

**NORTH DAKOTA NATURAL RESOURCES TRUST  
2019-2020 OVERALL ACCOMPLISHMENTS**

**ADMINISTRATION**

**Staffing, Compensation and Benefits**

The Trust again went through some significant administrative changes in the past year.

- With Kathy Kirschman leaving, staff reviewed position needs and altered the position description under the title of Administrative/Conservation Specialist. As in past hiring, we were fortunate to have multiple high-quality applicants. A subset of those were chosen for interview and we ultimately selected Brenda Newton. Brenda accepted our offer and began employment with the Trust on August 12, 2019.
- We spent a good deal of time examining workload, strategic and partnership opportunities and proposed an additional staff position be added, which the board approved at our January 2020 board meeting. The resulting Conservation Program Coordinator position was advertised in early March. Again, we were fortunate to have a slate of outstanding applicants, a wealth of experienced natural resource talent. The position was ultimately offered to, and accepted by, Eric Rosenquist, formerly with The Nature Conservancy. Due to the unusual work environment brought on by the Corona virus, Eric did not start full time with the Trust until June 1, 2020.
- The opportunity afforded by Eric's hiring allowed us to make two other strategic staffing adjustments:
  - Brenda's position duties were modified to reflect a GIS emphasis we want to use in our project work and reporting. Brenda will play the lead role in our GIS efforts, setting use standards, naming conventions and protocols, being responsible for sensitive or restricted data and guiding our overall use of GIS tools and data.
  - Jesse's position duties were modified, and his position title changed from Conservation Program Coordinator to Energy Program Manager. While still maintaining project development and delivery duties, Jesse has taken on the added role of first line coordination with our many energy partners in both oil/gas and wind (and eventually solar). We have already worked with the energy industry on numerous voluntary funding partnerships and it is our assessment that much additional opportunity exists to work on mutually beneficial partnerships that restore and enhance grasslands and wetlands, store carbon, enhance soil health, improve water quality ... and more. Jesse will pursue the relationships that help us fund that conservation and make it happen on-the-ground.
- As a result of staffing changes, we are in need of additional office, work and conference space. We have reviewed a number of options but are working with Mike Dwyer and focusing on renovations in our existing building. Based on current planning (not yet finalized as this is written), we will be able to accommodate co-location with some conservation partners. The ND Wildlife Federation has an interest in two offices and Audubon Dakota has expressed interest in

another. We are also in discussions with Pheasants Forever about an office. This co-location would allow more efficient use of some shared equipment and space, provide colleagues a congenial atmosphere to interact when appropriate and provide the Trust the flexibility of additional space for future growth with a current sublease rental stream to offset some of our costs.

- At the January 2020 board meeting, the board approved a staff request for consideration of dental and vision insurance as an additional fringe benefit for Trust employees. Brenda presented the plan features and her cost analysis and the board approved implementation of the insurance, with the employer covering seventy-five percent (75%) of the premium cost and the employees covering the remaining twenty-five percent (25%). On behalf of current and future Trust staff, I would like to thank the board for your support.
- As a result of salary reviews brought on by the staffing addition and responsibility changes noted above, we found ourselves nearly through a complete updating of salary surveys for most of our positions. We normally do full salary survey updates every 5 years, with the last cycle completed in 2016. You will recall we use a system of comparison between like positions in the state, federal and NGO sphere, many provided by colleagues who do the same type of work. It seemed like time well spent to complete all salary survey updates and start the five-year cycle anew in 2020. All position salary data is current as of July 1, 2020 and 2020 salary increases reflect this new data.
  - I would like to add some information here that reflects very positively on the salary plan the board approved and we have been using for many years. You'll also recall that these surveys allow us to build salary range tables for each of our positions comprised of "steps", and employees move through the "steps" based on both cost of living and tenure. For the years between salary survey updates we assume we are keeping up with market based salary trends in our industry, but it is only when we update the surveys that we can take a snap shot in time to see how we are doing. Thanks to Terry's thorough analysis, we found again that our process is on target, within a very tight range. In other words, our employee salaries are literally within a few dollars of where our updated survey tells us they should be. This is a very encouraging confirmation that our process is working, serving both the Trust and its employees in a very responsible manner.
- We also continued our very successful partnership with the ND Game & Fish Department to provide NAWCA staffing services. Rick Warhurst continues in that position. Not only are his experience and expertise valuable to Director Steinwand but having Rick at the Trust office to provide assistance, advice and perspective on so many issues remains a great benefit to Trust staff.

#### 2021 Update

- We decided to pursue remodeling our existing office space. Office remodeling started February 2021, with completion estimated by mid May 2021.
  - We will gain 1 office in our original office space. We also expanded the office footprint to include a larger conference room, copy room, and additional offices.

- The additional offices can be used for future Trust staff expansion and/or to be subleased by other organizations.
- The conference room will be large enough to hold board meetings as well partner meeting and other events. The conference room is getting a new AV system with high quality cameras that will enhance video conferencing and presentations.

## Finances

Trust financial operations remained stable and under Terry's guidance. Annual highlights include:

- Another excellent annual audit report
- Continued positive work with the Trust's investment advisor SEI.
- Continued excellent coordination with Starion bank
- The Trust also continues to provide a valuable service to five (5) conservation groups by housing their funds, paying invoices and managing the fiscal aspect of their businesses.
- As a result of discussions that came out of the Finance Committee chaired by Randy Renner, the Trust focused on three other important fiscal efforts:
  - Staff is in the process of pulling together a narrative that fully describes the various funds under the Trust's control with regard to their status as spendable without donor restrictions, spendable with donor restrictions and spendable like federal contributions from Dakota Water Resource Act. Of particular significance is explicitly identifying which funds are under board control and which funds are solely under the control of an outside partner.
  - Based on analysis and recommendations from SEI, the Finance Committee also examined options for investing what we've come to call "retained earnings," cash on hand not needed for current years operations. Approximately three million dollars were identified in that category and it was agreed that two million of that amount should be invested rather than being held in cash or lower yielding investments. In past years, the investment income funds were swept into the Trust's Insured Cash Sweep (ICS) account at Starion Bank. The finance committee's recommendations were adopted by the full board, resulting in the following investment action:
 

**"Have SEI set up an account investing \$1 million of the current excess cash using the Balanced portfolio recommendation. The Finance Committee will work with SEI and staff to monitor the market situation over the next two to three months with the intention of investing another \$1 million either in one transaction or multiple smaller transactions as market signals dictate. The Finance Committee requests board action allowing the Finance Committee to make and act on those subsequent investment decisions."**

The Board chose to move the second \$1 million in three equal parts beginning May and ending in July.
  - The Trust is also a fiduciary for over a million dollars in voluntary offset funds provided by various energy companies. These funds have been held in cash, but it was also

decided to place these funds into two linked accounts at Starion Bank. The majority of the funds will be in the Energy Offset Insured Cash Sweep (ICS) account and the second in the amount of \$40,000 will be held in the Energy Offset checking account. The ICS is an extremely safe investment yet something that would gain some dollars for ongoing conservation work.

#### 2021 Update

- Application for the Paycheck Protection Program for payroll expense was submitted and approved in May 2020 for \$91,995. The Trust met all qualifications and was granted loan forgiveness in October 2020. Additionally, the Trust submitted application and was approved for Paycheck Protection Program amount of \$93,546 again in February 2021. The Trust will request forgiveness in fall of 2021.

#### **General Administration**

Brenda continued to support our basic administrative functions, including our critical technology sites, including:

- Updating website content and Board of Directors access information.
- Maintaining our Facebook page
- Assisting partners and collaborators with OHF round submission as needed.
- Conducting an analytic analysis of traffic on the NDNRT website and Facebook page
- Keeping the office equipment, computers, and software up to date.

#### **PUBLIC POLICY AND CONSERVATION FUNDING**

As in years past, the Trust often acts as a facilitator among partners and various stakeholder groups to encourage support and funding for conservation efforts. The past year included the following:

#### **Consensus Building**

- We have discussed the prospect of a full-blown consensus building project among agriculture, energy and conservation interests for several years. At one time we applied for a Bush grant to move that project idea forward but were unsuccessful. The farmer/rancher/private landowner interest in conservation projects is extremely high. In our current environment of trade disruptions, low commodity prices, international health concerns and basic instability in many areas of government and society, a more pragmatic approach seems to be:
  - Continued discussions with agricultural groups, primary commodity interests such as the Soybean and Corn Growers, as well as related delivery entities such as SCDs, 319 coordinators, water interests (Red River Basin Commission, International Water Institute, etc.) and progressive production ag practitioners, looking for research and implementation partnerships leading to on-the-ground conservation.

- Intensified discussions with energy interests, including both trade groups and individual companies, working on actual projects that accomplish grassland and wetland restoration and protection, carbon storage, soil health improvement, water quality improvement, etc.

## **Farm Bill**

- The Trust continued to be involved in all aspects of 2018 farm bill conservation delivery. I remain involved in national policy committees of AFWA and the NGPWG locally. Increased CRP acres were approved in the 2018 farm bill, along with increased funding for several popular farm bill programs, as well as the addition of several conservation “working lands” programs. Swampbuster, Sodsaver and Conservation Compliance were all retained. The Working Wetlands pilot project championed by Delta Waterfowl was included.
- 2018 farm bill language was reflective of several concepts the Trust and partners advocated, such as more working lands programs, more consistency in both managed and emergency use of CRP contract lands and a more user friendly approach to farm bill conservation programs overall.

## **Farm Bill Conservation Specialists**

### ND Association of Soil Conservation Districts (NDASCD)

- The Trust remained a much-reduced partner with NDASCD and several other agricultural and conservation groups during the past year. Previously the Trust contributed \$56,000 per year. During this current fiscal year ending Sept. 30, 2020 we committed \$10,000, and plan to keep that commitment into the future.
- The Farm Bill Specialist program administered by the NDASCD continues as a loose alliance rather than a partnership, for reasons we’ve discussed many times. It will remain as such under current NDASCD leadership. However, the team of young, hard working biologists are doing worthwhile work, helping deliver farm bill conservation programs. They also help deliver Trust and other partner OHF grant dollars, agency and NGO programs, state Waterbank, etc. We plan to communicate more closely with individual biologists on program delivery. We are likely getting a fair return on our investment.
- The Trust was once again a Gold level sponsor of the NDASCD 2019 annual convention in Bismarck. In addition to highlighting the farm bill specialist partnership, the Leopold Award was also presented to Gene and Christine Goeven from Turtle Lake.

### SCD Employees Association (SCDEA)

- We are nearing the end of the first year of a two-year partnership of a Cooperative Conservation Grant submitted by the SCDEA, ending on Sept. 30, 2021. The Trust has committed to being a partner at \$25,000 per year for a total of \$50,000. This grant provides money for existing SCD employees to assist producers with farm bill conservation programs as well as other agency and NGO programs.

## 2021 Update

- Submission to USDA CCG – Partnership grant for conservation promotion and marketing titled “ND Conservation Partnership and Delivery Initiative” requesting \$445,596. If funded, this partnership project would develop an on-line “dashboard” that would assist both conservation delivery professionals and landowners/producers identify conservation project options for specific tracts of land anywhere in the state. Trust is providing \$50,000 in match.

## Other Partnership Agreements

- In addition to the partnership efforts listed above, the Trust has a longstanding and somewhat special relationship with several partners that deliver on-the-ground conservation and/or play special public policy roles. These partners play an instrumental role in delivering Trust programs along with their own, as well as farm bill and other partner programs. It is fair to say that their work is an extension of our own staffing ability. As such, we provide some certainty and stability through the following agreements:

### Pheasants Forever (PF)

- The Trust is in year two of our funding agreement with PF, which ends Dec. 31, 2020. PF provides statewide program coordination; assists landowners with conservation options through farm bill programs, other federal programs and NGO programs. In addition, PF provides Precision Ag business planning to growers and retail agribusiness.

### Ducks Unlimited (DU)

- The Trust is in year two of our funding agreement with DU, which ends Dec. 31, 2020. DU provides technical assistance to ND landowners for delivery of farm bill and the full range of private land conservation programs available from the Trust and other partners.

### Audubon Dakota (AD)

- The Trust is in year two of our funding agreement with AD, which ends Dec. 31, 2020. Audubon provides private landowners assistance and habitat resources to implement bird friendly grazing protocols on grass-fed cattle operations in North Dakota.

### North Dakota Grazing Lands Coalition (NDGLC)

- The Trust, along with numerous other conservation partners including the National Fish and Wildlife Foundation (NFWF), put together a funding partnership of nearly a half million dollars to assist NDGLC with planning, organizational development, program development and staffing.
- NDGLC promotes a land ethic entirely consistent with the mission and goals of the Trust and our conservation partners. As such, I organized a group of conservation partners to assemble a funding package that would assist the NDGLC in both day-to-day business and matching grant dollars. Approximately \$250,000 was committed by nine partner organizations to cover a period through 2020. The Trust contributed \$40,000 in cash and both Terry and I provide advice and assistance to both NDGLC and Clearwater Communications on an as needed basis. This allowed NDGLC to hire Trish Feiring as Field

Representative/Rangeland Management Specialist and partner with Dr. Rebecca Phillips on a variety of educational and scientific projects related to the NDGLC's mission.

- The Trust continues as a funding partner (\$2,500/yr.) for the Leopold Award, which is coordinated with the Sand County Foundation by the NDGLC

### **The Outdoor Heritage Fund (OHF)**

- The Trust and partners worked continually to examine OHF funding opportunities (see below for a full list of successful grants and total OHF funding obtained).
- Extensive governance challenges remain for the OHF. The OHF board continues to lack a strategic direction, priorities, a grant scoring system and a consistent approach to funding allocation. Far too many excellent projects are being denied funding by the OHF board. The Trust and partners will continue to work with the Governor's office, the Industrial Commission and directly with board members to improve OHF governance.
- Extremely good news on the OHF board front involves recent board appointees. Two at-large conservation positions on the board had terms that expired on June 30, 2020. The Trust and partners convened several strategic discussions about recruitment of new board members. Randy Kreil (former NDGF wildlife division chief) and Dave Dewald (former NRCS state biologist and current president of NDWF) both agreed to serve if appointed. Brenda helped both Randy and Dave with the application process and conservation partners wrote letters of support. Both Randy and Dave were appointed by Governor Burgum effective July 1, 2020.
- The Trust and conservation partners are working diligently on OHF grant applications for the upcoming September 1, 2020 deadline. As we approach this next grant deadline, the last prior to the 2021 legislative session, the OHF has a balance approaching \$12 million dollars. This is problematic for several reasons:
  - Far too many excellent project proposals are being denied
  - A significant unspent balance allows the argument that the fund has too much money and some or all of it should be routed to other priorities
  - Farmers and ranchers are seeking private land conservation options at record pace. These OHF dollars should be on-the-ground as intended assisting producers

#### 2021 Update

- 67<sup>th</sup> Legislative Assembly – OHF related bills. In its original form HB1215 moved 10% to the Bank of ND for a parks loan program. The bill was amended to set aside 10% of the OHF appropriation to provide a general loan program that none of the OHF applicants wanted. On the Senate side there was an attempt to amend the bill to require a portion of the funds to be spent only on projects within the Little Missouri Grasslands; that amendment failed. The convoluted and poorly thought-out bill was defeated 47-0 in the Senate on Friday, April 9, 2021. The OHF funding is embedded in the Industrial Commission budget and currently will remain capped at \$7.5 million per year and \$15 million per biennium, substantially below the \$20 million per year/\$40 million per biennium authorized in statute. This issue will need continued attention.

## ENERGY

### **Oil and Gas**

Trust staff continues our efforts to improve public policy around oil and gas development, as well as avoid, minimize and mitigate landscape impacts. During the past year this included:

- Delivery of the Bakken Development & Working Lands Program (BDWLP).
  - There are currently 61 signed contracts for practices that are completed or being implemented at this time, with \$824,976.05 spent to date. Ten projects implementing native grasses (2,175 acres) on former cropland. All incentive payment dollars for native grass seedings have been spent. Thirteen contracts include tame grass seeding (1,479 acres), and eighteen contracts implemented cover crops (1,973 acres). The BDWLP is expected to be completed this fall or next spring.
  - The Trust was successful in our grant applications to the National Fish and Wildlife Foundation (NFWF) to support staffing work on the BDWLP project. A grant of \$250,000 was awarded and the contract signed in June 2019.
  - As part of the BDWLP, Trust staff is working with ND Health Dept. staff on habitat development and public access on or near a site in Billings County. Funding is available from White Rock Oil & Gas, the company operating the pipeline that leaked oil and salt water into Franks Creek northwest of Belfield.
  - The Trust submitted an application for BDWLP II on September 1, 2020 to continue serving oil producing counties.

#### 2021 Updates

- Due to COVID 19, the expected travel that was to occur in 2020 for the project was reduced. In early 2021, Jesse and Trust staff issued a request to reallocate NFWF funds away from travel and lodging support to Trust time support, and this request was approved. Additional funds were allocated to support the work of BDWLP to Jesse and Eric since they are doing most of the work on contracts and outreach to partners.
- Money from White Rock Oil and Gas is also being used to refurbish a boat landing on the confluence to support recreational use.
- Bakken II was approved by the Industrial Commission in the winter of 2020 for \$3,308,100 from OHF. The total project cost is \$6,361,383. Due to demand for the program, contracts were being submitted from landowners immediately upon approval of the grant from the Industrial Commission.
- Completed delivery of private land conservation in Bottineau County, in concert with the USFWS Partners Program, funded by a \$30,000 voluntary conservation contribution from Petro Harvester.
- Coordination work with USFWS, BLM and Continental Resources to address Dakota skipper habitat destruction on a well pad in McKenzie County, ND



- On December 17, 2017 Energy Transfer Partners, through Dakota Access LLC, provided the Trust a voluntary contribution letter and a check for \$449,500 to do work to enhance the status of the threatened Dakota skipper.
- We signed a contract with the Minnesota Zoo commencing on June 20, 2019 and running through September 15, 2020. That contract covered the following:
  - Capture of Dakota skipper from a Continental Energy well pad site in McKenzie County
  - Establishment of a captive breeding operation and associated infrastructure at the Minnesota Zoo
  - Successful rearing of approximately 400 pupae
- Week of June 22<sup>nd</sup> Trust staff participated with USFWS, USFS, and MN Zoo in the release of DASK propagated from stock collected in 2019 from the Continental Energy well pad.
- Contracted with Luke Toso to conduct surveys in June and July 2020 at various locations during flight season with habitat potential to support skippers including Upper Souris NWR, Chase Lake NWR, Little Missouri National Grasslands-Medora District.
- At Upper Souris NWR, Dakota skippers were found in areas of intense management, including fire and grazing disturbances indicating the species prefers highly utilized prairie.
- In July 2020, Trust staff worked with USFWS to begin the process of developing a core group to guide future DASK recovery actions.
- Trust staff will utilize GIS layers created by HAPET and overlay known skipper locations to create a database of information that includes sites indicative of skipper habitat, and for identifying areas of potential restoration to expand the current range and provide a diversified land use.

#### 2021 Updates

- In March, we received a second NFWF grant for \$50,000 to support DASK survey and recovery efforts.
- Trust was invited to participate on the ND DASK Recovery Council with the goal of developing comprehensive strategies to support DASK recovery in ND. The Trust has taken the lead on developing a statewide survey strategy include application for USFWS Section 6. Funding.
- We continue to develop a program to manage the use of offset funding to support intended targets.
- ONEOK
  - On November 1, 2019 ONEOK Pipeline provided the Trust \$100,000 for projects benefiting the Dakota skipper and \$300,000 for grassland/wetland conservation work.
- Continued develop of relationships with the North Dakota Petroleum Council and the energy industry, particularly Hess Corp.
  - Interest in carbon capture practices and Dakota skipper recovery are industry-wide priorities, and several conversations have occurred about possible projects and partnership building throughout 2020.

#### 2021 Updates

- ESG discussions with ConocoPhillips, Continental, Hess, and Whiting and implementing grassland establishment programs in 2021 and beyond to increase scores for investments.

## Renewable Energy

The Trust's role is to help industry, our partners and the State develop policy and process that avoids, minimizes and then offsets unavoidable impacts to our land, air and water, as well as our agricultural and tourism industries. Our main role will continue to be accepting voluntary offset contributions and constructing the partnership projects. The year past has seen the Trust:

- Continue to work with agency, NGO and industry partners on habitat and species assessments to aid in siting decisions.
- Continue discussions with professional colleagues to review past scientific work relative to wind farm siting and discuss strategy going forward to minimize wind farm impacts.
- Continue to work with NDGF and partners in their development of wind energy impact assessment tools and voluntary offset measures that address those impacts.
- The Trust and partners continue to examine North Dakota's regulatory structure at the state and political subdivision level to better understand and educate others on the process of approving and siting wind farms.
- We continue to work with our conservation colleagues on consistency and conservation relevance in response to companies interested in placing offset dollars. It is critical that we all use the same criteria and process for acceptable conservation measures and not enable companies to circumvent their responsibility for well thought out siting and maintenance.

### Offset Dollars Received by the Trust from Energy Companies

<u>COMPANY</u>	<u>AMOUNT</u>	<u>PAYMENT DATE</u>	<u>SPECIAL REQUIREMENTS</u>
Petro Harvester	\$30,000	9/27/2017	Committed to Partners for FWS
DAPL	\$449,500	12/12/2017	benefit Dakota Skipper
Navatus Energy (Sunflower Wind)	\$50,000	4/30/2018	grassland protection (native grass priority)
Tradewind (Aurora)	\$150,000	8/22/2019	wetlands, grasslands, waterfowl & whooping cranes
Oneok	\$400,000	10/10/2019	\$100,000 for Dakota Skipper; \$300,000 for native grassland
Continental	\$330,000	9/30/2019; 10/18/2019; 1/27/21	\$50,000 for prairie reconstruction; \$30,000 for Skipper relocation; \$250,000 for DASK habitat and surveys
White Rock Oil & Gas	\$19,750	11/27/2019	Committed to BDWLP project
<b>Total</b>	<b>\$1,429,250</b>		

- A year ago, the Trust received a check for \$50,000 from Novatus Energy for habitat work in the vicinity of their Sunflower wind project in Morton and Oliver Counties. We continue to look for an appropriate conservation opportunity for that voluntary contribution.
- The Trust was contacted by Tradewinds/Enel Green Energy regarding their interest in funding voluntary conservation measures associated with the Aurora wind farm near Tioga. The Aurora project was approved by the PSC and Tradewinds provided the Trust a voluntary contribution toward conservation of \$150,000 in August 2019. The project began construction in November 2019 with completion expected by the end of 2020.

#### 2021 Update

- In January, the Trust received another \$250,000 voluntary offset dollars from Continental. This will be used on projects related to the Dakota skipper.
- Navartus Energy funds are planned to be used on Raab WMA for habitat improvements that include wetland creations.
- The Trust has developed a Habitat model using GIS information from the USFWS HAPET office. This model will help guide the Trust in making decisions on where to focus voluntary offset dollars. The model can be tailored to fit needs for wind, Dakota skipper, grassland habitat, etc.

### **TRUST SMALL GRANT PROGRAM**

The Trust's small grant program was continued during the past year. Grant guidelines stayed similar to the prior year with emphasis on educational grants and \$75,000 available for the 2019-20 grant cycle.

For the 2019 grant round:

- 12 grant proposals were received by the April 15, 2020 deadline totaling \$102,254.93 in requests.
- Trust staff reviewed grants and made funding recommendations to the Board. At the May 2020 Board meeting:
  - 10 grant proposals were approved totaling \$74,705.13 (one was a multi-year grant, so an additional \$9,500 was approved for 2021).
- There is about \$15,300 in outstanding grants remaining for previous years.

#### 2021 Update

- For the 2021, the Trust has obligated \$49,500, with \$9,500 already committed to the USFWS 2-year Junior Duck Stamp grant of 2020.

### **LAND AND HABITAT**

#### **Outdoor Heritage Fund Proposals**

I discussed the status and funding strategies related to OHF above. This discussion focuses on the actual projects funded and on-the-ground work achieved through OHF partnerships

- The Trust has been very successful in utilizing OHF project funding. All Trust staff members have contributed in various ways in writing and presenting OHF grant proposals and delivering OHF dollars. Trust staff has also helped multiple partners with OHF strategy and grant writing assistance.
- The Trust has been an applicant or co-applicant on successful OHF grants totaling \$6,999,333:

#### Water Storage Piggyback Program (Round 2 – Spring 2014)

- Wetland restoration incentives – OHF approved \$300,000; Trust \$100,000 (\$75,000 WSP and \$25,000 in-kind); Trust actual WSP match was \$84,200.55 plus \$25,000 in-kind.
- All funds were obligated by spring 2016 in 44 landowner agreements, signed in 19 different counties.
- Accomplished 104 wetland basins and 578.1 acres restored.
- The project was completed in 2017.

#### Beginning Farmer Enhancement (Round 5 – Summer 2015)

- Total project \$257,442 – OHF approved \$132,884; Trust \$67,888 and Landowner \$55,144.
- 4 landowners in Mercer, Burleigh (2) and Dickey Counties. Project assisted with livestock grazing infrastructure.
- The project was complete in 2017.

#### Working Grassland Partnership I (Round 6 – Fall 2015)

- Total project \$2,079,562 – OHF approved \$1,097,250; Trust \$200,000; Partners \$90,000; Landowners \$694,925.
- WGP agreements signed with 43 landowners representing over 18,343 acres.
- All Trust lease payments completed.
- Development cost-share payments \$924,505 of \$1,042,388 (\$117,883 remaining)
- Anticipate remaining development cost-share to be paid by the end of 2020 or early 2021.
- 2021 Update: \$88,596.70 remaining

#### Wetland and Grassland Restoration (Round 9 – Summer 2017)

- OHF funded grass seeding but not wetland restorations.
- Total project \$140,000 – OHF approved \$67,500; Trust \$21,875 and Landowners \$50,625.
- 18 landowner agreements signed for 1,642.46 acres.
- The project was completed in 2019.

#### Working Grassland Partnership II (Round 10 – Fall 2017)

- Total project \$1,742,750 – OHF approved \$903,750; Trust \$175,000; and Landowners \$600,000.
- OHF Advisory Board removed the \$30,000 staffing request.
- WGP agreements signed with 42 landowners representing over 14,827 acres.
- All funds are obligated with signed agreements.
- Total of \$460,817.49 has been paid (\$442,932 remaining).
- 2021 Update: \$242,361.21 remaining

#### Bakken Development and Working Lands Program (Round 11 – Spring 2018)

- Energy Impacted Counties – grazing systems, grass seeding, reclamation, and nature parks.
- Diverse partnership including – Dept. of Mineral Resources and ND Petroleum Council.

- Total project \$3,845,000 – OHF \$2,170,000; Trust \$200,000; DMR \$300,000; USFS \$215,000; and Landowners \$460,000.
- 61 landowner agreements.
- Total of \$346,191 has been paid (\$1,823,808 remaining)

#### Working Grassland Partnership III (Round 11 – Spring 2018)

- Funding for WGP concept of expired/expiring CRP; this grant covering the remaining counties in the northeast.
- Total project \$743,250 – OHF \$396,850; Trust \$70,000; and Landowners \$256,400.
- WGP agreements signed with 24 landowners representing over 4,968 acres.
- 4 additional agreements are out for signature or pending.
- Total of \$221,139 paid (\$175,710 remaining).
- 2021 Update: \$89,648.44 remaining

#### Livestock and Wildlife Dams – Wetland Creation and Enhancement (Round 12 – Summer 2018)

- During the fall of 2020, the Trust continued to work on OHF Project Contract Number 012-131. The Trust cooperated with five landowners, the Morton County Water Resources District and the North Dakota Game and Fish Department to create and enhance 12 wetlands totaling 62.08 surface acres. The Outdoor Heritage Fund supplied \$121,698.54 and the Trust and Landowners provided \$127,309.28 match for a total of \$249,007.82 expended for this wetland development work.
- Fieldwork for Project Contract Number 012-131 was completed in December, 2020. A Final Report was submitted to the North Dakota Industrial Commission and the Outdoor Heritage Fund in March, 2021. Fourteen (14) wetlands were created or enhanced covering 72.78 surface acres. Wetland projects were completed in seven North Dakota counties. Ten wetlands covering 67 surface acres were developed on private land that supplies water for livestock production for seven North Dakota ranchers, facilitates the enhancement of surrounding grassland habitat exceeding 4,000 acres and improves ranch operations and economics. Many wetland wildlife species populations will be improved by these new and enhanced wetlands sites and acres. Three wetlands were developed on a new ND Wildlife Management Area in Stark county. A 1.1-acre wetland situated on a tributary stream to Harmon Lake, Harmon Lake Recreation Area, in Morton County was enhanced. This wetland will help improve water quality in Harmon Lake, supplies important wildlife habitat and provides a scenic habitat feature along the bicycle and hiking trail on the Recreation Area.

#### 2021 Update

- This project was completed approximately one year ahead of schedule and in line with the Budget for the project. OHF provided \$138,850 for this wetland development work. The Trust expended \$68,634.70 and Landowners contributed \$72,617.60 for the wetland creations and enhancements. In addition, the Trust provided \$20,168.48 of In-Kind contributions to completion of the project. Project total cost was \$300,270.78.

#### North Dakota Grassland Restoration Project (Round 13 – Fall 2018)

- Total project \$255,000 – OHF approved \$104,500; Trust \$33,000, PFW \$27,500, and Landowners \$90,000.

- 17 landowner agreements have been signed for 2,581 acres.
- Total of \$44,000 paid (\$60,500 remaining).
- All will be spent out in 2020.
- 2021 Update: 20 landowners & 2,721.19 acres signed into agreements. \$6,139.48 remaining

#### Working Grassland Partnership 4 (Round 14 – Spring 2019)

- Total Project \$2,235,000 – OHF Approved \$1,225,000; Trust \$200,000, DU \$10,000 and Landowners \$800,000.
- WGP4 has signed 14 agreements for \$385,917.95 of OHF on 6,165.90 acres of grassland and expiring CRP.
- The program still needs to obligate funds. May take until 2022 to be finalized.
- 2021 Update: 22 agreements signed including 11,521 acres; \$1,002,280 remaining (\$688,991 obligated)

#### North Dakota Grassland Restoration Project 2 (Round 15 – Fall 2019)

- Total project \$255,000. OHF approved \$100,000, Trust \$33,000, PFW \$27,000 and Landowners \$90,000.
- The majority of agreements will be signed and completed in fall of 2020 and in 2010.
- 2021 Update: 6 agreements signed for \$24,972; Planning to complete grant in 2021.

#### North Dakota Partners for Wildlife Project (Round 17 – Fall 2020)

- Total Project \$1,303,000 – OHF approved \$716,500, Trust \$59,000, PFW \$44,500 and Landowners \$443,000.
- Statewide program offering wetland restoration & creation, grass restoration, cover crops and grazing systems

#### Bakken Development and Working Lands Program II (Round 17 – Fall 2020)

- Energy impacted counties plus three adjacent counties – grazing systems, grass seeding, plugged and abandoned well pad reclamation, State Park improvements, National Grassland improvements.
- Diverse partnership including – Department of Mineral Resources, US Forest Service, four grazing associations, National Wild Turkey Federation, ND Game and Fish Department, ND Wildlife Federation, and the ND Parks and Recreation Department.
- Total project is \$3,308,100 OHF, \$150,000 Trust, \$1,365,283 US Forest Service and Grazing Associations, \$50,000 ND Game and Fish Department, \$750,000 ND Department of Mineral Resources, \$20,000 ND Grazing Lands Coalition, \$57,500 ND Parks and Recreation Department, \$5,000 Mercer County SCD, and \$555,000 Landowners.
- 15 Contracts have been signed for \$225,966 with several more out for signature.

### **Co-Applicant Grants**

#### Grasslands Enhancement Project (Round 8 – Fall 2016)

- Ducks Unlimited was applicant, with the Trust as a co-applicant.
- Requested \$241,529.40 in funding from OHF; approved for \$230,000 from OHF with partners bringing \$122,832 in cost share.
- DU is coordinating all grant activities.

#### Grand Forks Prairie Management Toolbox (Round 9 – Summer 2017)

- OHF funded grazing systems, prairie restoration, and woody removal.
- Total project \$250,420 – OHF approved \$121,220; Trust \$12,000; NDGFD \$200,000; and Landowners \$40,200.
- Dakota Audubon is coordinating all grant activities.

2021 Update

Audubon Dakota submitted a grant for the ND Conservation Forage Program. It was approved during Round 17. Total project \$10,107,177, OHF funded \$6,918,306. The Trust is both a funding and delivery partner.

**NDNRT - OHF Grant Submission History**

		<b>Request</b>	<b>Match</b>	<b>Total Project</b>	<b>Funded \$</b>
Round 1	Working Lands Partnership	\$3,750,000	\$655,000	\$4,405,000	\$0
Round 2	Water Storage Piggyback	\$300,000	\$100,000	\$400,000	\$300,000
Round 3	Conservation Cover Pilot Project	\$3,525,000	\$1,175,000	\$4,950,000	\$0
Round 4	No application	\$0	\$0	\$0	\$0
Round 5	Beginning Farmer Enhancement	\$132,884	\$124,557	\$257,441	\$132,884
Round 6	Working Grassland Partnership	\$1,097,250	\$370,000	\$1,467,250	\$1,097,250
Round 7	No application	\$0	\$0	\$0	\$0
Round 8	Grasslands Enhancement Pilot Project (Co Ap)	\$241,529	\$197,152	\$438,681	\$241,529
Round 9	Grand Forks County Prairie Mgt Toolbox (Co Ap)	\$121,220	\$129,200	\$250,420	\$121,220
Round 9	Water Storage and Grass Seeding	\$292,500	\$207,500	\$500,000	\$67,500
Round 10	Working Grassland Partnership II	\$933,750	\$840,000	\$1,773,750	\$903,750
Round 11	Working Grassland Partnership III	\$396,850	\$346,400	\$743,250	\$396,850
Round 11	Bakken Development and Working Lands	\$2,170,000	\$1,675,000	\$3,845,000	\$2,170,000
Round 11	Dakota Skipper Habitat Enhancement	\$897,250	\$950,000	\$1,847,250	\$0
Round 12	Livestock and Wildlife Dams	\$138,850	\$138,500	\$277,700	\$138,850
Round 13	ND Grassland Restoration Project	\$104,500	\$150,500	\$255,000	\$104,500
Round 13	Dakota Skipper Habitat Enhancement	\$897,250	\$950,000	\$1,847,250	\$0
Round 14	Working Grassland Partnership 4	\$1,225,000	\$1,010,000	\$2,235,000	\$1,225,000
Round 15	ND Grassland Restoration Project 2	100,000	155,000	255,000	100,000
Round 16	No application	\$0	\$0	\$0	\$0
Round 17	ND Partners for Wildlife Project	\$716,500	\$586,500	\$1,303,000	\$716,500
Round 17	Bakken Development and Working Lands II	\$3,308,100	\$3,053,283	\$6,361,383	\$3,308,100
		<b>\$20,348,433</b>	<b>\$12,813,592</b>	<b>\$33,412,375</b>	<b>\$11,023,933</b>

**Trust Property**

The Trust's Kenner Marsh property in Ramsey County continues to be managed under long-term agreement with the North Dakota Game & Fish Department. CRP contract acres have been seeded to tall grass native species.

#### 2021 Update

Our CRP contact was cancelled due to the Trust exceeding Adjusted Gross Income limitations.

### **North American Wetland Conservation Act (NAWCA)**

The Trust plays a unique and active role in the NAWCA process both in North Dakota and nationally. We are involved in governance issues, funding and project development. We provide Council staffing and are active board members on two (2) joint ventures.

#### Staff Support

- The Trust continues to provide staffing for Game & Fish Director Terry Steinwand as Central Flyway representative on the NAWCA Council and the current Council chair. Rick Warhurst does an excellent job of assisting Terry with his Council duties as well as representing the prairies as a staff member scoring and advocating for projects.

#### 2021 Update

- During the NAWCA U.S. Standard Slate of Projects for the 2021-2 Cycle, NAWCA Council approved 32 Projects for funding at \$40,177,644. Two projects are in North Dakota and 10 in the Central Flyway. The Council approved 16 Mexico NAWCA Projects for \$5,839,025. Eight (8) Canada NAWCA Projects were approved by Council for \$33,000,000. These recommended Projects have been submitted to the Migratory Bird Conservation Commission (MBCC) and will be considered for approval in April 2021.
- In February 2021 NAWCA Council approved 28 NAWCA Small Grants for \$2,626,837. One is in North Dakota and four in the Central Flyway. These projects are now approved for funding. They will be submitted to the MBCC for information in April also. The MBCC has granted the Council authority to approve up to \$5 million in Small Grants.
- The 2022-1 U.S. Standard Grant Proposals will be sent to NAWCA Council Staff in late March 2021.

### **Joint Ventures**

#### Prairie Pothole Joint Venture (PPJV)

- I continue to serve on the management board and am currently the longest serving board member
  - o The PPJV 2019 fall board meeting was held in Aberdeen, South Dakota in August 2019; both Rick and I attended.
  - o The spring PPJV board meeting was in conjunction with the North American Wildlife Conference held in Omaha, NE in March, 2020. Again, both Rick and I attended.



- o Sean Fields, previously coordinator of the PPJV Technical Committee, was hired as the PPJV Coordinator, replacing longtime PPJV coordinator Casey Stemler, who accepted a different position with the FWS.
  - The Trust was able to offer the following NAWCA matching funds in the PPJV landscape during the past year:
    - o ND Great Plains 11 \$122,431 (2021 Update: \$591,443)
    - o Drift Prairie 7 \$154,007
    - o ND Working Wetlands \$109,864
- 2021 Update
- o ND Grazing Lands Improvement Project (PF small NAWCA grant) \$50,946.50
  - The Trust received the second installment of Conoco Phillips' two (2) year \$100,000 annual contribution to the PPJV. Terry continues to work with the PPJV coordinator handling administration of the funds for the PPJV.

2021 Update

- The PPJV has received a total of \$400,000 from Conoco Phillips
- The Trust made a successful proposal to the PPJV management board for an additional \$15,000 to focus habitat delivery in the Declining Grassland Bird CRP priority area using a variety of incentives on SAFE contracts
- The PPJV board policy committee and full board is spending considerable time examining the implications of the Biden administration announced 30 x 30 initiative. Consideration is being given to providing PPJV input on implementation strategies that would support the public/private partnerships that currently exist between conservation and agricultural interests in the PPJV landscape

**Northern Great Plains Joint Venture (NGPJV)**

Jesse Beckers is a member of the NGPJV management board. Our involvement continued during the past year:

- Jesse served on the Strategic Communication Plan subcommittee
- Jesse provided insight into hiring an assistant to the Coordinator
- With the announcement of Dan Casey's retirement, Jesse is on the applicant review and interview committee for the new Coordinator

2021 Update

- Catherine Wightman was hired in late 2020 as the new Coordinator

**PARTNERSHIPS / OTHER CONSERVATION SUPPORT ACTIVITIES**

- I began discussions with NRCS about a possible ACEP/ALE (USDA farm bill) easement on land along the Missouri River in Morton County. This work was prompted by a ranching landowner exploring the possibility of purchasing agricultural property that would otherwise be converted

into housing development. It appears North Dakota would be eligible for a fiscal allocation; the details of this possible land protection effort will play out over the next year.

- Grand Forks Prairie Partners – The Trust is a partner with UND on the Grand Forks County Prairie Project RCPP, and provides in-kind match for time spent on evaluating projects and assisting with guidance for activities. The Trust and other partners also signed an updated MOU that details the duties and commitments of all parties involved. The agreement will be active through 2023.
- The Trust remains a co-sponsor and funding partner for the Leopold Award. We were a co-nominator of the Joe Breker family with the ND Corn Growers Association for the 2019 Leopold Award.
  - The 2019 award was presented to Gene and Christine Goeven at the NDASCD annual meeting in November, 2019.
- The Trust co-sponsored the 5<sup>th</sup> annual sporting clays event with the Legislative Sportsmen’s Caucus in October of 2019.
- North Dakota Chapter of the Wildlife Society:
  - Jesse is the President of the NDCTWS. Keeping this important professional group relevant and credible is important to the Trust’s work and that of our conservation colleagues.
  - The Trust helped nominate the recipients of the ND Habitat Award, Craig and Shelly Larson, and the ND Award, Merle Bennet.
  - Terry provided assistance to the annual audit committee.
- Terry is assisting our partners at the ND Wildlife Federation by serving as treasurer.
- Trust staff (Terry and Jesse) continued work on a three-year (2018, 2019 and 2020) contribution agreement with NRCS for monitoring Wetland Reserve Program easements in northeast ND.

#### 2021 Update

- The ND Game & Fish submitted an RCPP application totaling \$10 million in NRCS funds and a similar amount of partner match, a “big idea” project commonly referred to as The Meadowlark Initiative. The Trust will be involved in funding, coordination and delivery if the project is approved.

#### **Private Citizen/Partner Conservation**

Among the more interesting and rewarding aspects of the Trust’s work is the opportunity to assist both private citizens and partners (agencies and NGOs), with unique aspects of land protection and conservation. There were both new and ongoing activities in this area during the past year:

- We continue to assist Dick Monson, a retired farmer from Valley City, to implement his private long-term conservation strategies. We provided Dick conservation advice and options and arranged and covered the cost of appraisal services and estate planning advice. Dick has begun working with a new attorney who has been in contact with the Trust. It appears most plans are finalized and the Trust will be holding both cash and property from Dick’s estate, with specific

instructions regarding selling the property and moving all assets to partnership conservation projects for the benefit of USFWS. We expect these activities to begin during the coming year.

- Over a year ago the Trust was contacted by David and Jill Engelstad. The Engelstads own farmland in Barnes County, ND, and have been looking for a conservation partner to receive their land through their estate. After doing research they decided the Trust was the entity that best fit their needs and named the Trust in their will. David and Jill have a strong interest in a more active, progressive type of management for their land. While they are not opposed to hunting and traditional wildlife management scenarios, they are much more interested in concepts that involve demonstration agriculture, experimentation with new techniques in land use, promotion of soil health and overall educational opportunities. The Trust's role has been to facilitate discussion with partners about possible outcomes. The Engelstad's have been on assignment with the National Park Service in American Samoa over the entire past year and no further communication has taken place. When communication resumes we will counsel the Engelstads on the best home for and use of their property long term.
- **Burnt Boat Park**
  - In early 2020, the Trust was approached by DU development staff members Eric Lindstrom and Chris Hildebrandt about an extremely unique partnership opportunity. The Clairmont family trust had agreed to a bargain sale of approximately 120 Acres of land east of the DU office for an outdoor park.
  - On January 17, 2020, Keith met with Eric and Chris and suggested they bring their proposal to the Trust board meeting on January 22, 2020
  - Chris Hildebrandt and Randy Bina gave a presentation on a proposed 120 acre park opportunity. The park will include natural trails for walking and mountain biking that will connect to the existing Bismarck/Mandan trail system. It will also include restored wetlands and native tree and grass plantings that will provide educational opportunities for the public. The board had questions on the management of the park. Randy Bina said the Park Board has recognized that they would maintain it and ensure that the park would stay nature based and not become over developed. The board approved a budget item of **“\$150,000 identified for the Burnt Boat Park project, including the stipulation that working lands be considered in the interpretive portion of the project.”**
- In July 2020 the Trust was approached by landowner David Miller from Morton County. Mr. Miller and his family had done recent estate planning and had identified land they wanted to donate for public ownership and use. We subsequently met with Mr. Miller on July 16. After looking at the location and details of his land and better understanding his wishes we suggested that North Dakota Game & Fish would be the ideal owner and manager of the property. We contacted the Wildlife Division at the Department and made arrangements for them to contact Mr. Miller and work further on the potential donation. NDGF personnel met with Mr. Miller and toured the property. At the time of this writing, it appears the Miller land will be donated for a new Wildlife Management Area in Morton County.

[2021 Update](#)

- Dick Monson gave a restricted donation for \$305,000 to the Trust, for improvements on USFWS lands in Barnes county.
- The Clairmont Family Conservation Park (Burnt Boat Park) land purchase closed in August of 2020.
- At the request of the McLean County Commission and Water Management Board, a Painted Woods Phase II project (anticipated when Phase I was completed) was initiated. The property contains 175 acres and is located directly north of Phase I.

### **IN SUMMARY**

Administrative and structural changes at the Trust have been a highlight of the past year. Brenda's hiring, along with the addition of a staff position that resulted in Eric's hiring, puts us in a strong position to attain additional grant funding, accomplish our projects and assist partners.

Coordination with the energy industry and energy project related work has been a major driver of Trust activities over the past year. OHF projects like the Bakken Development and Working Lands Program (BDWLP) have gone extremely well. We initiated a major partnership with USFWS and the Minnesota Zoo to accomplish some ground breaking work with Dakota skipper capture, propagation and population reintroduction in the badlands.

Extensive partnership work was completed in preparation for several OHF grant applications as well as a USDA/RCPG grant that could be among the largest partnership projects the Trust has been involved in. Those project development efforts will lay the groundwork for conservation delivery into 2021 and beyond.

Over the past year our staffing and delivery capabilities have been strengthened through both addition of resources and experience. We get better as we go along, learning, creating more partnerships and designing more innovative projects. The Trust's fiscal condition remains strong. Interest in private land conservation by farmers and ranchers continues to grow. Those factors contribute to a bright future for the Trust in the protection and enhancement of North Dakota's natural resources.