Bina, DeMorrett, Dokken, Elkin, Erickson, Hutchens, Kuylen, Lies, Moser, Reiersen, Retterath, and Stockdill voted yes, no one voted nay. The motion carried unanimously.

Administrative Discussion

Mr. Kuylen reported that the Governor asked that projects that are phased be considered by the Board. Ms. Pfennig stated that there is concern that if a community is proactive and starts a project independently, subsequent phases may be deemed ineligible. Concern was expressed that applicants who are in need of additional money could come to the Board stating it was a new phase of the project. The North Dakota Century Code was reviewed. It was noted that while projects that have already been started are ineligible for funding, there is the extenuating circumstance clause which allows the Board some leeway. The consensus of the Board was that phased projects are acceptable, but it's better to know up front in the application if there are any extenuating circumstances.

Mr. Lies stated that he received a complaint from a landowner about an OHF project (006-085 - ND Statewide Conservation Tree Planting Initiative submitted by the ND Association of Soil Conservation Districts.) The landowner indicated that the trees weren't planted properly, and he was still charged for it. Some of the issues the individual claimed occurred included:

- The footage in the agreement was exceeded.
- Trees were not planted in a straight row.
- There was dirt on the weed mat.
- Trees not planted at the high point of the fabric causing them to get burned, even in moist conditions.
- Some trees needed to be stepped in and the ground firmed around them.

A question was raised regarding the options for recourse by the Board if money has been expended and then later it was determined the project was not done correctly. Ms. Fine indicated that current provisions include withholding funding and denial of future projects. If the applicant comes back for future funding, the Board could require documentation on what steps will be implemented to ensure no future issues.

Discussion was held regarding SCD protocols. Ms. Kelsch indicated the following:

- An agreement is signed between the landowner and SCD.
- Tree installation will not occur if the land is not properly prepped.
- Survival of the trees cannot always be guaranteed.
- A 10% slippage is allowed and billable and anything beyond is the landowner's responsibility to pay.
- The District Administrator's contact information is listed on the payment application if there are any issues that need to be brought up to the Soil Conservation Board

Ms. Kelsch noted that not all districts have the same set of equipment. Regarding this project, the ground looks like it was over-tilled prior to installation and there seems to be some equipment issues. The responsible party should be the Soil Conservation District Board although the survival of the trees cannot always be granted due to various factors. Every district operates independently. Ultimately, it depends on the actions of the Board. The landowner did receive the 60% cost share from OHF.

The consensus was that contractual issues between the NDIC and the recipient are administrative issues. However, recommending funding for recipients that are not performing adequately is within the purview of the Board. Ms. Kelsch stated that she will have a conversation with the SCD Board regarding the situation.

Ms. Pfennig presented a summary report of the following finished projects: 009-109; 006-085; 008-099; 013-137; 011-120; 011-118.

Ms. Pfennig reported on the status of the online grant management system. The goal is to have the system ready by the next grant application deadline of March 2nd and live by January 1st, but our office is still in the process of working with the vendor on a finished product. The applicant will submit their application online so they can be saved. A benefit is that if the Board provides feedback on an application, it can just be revised versus starting over during another grant round. Also, a lot of the components of the application will carry over into the contract.

Board members will be able to complete the following online:

- Input scores and comments. The comments are internal only.
- View the applications with provided login.

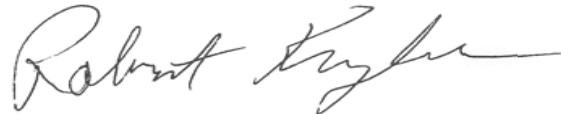
- Submit any Conflicts of Interest.

A training webinar will be provided for both the Board members and applicants. Mr. Claeys complimented the Industrial Commission staff on the grants management system and stated it will be a great resource and tool that will ultimately improve efficiency.

Mr. Kuylen thanked Ms. Pfennig and Ms. Fine along with the Technical Committee for all their work done behind the scenes.

Ms. Fine noted that Ms. Pfennig spoke at the Main Street Initiative and with the Forest Service staff about the OHF program. A suggestion was made to provide the pamphlets at the Advisory Board meetings.

With no further business, Chairman Kuylen adjourned the meeting at 3:14 p.m.



Bob Kuylen, Chairman



Recording Secretary