

Minutes of a Meeting of the Outdoor Heritage Advisory Board
Held on October 27, 2020 at 9:00 a.m.
Microsoft Teams

Present: Robert Kuylen, OHF Advisory Board Chairman
Randy Bina, OHF Advisory Board
Tom Claeys, OHF Advisory Board
David Dewald, OHF Advisory Board
Tyler Dokken, OHF Advisory Board
Brad Erickson, OHH Advisory Board
Tom Hutchens, OHF Advisory Board
Rhonda Kelsch, OHF Advisory Board
Randy Kreil, OHF Advisory Board
Daryl Lies, OHF Advisory Board
Wade Moser, OHF Advisory Board
Kent Reiersen, OHF Advisory Board
Rachel Retterath, OHF Advisory Board
Terry Steinwand, OHF Advisory Board
Andrea Travnicek, OHF Advisory Board

Also

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

Chairman Robert Kuylen called the meeting of the Outdoor Heritage Fund Advisory Board (“Board”) to order at 9:00 a.m. with a quorum being present. Jay Elkin was unable to attend the meeting. Mr. Kuylen welcomed the following new Board Members. Mr. David Dewald, Dr. Andrea Travnicek, and Mr. Randy Kreil. No additions or deletions were made to the agenda.

It was moved by Mr. Reiersen and seconded by Ms. Retterath to approve the May 8, 2019 minutes as presented. The motion carried unanimously.

Ms. Fine provided a financial summary as follows:

Outdoor Heritage Fund (294)	
Financial Report - Cash Balance	
2019-2021 Biennium	
October 27, 2020 OHF Advisory Board Meeting	
	Cash Balance
July 1, 2019 Balance	\$ 30,662,352.54
Interest Revenue through September 30, 2020	\$ 80,932.63
Revenues through October 15, 2020	\$ 8,964,773.86
Returned funds	\$ 29,351.70
Grant Expenditures through September 30, 2020	\$ (4,199,288.42)
Administrative Expenditures through September 30, 2020	\$ (109,828.05)
	\$ 35,428,294.26
Outstanding Administrative Expenses	\$ (65,171.95)
Outstanding Project Commitments as of September 30, 2020	\$ (21,316,575.86)
Balance	\$ 14,046,546.45

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

17-5 (C) Delta Waterfowl: Increasing Duck Production-Hen Houses, \$105,000

Project Summary: To install 600 artificial nesting cylinders fashioned from rolled straw (Hen Houses) over the next three years in order to boost nest success and thereby increase mallard production.

Mr. John Devney gave a presentation (A copy of the PowerPoint presentation is available in the Commission files.) In response to questions, the applicant stated:

- The reason for the higher success rate here versus Canada is a difference in the corvid community- no crows, magpies or ravens. Corvids can figure out the nesting structure of other birds because there is not the tree community like the Canadian Parklands.
- When the ducklings leave the nesting structure, they cannot go back inside. The object is to get the ducklings to hatch. Currently, there is a .1% nest success and between 15-20% is needed to build populations. Duckling survival rate is variable, and in wet conditions the survival rate is higher. The survival rate might be higher in hen houses because the ducklings are going directly into the pond versus having to walk a few miles to the pond.
- Approximately 95% of the ducks that use the structures are mallards. In Manitoba, there is a higher population of diving ducks.
- Over the ten-year time frame, approximately 10% of the structures will need to be rebuilt.
- In relation to the two prior projects submitted, the tool is the same, but the scope and magnitude are different in that the impact is expanding and there is more significant match.
- The first contract still has \$12,000 in unexpended funds, which are committed to maintenance costs over the ten-year contract term. For this proposal, the maintenance costs will be covered by the match and OHF funds would be used for the construction and installation.

17-7 (C) North Dakota Game and Fish Department: Red River Basin Wildlife and Water Quality Enhancement Pilot Program, \$270,000

Project Summary: Establish 3,000 acres of habitat through conservation cover, critical area planting, filter strip, grassed waterway, pollinator habitat, forage & biomass planting, range planting, riparian forest buffer, and riparian herbaceous cover.

Mr. Kevin Kading and Mr. Greg Sandness gave a presentation (A copy of the PowerPoint presentation is available in the Commission files.) In response to questions, the applicant stated:

- Meadowlark disappearance is not from pesticides because North Dakota uses a minimal amount. Part of the problem is the degradation of suitable habitat.
- The money from the Producer Management Agreements over the five-year period is from a combination of Game and Fish Department and 319 DEQ funding. Some funds will not be paid out for the full five years because it depends on the producer. Haying and grazing would be allowed with restrictions and timing would be until August 2nd.
- Contracts offered to producers that would provide public access is not required but may be an option for producers to receive additional incentives.
- Saline impacted or flood prone areas would be targeted for grass vegetation establishment. It depends on what the producer can do and wants to do.
- In the larger scale of the Red River Valley there will probably not be a big change in the river systems as a result of the project. However, as a pilot project it is a starting point to look at alternative uses of land. Currently, the best way is to use maps or models to measure the reduction.

17-10 (C) Pheasants Forever: Community Pollinator Project, \$12,000

Project Summary: Deliver ten community pollinator projects, impacting 500 individuals, in six communities across the State, over a 3-year period that will engage community members in creating habitat for pollinators and other wildlife species.

Ms. Renee Tomala gave a presentation (A copy of the PowerPoint presentation is available in Commission files.) In response to questions, the applicant stated:

- Miscellaneous event costs include fuel, food, water, and printing materials. The funds requested from OHF will only be used for the “Take Habitat Home” packets which are a mix of native seed, native grasses, and wildflowers that can be sent with participants to plant at home.
- The events will be led by volunteers within the local chapters and free memberships will be offered to event participants. No OHF funds will be used for memberships. The funds to pay for free memberships come from chapter funds which are both raised and spent locally within those communities.
- Previous awarded funds were requested at a time when pollinator plantings were fairly new to the State. During the prior projects, time was spent building relationships with other chapters so now we are back to implement the project on a larger scale.
- The “Take Habitat Home” are pre-packaged individual packets that come with a planting brochure. The seed mix line item of the budget will be used for the project sites by participants. They are two separate components of the project.
- Even if the membership drive event was taken out of the match share, there would still be a 40% match.

17-9 (C) North Dakota Natural Resources Trust: North Dakota Partners for Wildlife Project, \$716,500

Project Summary: Restoration/creation of 70 acres of wetlands, 1,000 acres of cover crops seeded, 600 acres of grassland restoration, and installation of grassland management developments for implementing rotational grazing systems on 14,000 acres.

Mr. Terry Albee gave a presentation (A copy of the PowerPoint presentation is available in Commission files.) In response to questions, the applicant stated:

- There will be a per acre payment of \$500 and the length of the contracts will be ten years. All projects except for cover crops will be ten years. The \$500 payment is included as match and those funds come from NDNRT.
- This would be an option for producers that do not want to participate in the NRCS program. The program is statewide. Wetland restoration can be a challenge, which is why the incentive is part of the matching component.
- Applications are not awarded in a batch, and so there isn’t a ranking. NDNRT works one-on-one with producers. Participation in the PLOTS program is encouraged but not required.
- There should not be an issue with a landowner trying to maximize their economic return by using government programs that are tiered on top of one another.
- The percentage of landowners that utilize the PLOTS program is between 25-40%.
- The NRCS is working with landowners on existing wetlands. This project is about establishing new wetlands so there is not a lot of overlap.
- The training and specifications follow the NRCS protocol.
- Mitigation use in smaller wetlands would not work well with the current partnership. NDNRT is not authorized to participate in mitigation projects, but it does not inhibit them from making landowners aware of that opportunity in the future. If you want to provide a bigger benefit for agriculture, it is a partnership structure. If you have a willing participant wanting to develop a wetland, this would provide great goodwill towards the agricultural community. A goal of increasing wetlands should not be the issue for non-participation in these programs because the reality is these participants might choose to leave the government programs. The NDNRT would appreciate the opportunity to collaborate to figure out a structure that would best meet those specific directives.

Concern was expressed regarding projects using both state and federal funds as this causes distortions. This discussion was tabled to allow time for each presenter.

17-4 (C) Cass County Soil Conservation District: Cass County Windbreak & Wildlife Planting Initiative Phase II, \$50,000

Project Summary: Provide financial assistance to residents of Cass County for establishment of field windbreaks, wildlife habitat establishment, and riparian tree plantings.

Mr. Jeffrey Miller and Mr. Tony Peterson gave a presentation (A copy of the PowerPoint presentation is available in the Commission files.) In response to questions, the applicant stated:

- Replacement trees are paid for by the producer.
- The current award for this purpose has approximately \$22,000 unused. These funds are expected to be spent by the end of the contract period.
- The reason for not going through the statewide program is that most producers are applying between December-February, which doesn't mesh with the statewide program timelines. Those producers were unable to enter the program. The CWPI project on Cass County soil was initially started as a trial and all the funding was used within the first month. This has been one of their most popular projects for tree planting.
- Approximately 15% of the total planting was field windbreaks in the previous grant. When CRP was unavailable, there was more interest in field windbreaks. Now that there is an option to go with CRP, the success rate for field windbreak has decreased. Currently, two producers are signed up for field windbreaks next spring.
- For field plantings, the vast majority are between 2-3 row belts. Participation in the PLOTS program is always encouraged.
- Applications are due in August for the statewide program. All tree plans get sent into the State Historical Preservation Office and there is a 30-day response time. The districts then receive notification in October of whether or not the plans were approved or denied. Many districts want an earlier notification period for proper ground prep, such as rock clean-up for example. In the year prior, there were two grant rounds, one in the early fall and one in the early winter.
- The Employee's Association set a deadline of October 2nd regarding the statewide program for applications sent out for contracts to landowners. Depending on the amount sent back, another grant round is possible within the year.
- Landowners prefer this option to the statewide program because the cost share is higher. Conservation in Cass County is difficult due to the large amount of farmland so that is why the cost share is higher.

17-3 (C) Cass County: Drain 27 Wetland Restoration Project and Recreational Features, \$443,000

Project Summary: Construction of a weir near the Southern Embankment to an elevation of 906.3 and size of approximately 320 acres to reestablish wetland, hydrology, and vegetation to approximately 150 acres with a 50-foot buffer resulting in another 70 acres.

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

In response to questions, the applicant stated:

- Boardwalk crossings last between 10-15 years, sometimes longer with repairs. This project consists of shorter crossings which should help increase the life expectancy.
- Operations and maintenance funding will be available to maintain the different recreational features along the project.

- Because of the close proximity to the Fargo/Horace/Moorhead area, there will be fishing and hiking, but limited hunting opportunities. The policy of the Diversion Authority is that during times of non-flooding, the channel could be kayaked and fished. During high water times, the water will be backed up into the channel. The City of Fargo does allow bow hunting along the Red River. The goal is to maximize all options available to hunt and fish.
- The deepest parts of the wetland basin are between 3-5 feet, but the majority will be between the 1-3-foot depths and are further away from the weir.
- Plans have not been finalized for the signage and kiosks regarding the benefits of wetlands. Currently, area grade schoolers go to Fergus Falls to tour a wetland as part of a field trip. The goal is to provide a local environment to fill that niche within the Fargo metropolitan area. Ultimately, the plan is to continue to develop this site to be a world class wetland interpretive area through continued partnerships with different entities. Discussions have also begun with Ducks Unlimited and Audubon Dakota to create a world class wetland environment.
- The request of \$443,000 is 100% of the recreational costs and there is no cost share. Total project costs are approximately \$11,000,000 and some components of trail construction may be able to be included to reduce the cost.
- There are several crossings in the narrower portion of the drain in order to minimize the length of the boardwalk crossings. Basically, it is a lower walkway to move across the shorter expanses of the trail.
- This project consists of different boardwalk analysis based on handrails, etc. that is still being determined. With the short distances, it is anticipated to not cost more than the \$300,000 already allocated.
- If the weir is not constructed as part of the project, there will be a duplication of effort and having to seed areas as part of the restoration project, strip it to build the trails, and then reseed. Ultimately, there would be more disturbance to the area which is why completing everything at one time is more desirable.

It was noted that a majority of the questions asked by the Technical Committee received a response about how the project has not been fully designed. Because of this, it appears that the request is premature. The applicant responded that work has begun with the Corps and the final design will be completed within the Spring of 2021 with awarding of the contract in the Fall of 2021. Trails may shift based on the final design of the wetland. The Corps is actively designing the wetland complex at the moment. This is our opportunity to incorporate these features into their design which will provide some cost efficiency versus completing this as a stand-alone project. It also provides flexibility in working with the Corps to add some Federal dollars into the work that is being done, such as the contouring. Once the Corps designs the project, if this is not included it would have to be a future stand-alone project. The opportunity to address all these features is at this moment in time.

17-2 (D) Burleigh County Water Resource District: McDowell Dam Bank Stabilization, \$70,553

Project Summary: Stabilize the McDowell Dam Reservoir by relocating a portion of recreational trail to be farther away from the water's edge to prevent shoreline erosion along with adding a culvert and replacing another culvert where concentrated surface runoff crosses the pedestrian trail and has degraded the trail quality.

Mr. Travis Johnson and Mr. James Landenberger gave a presentation (A copy of the PowerPoint presentation is available in the Commission files.)

In response to a question, the applicant stated:

- During the Technical Committee, a question arose as to the use of Boxelder trees because of the tendency to reach out more horizontally than vertically, but from the map it looks the trees are a distance away from the trails.

17-6 (D) Minot Park District: Outdoor Recreation Area-Phase One, \$373,175

Project Summary: Construct a Recreation Area consisting of 240-acres on the western edge that includes preserved natural prairie areas, recreational trails, picnic areas, winter park, and stormwater management & irrigation supply areas that serve a dual purpose as stocked fishing ponds and community partnership opportunities with an 18 hole golf course at the end.

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

In response to questions, the applicant stated:

- Contingency funds may not be spent. It depends on the amount of the bid, and the contingency is always a part of the proposal.
- Native prairie be maintained by working with a certified horticulturist along with KLJ to devise a proper management plan for the grasslands.
- If the aggregate and concrete surface is not funded, the project would still move forward. It is an accessibility issue, so different opportunities would be viewed to continue with funding the project.
- The elevation difference between the parking lot and lookout would be gradual for those using wheelchairs or those with mobility issues. Benches would be available for individuals to rest.

17-8 (B) North Dakota Natural Resources Trust: Bakken Development and Working Lands Program II, \$3,308,100

Project Summary: Restore scattered parcels of marginal or degraded farmland to productive grassland in counties west of the Missouri River along with the Three Affiliated Tribes and Standing Rock Sioux Tribal lands using a Grassland Enhancement Incentive Payment (GEIP).

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

In response to questions, the applicant stated:

- Money from the US Forest Service and Grazing Association will be used for the Juniper removal and is also part of the match.
- It was noted that the proposal is requesting a \$24,000 fence replacement along with Cedar River, but fence replacements have never been funded. All viable fence will be retained. Requests for any missing fence was to be utilized to keep the grazing allotments on national grasslands.
- There is \$750,000 budgeted for the energy site agriculture restoration. The State has certain obligations to restore these sites. When that site is removed and the area is restored, there are adjacent areas outside of the site boundaries where improvements can be made which include soil remediation, fencing, and grassland restoration. This would not be taking responsibility off the Industrial Commission but enhancing and expanding what is currently being done.
- The grassland establishment incentive payment partners are the ND Game & Fish Department, Trust, and the Wildlife Federation which are providing \$60,000. Half or \$30,000 is being requested from the OHF which is the same amount requested during the last approved proposal.

17-1 (B) Audubon Dakota: North Dakota Conservation Forage Program, \$6,918,306

Project Summary: Enroll approximately 18,000 acres of private lands over a four-year project period to improve soil health, forage quality, and wildlife habitat by integrating grazing and/or haying land management techniques.

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

In response to questions, the applicant stated:

- Highly erodible acres will be included in the project as a top-ranking criterion. The emphasis should be on highly erodible land; removing the troubled land from production and turning it back into grassland.
- Anything that is innovative is different and experiences resistance. This was not a slam dunk from a wildlife perspective because it is not a 10-year enrollment that will be left alone. The belief is that the best habitat enables livestock to be integrated in a production manner that is fit for a true livestock operation. This project is a compromise that meets the needs of everyone. A lot of both traditional and new partners were brought on to this project.
- Most NRCS cost share percentages are 60/40 so why is this project requesting a 50/50 cost share? A lot of funds will be spent on perimeter fence because most do not either have fence or a workable fence. This was a negotiation and so a 50/50 cost share percentage was thought to be appropriate.
- The budget includes a \$70 per acre incentive for three years. However, it would be based on the County NASS rate so it would most likely be lower in the proposed areas. This is the middle point for County purposes, but the transition support will most likely be lower.
- All of the land will be cropland.
- The site prep and seeding seem excessive and should not take three hours so where was this information obtained? It was received from various sources: Prairie Restoration, Prairie Moon, and Fish & Wildlife Service which have done numerous ones between four to five hours. The applicant scaled back the time to three hours, but feels it is important to do this project right because the landowner will be committed for ten years. Mr. Moser stated weather conditions will be far more critical than the prep and seeding work.
- It's nice to see projects that involve grasslands move into a working stage, and once CRP became over stagnated it was no longer productive. One of the concerns is having OHF funds hit the ground and the summary states \$2.4M awarded and only \$500,000 that has been expended. Where is Audubon Dakota at on its ability to deliver on this project? Audubon Dakota works with numerous soil conservation districts and partners within the conservation community that move the money out. Most of the projects are underway and at the halfway point of completion. Some projects lined up for last Fall and Spring fell behind due to travel. This project involves a lot of partners so there is confidence in its completion.
- Regarding incentive payments and the USDA, if the landowner is in violation and the contract is cancelled or if there are paybacks, what is the process for Audubon Dakota? With USDA, they can be listed on the debt register to be collected. In each agreement, there are stipulations and the goal is to make it right which is usually done via a visit with the landowner. There is a 99.9% compliance rate with the landowner agreements, but there is also enforcement ability as a large organization.
- Has the flexibility issue been met from an agricultural stance? Yes, because we feel this project has been built from the ground up. As a result, a lot of different landowner perspectives have to be taken into account. The real benefit will be for the land and wildlife.
- Will part of the contract be maintaining noxious weeds? Yes, and if not, it will be done by Audubon Dakota and charged to the landowner. If the noxious weeds are not controlled, both the payments to the landowner and benefits to the land will end.

17-11 (B) Pheasants Forever: Southwest Grazing Lands Improvement Project – Phase II, \$223,900

Project Summary: A phase II project of assisting with the installation of between five to ten grazing systems that will continue to improve, maintain and restore water quality, soil conditions, plant diversity, and animal systems to approximately 6,000 acres.

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

In response to questions, the applicant stated:

- How many of the 6,000 acres went into the PLOTS program? On the application it is asked if the applicant is interested and then a referral is completed. From there it is hard to track based on how the applicant enrolls and the timeline with the ND Game & Fish Department. Out of the nine contracts that have been paid out in Phase 1, one applicant expressed interest in the PLOTS program, but enrollment cannot be confirmed.
- Mr. Kuylen complimented the program for its hunter walk-ins welcome and ask before you enter signs that landowners are encouraged to use. The goal is to encourage public access for OHF funds.

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

Mr. Kevin Kading, Game & Fish Department, provided clarification on the PLOTS program regarding whether landowner referral and enrollment and the percentage of applicants that use the program. A lot of applicants have reached out to the Game & Fish Department when filling out the proposal and referrals are encouraged on the application. Some applicants are not accepted in the PLOTS program for various reasons such as it might be too close to a home or not have the right habitat component. Sometimes the budget allocation has already been met for that particular year and applicants are only guaranteed into the program if money is set aside for each one of those grant projects.

There was general discussion by the OHF Advisory Board on Grant Round 17 applications as follows:

17-5 (C) Delta Waterfowl: Increasing Duck Production-Hen Houses, \$105,000

- The project may score poorly, but it is a fabulous tool for increasing duck population and it is also very cost effective.

17-7 (C) North Dakota Game and Fish Department: Red River Basin Wildlife and Water Quality Enhancement Pilot Program, \$270,000

- It is a good project and is an intensively farmed area with a lot of water quality issues. These projects can enhance the wildlife habitat for all species.
- This is a good project, and it is appreciated that OHF funds will not be used for agreement money. It is difficult to utilize OHF money as incentive funds. If farmers are repeatedly farming the land and losing money, it is time to make a different management decision and OHF funds should not be used to help make that land profitable again.
- This is a good way to target funds at lands that are not productive such as by drainage ditches and water quality issues.
- Commend DEQ and G&F for the dialogue with SCD in helping to deliver this project. Oftentimes there is no dialogue about who will help facilitate, deliver or be points of contact. The SCD tries to answer questions and figure things out as a result of the loopholes.

17-10 (C) Pheasants Forever: Community Pollinator Project, \$12,000

- Concern was expressed that this is a government funded membership drive. If this is removed from the match, the change is minimal. If those funds were applied to the actual project, there would probably not be a grant request from OHF, and the project could be completed on its own.
- In this case, the memberships do not cost the value to Pheasants Forever of what is being charged. The majority of membership fees go towards the mission and then the actual cost is less which is something that needs to be taken into consideration. It also builds membership so there are additional people supporting conservation moving forward. This is about cost sharing with a good project that is going Statewide. There is also a lot of local buy in because of the local chapters. The projects meet a lot of the objectives with involving both kids and adults and raising awareness, but on a smaller scale.
- This project has a lot of local participation. Past participation in a pollinator project turned into a great project that got kids involved and maintenance has been a minor issue. Good community project for OHF to support and it meets the goals and objectives.

17-9 (C) North Dakota Natural Resources Trust: North Dakota Partners for Wildlife Project, \$716,500

- Different type of project – grazing system and wetlands restoration.
- There is both good deliverability and partners in the project. NDNRT has also successfully delivered on these types of projects in the past. A lot of these projects are being promoted by different entities so there is value in that diversity because one size does not fit all.

17-4 (C) Cass County Soil Conservation District: Cass County Windbreak & Wildlife Planting Initiative Phase II, \$50,000

- A desire to see the district get on board with the Statewide project instead of having their own due to the better cost share was expressed. The reason for doing this project on their own is that producers are not applying in time. Landowners will meet deadlines if they are set.
- There is value to having these types of projects on a local level that can be tailored and delivered more quickly in addition to our Statewide project. This project involves planting trees in an area that really needs it. There is room for both the Statewide and local projects and the more trees that are planted the better.
- There is no reason this project could not be combined with the Statewide project and then the local match could be used to buydown the landowner match. Deadlines are established so the landowner has time to prep the ground almost one year in advance which is mandated by the SCD's. If there is not enough time for ground prep, it is not the best for the practice, landowner or SCD.
- Many SCD offices have indicated the deadline of August is tight for producers and that there would most likely be more participation if the deadline was extended approximately one month. Is this because the project is not being advertised correctly through the SCD?
 - Many districts do require at least one type of ground prep, so the first round is set as early as possible in late summer/early fall. Also needs to be cleared by SHPO. Another round is offered in late fall/early winter. The nurseries also require tree orders to be in by a certain time. For those that state there is not enough time to apply, it is usually because there is a backlog or tree plantings from the spring are still being put in. Without an early round being offered, there will be complaints about not being given enough time for proper ground prep.
 - If done through EQIP, the land needs to be prepped for one year. Overall, it depends on the district and the types of equipment available. It is nice to be able to view the land without snow for successful planning with the landowner. For cropland that has been maintained, plantings can occur that following spring because there is the equipment available.
- Tree plantings in Cass County will be going into ground that is being used as cropland so the land prep would be minimal.

17-3 (C) Cass County: Drain 27 Wetland Restoration Project and Recreational Features, \$443,000

- The project felt both premature and broad. A desire was expressed that it to be revised when firmer answers could be provided along with a match for the recreational costs.
- A lot of the diversion project is being used for match. Also, a \$40,000 sign sounds excessive and suggests no concept of prudent government spending. Whenever a question could not be answered, the project has not been fully designed was the response. There seems like to many loose ends to move forward with the project at this time.
- It was premature to bring the grant forward and it should be revised once the full plan is known by the Corps of Engineers.
- The consensus of the Board was that the project is premature.
- Concern was expressed that if the project is not funded, both the trails and boardwalks will be built in other areas because they will need to be elevated to go across wetlands which could cause disruption. It will be more expensive to put boardwalks on dry ground versus before when the elevation can be planned.
- OHF meetings are held every four months so during that time the Corps of Engineers could have the project completed and designed.
- The wetland being created is on the North side and is inside the dike.
- An escape run-off will be put by the cross walks so the boardwalks would not be flooded.

17-2 (D) Burleigh County Water Resource District: McDowell Dam Bank Stabilization, \$70,552.80

- Impressive that approximately 50,000 people use that small lake, but it is near Bismarck so it makes sense.
- This seems like more of a maintenance versus a new project. Clarification would be helpful.
 - This is more of a design issue from when the lake was originally built. They were not expecting as much rip rap. It is more of a repair from the natural design of the project versus deferred and neglected maintenance.
- This seems like a good smaller project for the OHF to support.
- This is not maintenance, but rather erosion throughout the years. If funded and addressed, the issue should be fixed for quite a long time. This is a highly used area, and the park is well developed.

17-6 (D) Minot Park District: Outdoor Recreation Area-Phase One, \$373,175

- If the contingency funds of almost \$79,000 are taken out, the match is approximately 15% which poses a problem.
 - It was clarified that the Board can request that a 30% match is required regarding contingency funds so the actual reimbursement would have a 30% match requirement.
- Community support for this project seems low and it would have been nice to see some additional match from locals.
- If the amount for the concrete surfaces was taken out, the match would be in accordance with the 25%.
- The problem is that a concrete trail is being built along a future golf course with a usage of approximately five years before the golf course is put in, but there is support for the trails alone.
- It is a pristine area with native grasses and then they want to remove all of it to put in an 18-hole golf course. Concern was expressed that the trails will eventually be used as cart trails when the golf course is put in.
 - The current trails are away from the golf course. Concrete is important to enable someone in a wheelchair to access the area. Worry that those trails may be used as cart trails in the future should not be a deterrent.
- Concern about how long the natural area will be natural. Regarding the concrete trails, a lot of elderly use motorized scooters on the trails so trying to include the elderly in these types of projects is a good idea.

- Some felt that pouring concrete isn't aligned with conservation. Concern was expressed regarding the use of contingency funds as part of the match. Would like the applicant to come back with a project that includes more of a natural area and more local support.
- Trails are highly rated by users and this project involves the opportunity to have another trail located within a community. Concrete trails provide these opportunities for people with disabilities so it is an investment that will be enjoyed by users for a number of years.

17-8 (B) North Dakota Natural Resources Trust: Bakken Development and Working Lands Program II, \$3,337,100

- Liked that this project contained numerous diverse partners which shows a lot of people came together with common interest to try and do something positive.
- According to the Badlands Advisory Group, one thing conveyed from ranchers, hunters, and private landowners was that the surface area in the Bakken was not given the care needed. Based on the success of the first project and list of partners willing to contribute money, this is exactly what Western North Dakota needs.
- This project includes a range of support. Although there are incentive payments, they make sense for this project because productive land is being removed. Stronger enforcement was needed from oil companies who would drill a well, post a bond, and then when the well started to decline it would go to a different owner who was not able to rehabilitate the site the way it was needed. Anytime restoration occurs, there are areas around these well sites that have been impacted and are not being restored with those efforts. It does make sense to have funds available for landowners to get those sites back into productive grassland. This project meets numerous objectives and is very broad so it is a good project that should be supported.
- There are often impacts on the land where an oil well has been placed and the landowner has no interest in the well. This is good public relations to be doing work in the Bakken because this is where a lot of the impact occurred.
- Funds from the first project have been fully used. The trust did an excellent job of getting local cooperation and assistance. The job from the first round was successfully completed so there is really no doubt it will not occur during this second round. This is a great project and meets the objectives of the OHF.
- Like this project except for two items listed below:
 - Incentive payments-If the \$60,000 is allowed for incentive payments, it sets a precedent which the Industrial Commission wants to avoid so would like to see the amount removed.
 - Park provision-This provision has not been clearly defined as to where all of the OHF funds will be spent. There has been an effort to try and get the Three Affiliated Tribes involved, but to date, they have not been involved as a partner. This part of the project should also be removed which is approximately \$58,000. Would like to see that part removed and reviewed for possible involvement with the Tribe.
- Incentive payments are not new when working with agricultural producers on conservation. Sometimes incentive payments are used to get landowners over the finish line in terms of economic viability. Even the PLOTS program provides incentive payments in certain areas due to higher wildlife values. Sometimes an incentive payment is all that is needed to maximize both conservation and the producers' value in the program. Maybe there needs to be more discussion on incentive payments.
- Liked the park component so what is the suggestion if removed?
 - Suggestion that Parks and Recreation Department would submit a separate proposal outlining the work to be done more in depth. This would also give the Three Affiliated Tribes time to endorse the project.
 - It was clarified that MHA has verbally supported the project.

- This is a great step to get MHA on board and do not want to see the project move backwards. Think that \$60,000 is a great investment to keep this project moving forward. The \$60,000 is for both grassland establishment and removing land from production. The land will transition to an agricultural system that is no longer based off of USDA support, but rather your own funds to get the grasslands established with the help of incentive payments.
- Incentive payments can be a useful tool. If people always did the right thing because it was the right thing to do, OHF would not be in existence. There needs to be serious discussion about incentive payments as part of program delivery. The board represents the citizens of this State who are outdoor recreationalists and want completed projects. Sometimes incentive payments can be the perfect approach to the problem.

17-1 (B) Audubon Dakota: North Dakota Conservation Forage Program, \$6,918,306

- The conservation forage program was not born overnight, and initial discussion started after the drought in 2017. Many agricultural groups and political leadership were involved to address the lack of forage. More detailed discussions began in 2018 on how to provide something that is not CRP, but still delivers grasslands on the landscape that are positive for both wildlife and communities. Inputs are being put in the front end and cash is being taken out the back end and reinvested in communities. The goal was to provide working grassland opportunities and devise something innovative to address the issue. This moves away from annual incentive payments to transition payments for native plantings. The goal is delivering conservation that has a usable agricultural component involved on a consistent, permanent basis. Compromises have been made on both sides. When proper hours for prep are not put into the conversion, it will fail. As a result, the dollars required to complete these projects are not out of line. Native grasslands require additional work. This is a paradigm shift which is why the Farm Bureau is advocating for and has endorsed the project. It is also responsible use of taxpayer money and can be a path forward for the federal level. This will keep dollars flowing within the community and has a multi-tier use in value. The conservation forage program will help move away from government dependency and the annual payment to plant grass and then not do any additional work. It is about giving a hand up which in turn helps the community, wildlife community, State, and even the Nation. The OHF led the way on innovation of a project several years ago that is now an NRCS program because it addressed an agricultural issue of concern. This project involves a concerted effort from various divisions that address a lot of concerns both in agriculture, wildlife, and conservation. It is about moving away from an annual payment to a transition payment for native type grasses which are difficult to establish. It is a large project, but it is also a bold, innovative project that can be an example for our nation.
 - With the other Audubon Dakota projects being worked on, will they be able to do the deliverability if it is fully funded? Yes, a lot of the current projects are smaller ones that seem to be more time consuming than larger acreage projects which can be managed quicker. I think because this project is different and a little broader scope it will help in being able to finish the project.
- Feel that this is a very innovative project. The Farm Bureau should be commended for having the initiative and open-mindedness to work with people across the trail to come up with this project.
- This is a great project to move forward. It has been well thought out and is a good avenue to try and get some of the less productive land into grass production. A lot of soils have been impacted over the years by cropping which should never have been done and now it is being put back to grass and transitioned to an agricultural operation.
- I liked the answer about the \$70/acre. Further west, the price will go down and then more acres can be done. Offering \$70/acre across the board is not competitive versus going with county averages. Taking out marginal acres will help our markets which are being flooded farming marginal acres. Both nature and cows should be eating on these acres.

17-11 (B) Pheasants Forever: Southwest Grazing Lands Improvement Project – Phase II, \$223,900

- A proven provider and a proven program. It is a good project.
- Pheasants Forever delivered the first time and there are no doubts they will deliver this time around.
- It is a great program and should be fully funded.
- There are a lot of great things being said about this program from producers and they appreciate the help.

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

Chairman Kuylen listed the three applications that received less than seven votes for funding which include application numbers: 17-3, 17-4, and 17-6.

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

- 17-3 (C) Cass County: Drain 27 Wetland Restoration Project and Recreational Features, \$443,000
- 17-4 (C) Cass County Soil Conservation District: Cass County Windbreak & Wildlife Planting Initiative Phase II, \$50,000
- 17-6 (D) Minot Park District: Outdoor Recreation Area-Phase One, \$373,175

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

17-1 (B) Audubon Dakota: North Dakota Conservation Forage Program, \$6,918,306

It was moved by Mr. Lies and seconded by Mr. Kreil that the North Dakota Conservation Forage Program, submitted by Audubon Dakota be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$6,918,306. On a roll call vote, Bina, Dokken, Dewald, Hutchens, Kreil, Kuylen, Lies, Reiersen, and Retterath voted yes, and Erickson and Moser voted nay. The motion carried.

17-2 (D) Burleigh County Water Resource District: McDowell Dam Bank Stabilization, \$70,553

It was moved by Ms. Retterath and seconded by Mr. Hutchens that the McDowell Dam Bank Stabilization Project, submitted by Burleigh County Water Resource District be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$70,553. On a roll call vote, Bina, Dokken, Dewald, Erickson, Hutchens, Kreil, Kuylen, Lies, Moser, Reiersen, and Retterath voted yes, and no one voted nay. The motion carried unanimously.

17-5 (C) Delta Waterfowl: Increasing Duck Production-Hen Houses, \$105,000

It was moved by Mr. Bina and seconded by Mr. Lies that the Increasing Duck Production-Hen Houses Project, submitted by Delta Waterfowl be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$105,000. On a roll call vote, Bina, Dokken, Dewald, Erickson, Hutchens, Kreil, Kuylen, Lies, Moser, Reiersen, and Retterath voted yes, and no one voted nay. The motion carried unanimously.

17-7 (C) North Dakota Game and Fish Department: Red River Basin Wildlife and Water Quality Enhancement Pilot Program, \$270,000

It was moved by Mr. Hutchens and seconded by Mr. Kreil that the Red River Basin Wildlife and Water Quality Enhancement Pilot Program, submitted by the North Dakota Game and Fish Department be recommended to the Industrial Commission for Outdoor Heritage Fund funding in

the amount of \$270,000. On a roll call vote, Bina, Dokken, Dewald, Erickson, Hutchens, Kreil, Kuylen, Lies, Moser, Reierson, and Retterath voted yes, and no one voted nay. The motion carried unanimously.

17-8 (B) North Dakota Natural Resources Trust: Bakken Development and Working Lands Program II, \$3,308,100

It was moved by Mr. Dewald and seconded by Mr. Lies that the Bakken Development and Working Lands Program II, submitted by the North Dakota Natural Resources Trust be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$3,308,100. On a roll call vote, Bina, Dokken, Dewald, Hutchens, Kreil, Kuylen, Lies, Reierson, and Retterath voted yes, and Erickson and Moser voted nay. The motion carried.

17-9 (C) North Dakota Natural Resources Trust: North Dakota Partners for Wildlife Project, \$716,500

It was moved by Mr. Bina and seconded by Mr. Dewald that the North Dakota Partners for Wildlife Project, submitted by the North Dakota Natural Resources Trust be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$716,500. On a roll call vote, Bina, Dokken, Dewald, Hutchens, Kreil, Kuylen, Lies, Moser, Reierson, and Retterath voted yes, and Erickson voted nay. The motion carried.

17-10 (C) Pheasants Forever: Community Pollinator Project, \$12,000

It was moved by Mr. Dewald and seconded by Mr. Bina that the Community Pollinator Project, submitted by Pheasants Forever be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$12,000.

Discussion included the following:

- This is something that Pheasants Forever should be doing on their own. Although it is education, finding the benefit is a struggle.
- It is an educational project with the OHF name on it which educates kids about the benefits of pollinators.
- In the past these types of projects have involved a lot of kids, community members, and even passersby.
- Pollinator projects produce amazing different flowers that people walking by will enjoy all summer long. It is a little thing that means a lot to people.

On a roll call vote, Bina, Dokken, Dewald, Hutchens, Kreil, Kuylen, Reierson, and Retterath voted yes, and Erickson, Lies, and Moser voted nay. The motion carried unanimously.

17-11 (B) Pheasants Forever: Southwest Grazing Lands Improvement Project – Phase II, \$223,900

It was moved by Mr. Kreil and seconded by Mr. Dewald that the Southwest Grazing Lands Improvement Project, submitted by Pheasants Forever be recommended to the Industrial Commission for Outdoor Heritage Fund funding in the amount of \$223,900. On a roll call vote, Bina, Dokken, Dewald, Erickson, Hutchens, Kreil, Kuylen, Lies, Moser, Reierson, and Retterath voted yes, and no one voted nay. The motion carried unanimously.

Administrative Discussion

It was noted that the total amount of all the projects that will be recommended to the Industrial Commission for funding will be \$11,624,359.

Conflict of Interest

Mr. Reirson stated the Conflict of Interest form currently being used does not seem to comply with ND law and that Ms. Pfennig had sent it to the Attorney General's office for review. The response received was that the provision in question applies to political subdivisions, but not State Government or its agencies. OHF is a part of the North Dakota Industrial Commission, which is part of State Government. New rules will probably be coming from the Ethics Committee though in the future. For now, the current Conflict of Interest format does comply with state law.

Marketing

Ms. Pfennig provided a marketing presentation regarding how to try and reach more political subdivisions to bring in more small-scale local projects. Currently, OHF marketing consists of working with project partners to get magazine articles and do program presentations, such as the Main Street Initiative Summit. There is also a press release before each grant round and then another press release after the Industrial Commission has issued a final action on awards. In the future, OHF will reach out to develop more partnerships, including the League of Cities and the Association of Counties. The goal is to form a partnership and market through their newsletters and webinars to help spread the word about OHF. Even if the city or county is not interested, there are a lot of people involved at these levels that are also involved in other groups that may be interested.

Mr. Reirson stated there are also a lot of small wildlife groups in the area who are not submitting applications and \$10,000-20,000 could really impact these groups. It would also help with buy-in for the legislators to continue to provide funding for the OHF. An option may be to incorporate OHF availability notification through Game & Fish Advisory Board meetings to generate awareness. With the upcoming meetings being electronic, maybe they could post informational pamphlets online. These million-dollar projects are fantastic and have a huge impact on the ground, but there are also a lot of smaller groups out there to whom smaller dollar amounts could make a difference.

Mr. Steinwand stated with these smaller groups, a lot of the challenge is the non-profit status which they do not have so if they have a project, they are usually directed to their local park board.

Ms. Pfennig stated there are also OHF brochures available if anyone would like to distribute them.

Mr. Kuylen stated that an article in the North Dakota Outdoors or Dakota Country could also help because that is what all the sportsman and sportsman groups are reading.

Legislation

Regarding the upcoming legislative session, there is current statute that requires the State Water Commission (SWC) to count OHF as part of the local cost share. The SWC is going to pursue legislation to remove the local cost share component.

Summary Report on Projects

Ms. Pfennig provided a brief update on completed projects. The ones that have concluded since the Board met last in May include the following:

008-098: The Bee Integrated Demonstration Project submitted by Keystone Policy Center. The award was \$94,768 and all of those funds were used with total project costs of over \$500,000. The results were larger honeybee colony sizes, increased pollen diversity in the bees' diets, more native bees observed, and enhanced motivation by participating farmers to understand the bee keeping partners.

014-146: Cannonball Trail submitted by Mott Visionary Committee. The award was \$10,000 and all of those funds were used with total project costs of over \$25,000. The trail is approximately 1.5 miles which has been very well received by the local communities and was recently used in a 5K run.

012-135: Northern Plains Botanic Garden Edible Forest submitted by Northern Plains Botanic Garden Society. The award was \$33,601 and all of those funds were used with total project costs of just over \$76,000. The Society has done a nice job of promoting the project.

011-121: Cass County Windbreak and Wildlife Planting Initiative submitted by Cass County SCD.

011-125: Public Accessible Sensory Garden submitted by Jamestown Parks and Recreational Foundation. The award was \$33,000 and all of those funds were used with total project costs of over \$60,000. The garden has been well received by the community. This project included a water feature for the garden that killed all five senses which was key for hearing.

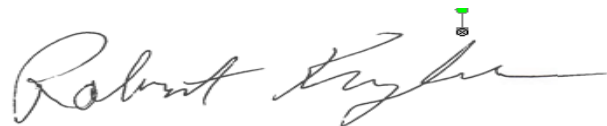
012-134: Bowman Slope SCD Grazing Conservation Program submitted by Bowman Slope SCD. The award was \$112,354 with a match of \$80,000 and all of those funds were used. The project consists of 3,850 acres of planned and approved grazing systems. Approximately 6,400 feet of livestock pipeline, 18 tanks, one well development, and over 55,000 feet of cross fencing.

Besides the projects completed, approximately \$1 million was reimbursed to 23 different projects since May 1st through September 30th.

Mr. Kuylen thanked Ms. Pfennig for the update and thought there were a lot of great projects that have been completed.

It was moved by Mr. Lies and seconded by Ms. Retterath to adjourn the meeting. The motion carried.

With no further business, Chairman Kuylen adjourned the meeting at 2:25 p.m.

A handwritten signature in cursive script, reading "Robert Kuylen". The signature is written in black ink and is positioned above a horizontal line. There is a small green mark above the end of the signature.

Bob Kuylen, Chairman