

Outdoor Heritage Fund Grant Application



Name of Organizations:

North Dakota Natural Resources Trust

Federal Tax ID# * 36-3512179

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

Dunn County Soil Conservation District

Additional Partners:

Badlands Advisory Group

Mule Deer Foundation

Rocky Mountain Elk Foundation

Dunn County Commission

McKenzie County Commission

ND Game and Fish Department

ND Petroleum Council

ND Department of Mineral Resources

ND Department of Health

NP Resources

Vision West North Dakota

Dunn Center City Council

Pheasants Forever

City of Watford City

Watford City Police Department

US Forest Service

USFWS Partner's Program

ND Wildlife Federation

NRCS

McKenzie County Grazing Association

MAJOR Directive: Choose only one response

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

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

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

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

Additional Directive: Choose all that apply

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Type of organization:

State Agency

Political Subdivision

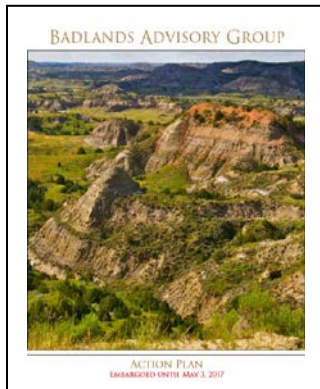
Tribal Entity

Tax-exempt, nonprofit corporation.

Project Name: Bakken Development and Working Lands Program (BDWLP).

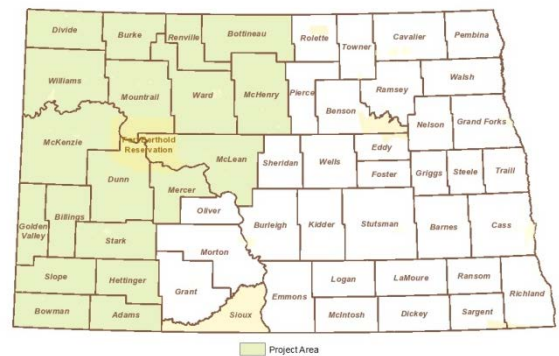
Abstract/Executive Summary: In 2016, an assessment was completed to aggregate the perceptions and opinions of stakeholders in agriculture, energy, government, and conservation about oil development in the Badlands. From that assessment evolved the Badlands Advisory Group (BAG), its objectives, and respective Action Plan. The specific component for habitat improvement in the Action Plan is the focus of this grant application. In partnership with OHF, the BDWLP will benefit the broad base of stakeholders, including both

surface and mineral owners, energy companies, conservationists, political subdivisions, state and federal agencies and the at-large public within oil producing counties and the Fort Berthold Reservation. The motivation is to reclaim scattered parcels with abandonment issues, create habitat on irregular lands within development sites and enhance the grassland ecosystem and the agricultural economy in the entire region.



Partners have also identified sites to clean up and create Urban Nature/Interpretive Sites (UNIS) near towns within the Bakken. Additionally, partners will identify and encourage public and private lands partnerships designed to restore, maintain and/or enhance native prairie ecosystems that contribute to native species conservation as well as conservation of the ranching culture. The BDWLP challenge will be to increase grassland quantity/quality, provide support to enhance grazing systems, create wildlife habitat through establishment of new and enhancement of existing cover, utilize cover crops, develop UNIS areas and create outdoor recreation opportunities.

BDWLP will provide cost-share to support project goals and in some cases, where affected land no longer fits in a normal farming practice, to support stewardship practices that enhance farming and ranching through use of Grassland Establishment Incentive Payments (GEIP) based on county NASS rates. The BDWLP joint applicants will oversee this program, working with landowners and developers, identifying funding from multiple government and non-government entities. BDWLP addresses key resource and habitat concerns outlined by the North Dakota Game and Fish Department’s 2015 State Wildlife Action Plan (SWAP) by increasing the amount/quality of cover with the use of rotational grazing systems with guidance of local SCD offices. Furthermore, the project will strengthen and provide sustainable agriculture systems through cover crops for soil health and enhanced forage for livestock, specifically during times of drought. For habitat areas in/adjacent to cropping systems that would benefit from squaring off areas currently affected by energy development, habitat lease payments will be available to compensate landowners for deferring use to provide habitat for wildlife species around the developed area. Once habitat improvement projects are established, generally by year three, and the working lands concept is in a fully-functioning condition, predictable agricultural use will eliminate the need for GEIP.



Project Duration: Projects will be identified and implemented within five (5) years of project initiation.

Amount of Grant request \$2,170,000

Total Project Costs \$3,845,000

(Note that in-kind and indirect costs can be used for matching funds)

Amount of Matching Funds: \$1,675,000 (44% of total project)

Cash: \$773,000

In-kind:\$902,000

Source(s) of Matching Funds

	<u>Cash</u>	<u>In-Kind</u>
• Co-Applicants		
○ NDNRT	\$100,000	\$100,000
○ Dunn County SCD		\$75,000
• Other Partners		
○ Badlands Advisory Group		\$15,000
○ Landowners		\$460,000
○ Dunn County Commission	\$50,000	
○ ND Game and Fish Department	\$25,000	
○ ND Petroleum Council (Energy)		\$50,000
○ ND Department of Mineral Resources	\$300,000	
○ US Forest Service	\$125,000	\$90,000
○ McKenzie County Grazing Association	\$50,000	\$25,000
○ ND Wildlife Federation	\$100,000	
○ NP Resources, LLC	\$10,000	
○ City of Watford City	\$13,000	\$87,000
○ Pheasants Forever	\$5,000	
○ Vision West ND		\$5,000
	<u>TOTAL</u>	
	\$778,000	\$907,000

Certifications *

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

X I certify that if awarded grant funding none of the funding will be used for any of the exemptions noted on Page 1 of this application.

Narrative

Organization Information: The Trust was created in 1986 and was originally called the North Dakota Wetlands Trust until 2000. The Trust’s mission is to preserve, restore, manage,

and enhance wetlands and associated wildlife habitat, grasslands, and riparian areas in the state of North Dakota. The Trust achieves this mission by partnering with agricultural and conservation organizations to promote productive use of private agricultural lands and private property rights that result in enhancement and protection of private lands, to effectively use North Dakota's public lands both for agriculture and recreation, to promote good land use along urban river corridors, and to enhance the state's significant water resources. The Trust helps shape the landscape through its programs and does its best to help shape both public attitude and public policy to support natural resource protection.

The Trust is managed by a six-member board of directors. Three of the directors are appointed by the governor of North Dakota, one by the National Audubon Society, one by the National Wildlife Federation, and one by the North Dakota Chapter of The Wildlife Society. The North Dakota Game and Fish Department Director is an ex-officio member. The Trust has an Executive Director and four staff members.

From its inception, the Trust has played a role as facilitator between agricultural and conservation interests. In addition to facilitating and funding sound, on-the-ground conservation of natural resources, its goal is to identify common issues, create dialogue, and resolve conflicts.

Purpose of Grant:

Background and Funding Urgency: This proposal is an outgrowth of the BAG in response to the stake-holder assessment. The common response in the Stakeholder Assessment was to “produce oil, but ensure valuable surface resources are protected and recognize the rights and concerns of surface owners.” The BAG identified priority areas and opportunities (BAG 2017) that would involve small scattered parcels utilized for energy infrastructure, irregular areas of land that could be squared off to provide efficiency to the surface owner and wildlife habitat, and larger areas within or in proximity to developed areas. As stated in the BAG Report, “Much of the energy development related disturbance is on private land. It is well known that farmers and ranchers are open to considering private land conservation opportunities that fit their operations and provide adequate compensation.” The BDWLP would provide a major opportunity to engage surface owners and oil and gas companies in innovative conservation and provide public access opportunities in areas impacted by energy development. Several areas are also adjacent to state and federally owned land which has opened the door for cooperative partnerships on habitat projects, thus leveraging more funding sources leading to effectively enhancing the conservation of native prairie.

The North Dakota Game and Fish Department (SWAP 2015) has also listed an area within the Bakken as a Conservation Priority Area. Several areas within the state are experiencing rapid grassland loss, affecting ranching operations and reducing opportunities for landowners. The project benefits will, among other things, provide enhanced grazing lands and infrastructure for landowners as well as benefit grassland birds with declining populations, thus decreasing the probability for listing under the Endangered Species Act.

Goals, Strategies, and Benefits: The goals of the BDWLP for the Bakken region are to: 1) create and enhance working agricultural lands and wildlife habitat near energy sites as well

as throughout the broader landscape; 2) create urban nature/interpretive sites, and 3) coordinate and facilitate energy site reclamation where no current responsible party exists.

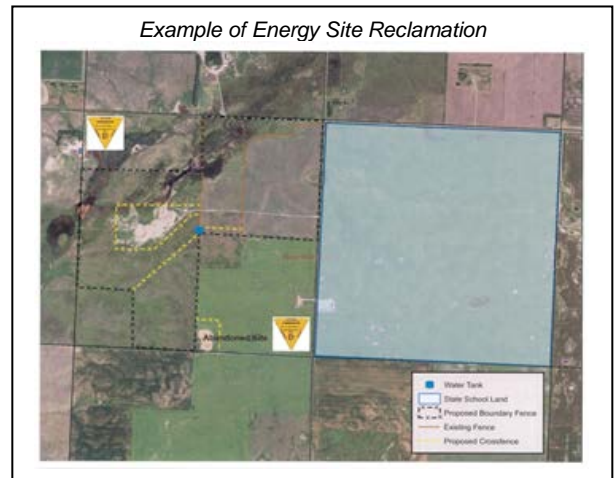
1. Working agricultural developments near energy sites. This approach would provide associated grassland development and enhancement cost on land associated with oil and gas development, as well as other lands within the Bakken. This will encourage landowners to enroll small irregular parcels into a habitat area, and incorporate landscape-level tracts with grazing development practices or other enhancements. The local SCD will assist landowners in managing these acres and adjacent grasslands while providing best management practice guidelines for livestock grazing. Both cross and perimeter fencing will be used for new or enhanced rotational grazing systems. Cost share will be 60/40 between the grant and landowner, and fences will adhere to NRCS specifications. By providing grazing system infrastructure for these grasslands, producers will have the opportunity to increase their Animal Units per Month (AUM). The likelihood that grass remains after the life of the contract will greatly increase since that grazing land will be fully integrated into the livestock producers' operations.



2. Urban Nature/Interpretive Sites. Communities would also benefit through the development of nature sites, outdoor education opportunities and community recreation areas. These sites will include tree plantings, native grass plantings and development of pollinator plots. Tree plantings will follow NRCS specifications and maps detailing tree spacing and numbers planted will be included in reports to OHF. Species selection for native grass and pollinator plantings will be completed through the North Dakota Game and Fish Department and the local SCD's.



3. Energy site reclamation where no current responsible party exists. Bringing together diverse partnerships will provide opportunities for abandoned sites to be reclaimed and benefiting the producer through establishing additional livestock forage. These areas also have the potential to provide public access for hunting, birding, or other recreational opportunities.



Directives and Timelines: The BDWLP's major directive is (C), *developing, enhancing, conserving and restoring wildlife and fish habitat on private and public lands*. This grant will provide landowners and communities the cost assistance and technical guidance to accomplish the full array of innovative improvements.

In addition, directive (A) *providing access to private and public lands for sportsmen, including projects that create fish and wildlife habitat and provide access for sportsmen*, will be achieved by NDGFD offering landowners PLOTS. Directive (B) *improving, maintaining and restoring water quality, soil conditions, plant diversity, animal systems, and by supporting other practices of stewardship to enhance farming and ranching*, will be achieved by providing landowners cost assistance and technical guidance. Directive (D) *conserving natural areas and creating other areas for recreation through the establishment and development of parks and recreation areas*, will be a UNIS program for communities within the Bakken to create kid-safe, outdoor education oriented, habitat based nature areas to add quality of life attributes to individual communities and the entire region.

The project will be five (5) years in length, with the majority of the development practices identified in the first three (3) years. The BDWLP will create agriculture and wildlife benefits on approximately 5,000 - 10,000 acres and multiple urban nature/interpretive projects.

Management of Project:

Joint applicants will provide management, coordination, and administration to the BDWLP grant. The applicants will work collectively to provide landowners with program information to assist program participants.

The Trust will complete all program coordination from our office located in Bismarck, ND. Kathy Kirschman, Administrative Assistant/Biological Technician, Terry Allbee, Biologist/Business Manager, and Jesse Beckers, Conservation Program Coordinator, will serve as the program coordinators. Trust staff has a combined 25 years of experience in

delivering similar conservation projects. The Trust will provide tracking and reporting for all project agreements following grant guidelines.

The majority of direct contacts with landowners will be done by county SCD's, as well as other partners including the Department of Mineral Resources and North Dakota Petroleum Council members. NRCS staff, NDGFD private lands biologists, USFWS partners program biologists and Forest Service staff will also promote projects and work directly with landowners.

As these professionals work with landowners and communities, agricultural infrastructure development options, conservation habitat, and NDGFD PLOTS agreements will be promoted. All grant funds will be paid as agreements and development activities are completed and proper documentation is supplied to the Trust. BDWLP funding will be provided through continuous enrollment, meaning there will be no batching period and funding stops when the funds are spent. If any evaluation is required to determine the best projects the BAG, in concert with local SCDs, will provide that oversight, utilizing input from other partners as needed. Through the partnership development phase of this grant, numerous projects have already been identified. We will present some specific project examples to the OHF Advisory Board during the presentation of this grant proposal.

Evaluation:

Project success will be measured by:

- Number of sites and total acres impacted by energy development reclaimed and enhanced
- Number of acres adjacent to energy development infrastructure enhanced with habitat improvement and improved management for agricultural use
- Number of acres not directly adjacent to energy infrastructure restored, enhanced, placed into public access, made more agriculturally productive or in some other way improved to contribute to the economic and recreational base of the region
- Number and acres of kid-safe, outdoor education oriented, habitat based nature areas established and population served
- The overall results of a unique partnership among and between energy, agriculture, conservation and the citizens/political subdivisions of the region
- Number of public and private land partnerships specifically designed for conservation of native prairie
- Adoption of some of the project's innovative strategies by energy companies as standard business practice

Financial Information

X I certify that a project budget will be sent to the Commission

Project Expense	OHF Request	Applicant's Match Share (Cash)	Applicant's Match Share (In-Kind)	Other Project Sponsor's Share (Cash)	Other Project Sponsor's Share (In-Kind)	Total Each Project Expense
<u>Working Agricultural Developments</u>						
BMP - Grass Seeding	\$240,000	\$25,000	\$25,000	\$ 50,000	\$85,000	\$425,000
BMP - Grassland Fence and Water	\$720,000		\$50,000	\$ 125,000	\$355,000	\$1,245,000
BMP - Cover Crop Seeding	\$180,000	\$30,000	\$25,000		\$75,000	\$310,000
BMP - GEIP	\$50,000	\$25,000	\$25,000	\$25,000		\$125,000
BMP – Agricultural/Energy	\$120,000	\$30,000		\$50,000		\$200,000
Subtotal	\$1,310,000	\$110,000	\$125,000	\$250,000	\$515,000	\$2,310,000
<u>Urban Nature/Interpretive Sites</u>						
Project Design and Construction	\$450,000	\$18,000	\$92,000	\$50,000	\$10,000	\$620,000
<u>Energy Site Reclamation</u>						
Energy Sites – Reclamation	\$350,000		\$50,000	\$350,000	\$100,000	\$ 850,000
<u>Contracted Services</u>						
Consulting, Engineering, SHPO, and Technical Services	\$60,000				\$15,000	\$75,000
Grand Total	\$2,170,000	\$128,000	\$267,000	\$650,000	\$640,000	\$3,855,000

Budget Narrative

Working Agricultural Development

- Grass Seeding will follow the ND NPS Management Program's Cost-Share Guidelines for Nonpoint Source Pollution Control Best Management Practices (319 program). OHF grant will provide **60%** cost-share of native grass/forb seeding with emphasis on native species that would be utilized by Dakota skipper.
- Fencing and Water Development will follow the ND NPS Management Program's Cost-Share Guidelines for Nonpoint Source Pollution Control Best Management Practices (319 program). OHF grant will provide **60%** cost-share for primarily cross fencing, but will include boundary fence and wildlife friendly fence.
- Cover Crop seeding and management will follow the ND NRCS Conservation Practice Specification – 340. OHF grant will provide **60%** cost-share for cover crop installation.
- Grassland Establishment Incentives will be available to producers for the length of time to establish a grass/forb stand, not to exceed three years. This incentive is available to landowners who have cropland in irregular areas and desire a land use change from crop to grassland.
- Agriculture/Energy will include range and grazing system enhancements and best management practices for soil stability and wildlife benefits. Juniper removal to increase grazing land availability and function. OHF grant will provide **60%** cost-share for recommended best management practices.

Urban Nature/Interpretive Site

- Project Design and Construction will include the installation and enhancements of UNIS areas within Bakken communities. OHF grant will provide **75%** cost-share for UNIS development.

Energy Site Reclamation

- Reclamation will be completed following NRCS Technical Standards and industry standards. OHF cost-share will not be provided on predetermined sites listed in this application. Non-cash match may also be available from industry to complete the desired earth moving activities.

Contracted Services

- Contracted Services will include industry professionals and private consultants with experience in reclamation and earth moving activities. All projects will be reviewed by State Historical Society of North Dakota for cultural resources and North Dakota State Historical and Preservation Office approval. If the project requires an on-the-ground cultural review that activity will be outsourced. Each pedestrian review cost \$1,250 and costs would advance depending on findings.

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

Include information on the sustainability of this project after all the funding from the Outdoor Heritage Fund has been expended and whether the sustainability will be in the form of ongoing management or additional funding from a different source.

Even as funds from the original grant are being expended, project managers and partners will assess landowner interest and success of the program. Ultimately this could lead to a successive OHF grant request with new and innovative partnerships and strategies.

It is also our expectation that this project will be precedent setting in a number of ways and as a result new partners will step forward with innovative ideas and funding opportunities. In addition, we expect the proven success of various project outcomes to encourage their adoption as ongoing sustainable business practices by current and new energy partners.

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

Without funding from OHF the investment made by partners in the Covenant Consulting work, as well as the BAG recommendations and action plan resulting from the stakeholder assessment, will be of limited value. Strategic assessment based on citizen input is only useful when action plans are implemented fully and effectively; this project is of critical importance.

Portions of the project could proceed with limited OHF funding. However, the landscape needs and opportunities identified by the BAG are so immense that even this grant proposal barely scratches the surface of what this unique partnership can accomplish.

Partnership Recognition - If you are a successful recipient of Outdoor Heritage Fund dollars, how would you recognize the Outdoor Heritage Fund partnership? * Please note it is a requirement that there be signage at the location of the project acknowledging the funding from the Outdoor Heritage Fund if appropriate for your project.

- Signage at community development areas
- Presence of OHF logo on all project agreements
- Print media coverage
 - Newsletters
 - Newspaper articles
 - Magazines
 - Trade journals
- TV and radio coverage
- Web site coverage and collaboration (see <http://www.ndstakeholders.org/>)
- Social media outreach (dedicated Facebook page, etc.)