

**NORTH DAKOTA NATURAL RESOURCES TRUST  
2021-2022 OVERALL ACCOMPLISHMENTS**

**ADMINISTRATION**

**Staffing, Compensation and Benefits**

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

- We officially finished the office remodel in February 2022. The remodel added five new office spaces as well as an 1,100 sq foot conference room. The remodel allowed us to move the copy room to the area where the old conference room used to be. We also connected internal hallways to the new office spaces and new conference room. Eric occupies the new office space created from the old copy room. The four additional office spaces were created for the ability of the Trust to sublease or future staffing needs. The ND Wildlife Federation started officially subleasing from the Trust in December 2021. The remodel also affords the Trust some additional revenue through renting out the conference room to Partners and organizations located on the second floor of the office building. The conference room was designed to create a comfortable place for the Trust to hold Board meeting as well as outside group meetings. An updated AV system with excellent video and sound were installed in the room to accommodate virtual and hybrid meeting styles. Flexible seating was also added so meeting could be set up in various manners.
- With the additional available office spaces, the Trust was able to hire another position to aid in coordination of the Meadowlark Initiative, launched by the ND Game & Fish in April 2021. The position is funded through a RCPP grant with NRCS and a ND Game & Fish grant. Heather Husband was hired for the position in May 2022.
- The Trust continues to offer 100% employer paid Health benefits to employees, as well as 75/25 cost-share plans for Dental and Vision benefits. At renewal in December 2021, dental and vision coverage changed vendors. Previously both plans were offered through United Healthcare. The current plans are through Avesis (vision) and Delta Dental (dental).
- Staff Salaries – Our last five-year salary survey was completed in 2020. The Trust pay plan adopted by the board continues to work well. For the first time in many years inflation numbers began to have a significant impact on Cost of Living (COLA) data. The pay plan uses the Midwest Region US Bureau of Labor Statistics annual percentage of the previous year to calculate changes to our salary tables for the 2022 budget. In late 2021 the COLA was (5.10%), the highest percent increase since the Trust approved the pay plan in 2004.
- Our very successful partnership with the ND Game & Fish Department to provide NAWCA staffing services to the Central Flyway NAWCA Council member took a very strange turn over the past year. But all's well that ends well; see the full description of NAWCA Council and staff positions under the NAWCA section later in this document.

## Finances

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

- Another excellent annual audit review and financial report completed by Haga Kommer. There are two years remaining on existing audit and tax preparation contract.
- Continued positive work with the Trust's investment advisor SEI Investments. John Hagen, SEI, has been account representative since 2017.
- 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:
  - Based on analysis and recommendations from SEI, the Finance Committee established the retained earning account in 2020 with an initial \$1 million deposit followed by three equal deposits totaling another \$ 1 million. Based on unexceptional high capital gains distribution in 2021 the Board approved the transfer of an additional \$1.5 million to the retained earning account. This transfer was completed in January 2022.
  - SEI started a spending study on the current investment holdings and market conditions.
- 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 has received full 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.
  - We are looking into redesigning the current website or using a different platform.
- 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.
- Managing our GIS software and database
- Managing the Small Grant Program
- Providing project management for the NDGF's Meadowlark Initiative Program, RCPP grant.

## **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. Given that high interest in private land conservation 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.

NOTE: Special attention should be given to this issue in our ongoing strategic planning process. This will be the opportune time to thoroughly consider how the Trust board wants to allocate fiscal and staff resources in this area.

### **Recovering America's Wildlife Act (RAWA)**

- RAWA has been under consideration in the last several sessions of Congress. It passed the House of Representatives on June 14, 2022, and is awaiting Senate action. NDGF officials estimate RAWA would provide \$17-18 million per year to state conservation efforts. As with the farm bill, NAWCA and virtually all conservation programs, most of those dollars will find their way into the hands of the state's farmers and ranchers for voluntary private land conservation work. Unfortunately, Representative Armstrong did not vote in favor of the bill. Senator Cramer has made it clear by numerous recent actions that he is not in favor of RAWA or most conservation programs. However, strategic partner discussions are currently underway to engage with Senator Hoeven in hopes that he might support this historic legislation.

### **Farm Bill**

- The farm bill remains the largest and most influential conservation program in the nation. It provides the most dollars and influences land use decisions. 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.
- During the past year CP38 (SAFE) was moved out of the general CRP signup and back into the continuous signup category where was originally; this is a move much supported by all conservation partners.
- State acreage caps were also removed for both CP37 (Duck Nesting Initiative) and CP38 (State Acres for Wildlife Enhancement) so acres are available to ND producers with land in the CP37 or CP38 focus landscapes as long as there are CRP acres available.

### **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, 2022, we committed \$7,500.
- 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. While the team of young, hard-working biologists are doing worthwhile work helping deliver farm bill conservation programs, other conservation support approaches may fit our needs better. NDGF and PF have already had discussions with NRCS about starting a new farm bill support staffing arrangement similar to the PF version that was so successful a number of years ago. If that effort is embraced by NRCS it will likely be a more productive partnership for the Trust to engage with.
- The NDASCD has not held its annual convention since 2019. The Trust is annually a Gold sponsor of that event and the Leopold Award is announced during the awards banquet. Brad Sand of Ellendale, ND was the recipients of the 2021 Leopold Award.

#### SCD Employees Association (SCDEA)

- SCDEA received a USDA CCG grant in 2021 titled: “ND Conservation Partnership and Delivery Initiative” requesting \$445,596. For 2022, work is continuing on creating and marketing an online “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, 2022. 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, 2022. 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, 2022. Audubon provides private landowners assistance and habitat resources to implement bird friendly grazing protocols on grass-fed cattle operations in North Dakota. In addition, Trust fiscal support assists AD and other partners deliver the Conservation Forage Program (CFP).

### North Dakota Grazing Lands Coalition (NDGLC)

- The Trust was in year three of our funding agreement with NDGLC, which ended June 30, 2022.
- NDGLC promotes a land ethic entirely consistent with the mission and goals of the Trust and our conservation partners. In 2018, they received a 4-year NFWF grant in to support their activities. Due to great success, they applied for another grant for 2022-2025 and were approved in June 2022 for \$350,000 in NFWF funding. Conservation partners contributed \$354,000 in Match funding with the Trust contributing \$60,000 in cash and \$20,000 of in-kind. Both Terry and I continue to provide advice and assistance to both NDGLC and Clearwater Communications on an as needed basis.
- 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). You will note in the OHF project

summary below, in the year's since the OHF's inception the Trust has been approved for \$16.5 million OHF grant dollars, the most of any applicant.

- 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. That said, tremendous progress has been made through the appointment of new conservation board members (see below) and overall maturity of the governance process. The Trust and partners will continue to work with the Governor's office, the Industrial Commission and directly with board members and partners to further improve OHF governance.
- One at-large conservation position on the board expired on June 30, 2020 (Kent Reiersen). The Trust and partners convened several strategic discussions about recruitment of new board members. Patsy Crooke, retired biologist with the Army Corp of Engineers and past president of the NDCTWS, agreed to serve if appointed. Brenda helped Patsy with the application process and conservation partners wrote letters of support. Patsy was appointed by Governor Burgum effective July 1, 2021.
- Our longest serving conservation board member Dr. Tom Hutchins' term expired on June 30, 2022. In the preceding months conservation partners held strategic discussions about replacement options. Two candidates surfaced: Dr. Joe Carlson from Bismarck and Dr. Ken McDougall from Jamestown. Both candidates were interviewed by partners; either would make an excellent addition to the OHF board. On June 1, 2022, partners wrote a letter of support for both candidates to Governor Doug Burgum. We expect either Joe or Ken to be appointed as the new conservation representative on the OHF board in the coming weeks.
- OHF Board governance continues to improve with each new advisory board change. Conservation representatives have increased their input into the decision making.
- A movement to make adjustments to OHF funding level and priorities has started in 2022. The conservation community really wants for take a proactive approach to the 2023 legislative session. Recall the OHF statute allows up to \$20 million per year/\$40 million per biennium to flow to the fund. It is currently artificially capped at \$7.5 million per year/\$15 million per biennium. We share a concern that if the OHF funding formula remains artificially capped for too long that lower number will become the funding cap.

## **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:

- Bakken Development & Working Lands Programs (BDWLP I and BDWLP II).
  - For BDWLP I, there are currently 64 signed contracts for practices that are completed or being implemented at this time, with \$3,296,654.90 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). BDWLP I is expected to be completed in the spring of 2023. Money from White Rock Oil and Gas is also being used to refurbish a boat landing on the confluence to support recreational use.
- A NFWF grant of \$250,000 was awarded in June 2019 to support staffing work and was completed in the spring of 2022
  - In October 2021, the Trust submitted another grant request to NFWF for \$500,000 to continue supporting our staff efforts in delivering OHF programs in western North Dakota. The funding request also included \$100,000 to be used for grassland carbon capture research through Dr. Rebecca Phillips, owner of Ecological Insights LLC. In April of 2022, the Trust was informed that the NFWF grant has been approved and became active in June 2022.
  - 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.
- Grazing Resiliency in the Bakken (GRB I & II)
    - In response of dry conditions in the fall of 2020 and the drought of 2021, the Trust expanded on the BDWLP II to create Grazing Resiliency in the Bakken Program (GRB), which provided funding for new water development and fencing. This program was created in response to the high demand for these activities following complete allocation of funds from the BDWLP II for grazing systems. GRB currently has 53 landowner agreements with a budget of \$1,290,000.00. The Trust submitted an OHF application for GRB II in the spring of 2022 and was approved by the OHF Board and Industrial Commission. As of June 2022, GRB II had active agreements with 20 producers.
  - Oil & Gas Research Grant
    - In November of 2021, the Trust submitted a proposal to the North Dakota Oil and Gas Research Council to further fund our carbon capture research. Due to uncertainty of cash and in-kind match amounts, it was decided that the Council would hold our grant request until all match amounts were in place. In April of 2022, the Trust resubmitted the request with cost share fully in place. The Oil and Gas Research Council is currently reviewing proposals and the Trust expects to know the status of the funding in the fall of 2022.
  - Dakota Skipper
    - 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.
    - The Trust remains highly engaged in supporting Dakota skipper recovery. We are three years into a five-year long statewide survey effort. This effort is supported by energy offset funds, grants from USFWS, NDGF, and NFWF. This is the most comprehensive survey effort undertaken in ND and will yield essential information for the recovery of the species. To date, we have secured \$240,000 in grant funding with \$20,000 in Trust cash (energy offset).

- In March 2021, we received a second NFWF grant for \$50,000 to support DASK survey and recovery efforts.
- Energy Offset Projects
  - We continue to develop a program to manage the use of offset funding to support intended targets. ESG discussions with ConocoPhillips, Continental, Hess, and Whiting and implementing grassland establishment programs in 2021 and beyond to increase scores for investments.
  - Following the development of a targeting model and implementation process the Trust, working with partners, has used, or committed, \$720,359 on projects for the benefit of Dakota Skippers and native grasslands since 2020. To date, In the 2021 FY \$146,352 has been used to support Dakota Skipper surveys and native grass restoration projects. There are currently \$183,132 of projects in the process of being completed and we have ear-marked \$200,000 as match for a State Wildlife Grant which will develop a 30-50 year term habitat protection program. The current balance of funds available for project work is \$709,141. Additionally, we anticipate receiving an additional \$219,000 from the USFWS/BLM to further support our habitat work in Dakota Skipper range. We have charged each project 10% for admin. fees upon use of the funds.

<b>Offset Dollars Received by the Trust from Energy Companies</b>				
<u>COMPANY</u>	<u>AMOUNT</u>	<u>PAYMENT DATE</u>	<u>SPECIAL REQUIREMENTS</u>	<u>Status</u>
Petro Harvester	\$30,000	9/27/2017	Committed to Partners for FWS	Expended
DAPL	\$449,500	12/12/2017	benefit Dakota Skipper	\$219,000 expended- DASK survey's, grass restoration projects.
Navatus Energy (Sunflower Wind)	\$50,000	4/30/2018	grassland protection (native grass priority)	Expended-Raab WMA project
Tradewinds (Aurora)	\$150,000	8/22/2019	wetlands, grasslands, waterfowl & whooping cranes	\$26,000 expended- grass restoration in Williams, McKenzie, Montrail Counties
Oneok	\$400,000	10/10/2019	\$100,000 for Dakota Skipper; \$300,000 for native grassland	\$62,000 expended- DASK surveys and grassland restoration. \$200,000 planned to SWG match.
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	\$162,000 expended- DASK surveys, grass restoration
White Rock Oil & Gas	\$19,750	11/27/2019	Committed to BDWLP project	Nearly completely expended- wetland projects in Billings Co.
Oasis	\$50,000		DASK projects	Unallocated.
<b>Balance</b>	<b>\$1,479,250</b>			<b>Remaining Balance \$709,141</b>

## 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. Includes discussions with industry on 2 projects currently in the permitting process.
- 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.

### **TRUST SMALL GRANT PROGRAM**

Since 2014, the Trust has approved \$599,409.83 in Small Grants used for public awareness and education of North Dakota's natural resources, including education on the values of wetlands, grasslands, riparian areas, soil health and water quality. For the 2022 grant cycle, the Board has approved \$75,000 in year 1 funding and \$9,100 in year 2 funding. Thirteen grant proposals were received, totaling \$146,368 in requests funds and ten proposals were approve.

As of June 2022, there is \$143,846.48 in outstanding grants. This includes grants two grants from 2020 and 7 grants from 2021. Grantees have approximately 18 months to spend out grant funds, with the opportunity for an extension.

### **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 \$16,505,433:

#### 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 \$1,010,874.14 (\$88,596.70 remaining)
- Anticipate remaining development cost-share to be paid by the end of 2022.

#### 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 \$661,388.79 has been paid (\$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, ND Petroleum Council & USFS.
- Total project \$3,845,000 – OHF \$2,170,000; Trust \$200,000; DMR \$300,000; USFS \$215,000; and Landowners \$460,000.
- 64 landowner agreements.
- Total of \$3,296,645.90 has been paid

#### 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.
- Total of \$304,394.96 paid (\$80,205.04 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 37 agreements on 18,092.90 acres of grassland and expiring CRP.
- Total of \$675,979.62 paid (\$549,020.38 remaining).

#### North Dakota Grassland Restoration Project 3 (Round 15 – Fall 2019)

- Total project \$255,000. OHF approved \$100,000, Trust \$33,000, PFW \$27,000 and Landowners \$90,000.
- 21 agreements for grass restoration have been signed.
- Total of \$87,255 paid (\$12,744.92 remaining).
- Expecting to complete grant in 2023.

#### 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
- 8 wetland agreements, 25 grazing agreements, and 2 cover crop agreements have been signed.
- Total of \$273,16768 paid (\$443,332.32 remaining).
- The anticipated completion in 2024.

#### 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.
- Total project is \$3,308,100 OHF, \$150,000 Trust, \$2,802,783 other Partner funds.
- All grazing system funds have been expended, within the first four months of the grant.
- Total of \$588,691.71 paid (\$2,719,408.30 remaining).

#### Grazing Resiliency in the Bakken (Round 18 – Spring 2021)

- Energy impacted counties plus three adjacent counties – Fence and water developments
- Created in response to statewide drought with cost share being provided by landowner in-kind of 40%
- Total project is \$2,150,000: OHF \$1,290,000, Trust \$56,000
- 53 agreements have been signed and all funds are obligated.
- Total of \$154,821.83 paid (\$1,135,178.17 remaining).

#### Wildlife and Livestock Dams (Round 18 – Spring 2021)

- The project goal is to create, restore and enhance 20 wetlands totaling 112 acres.
- Total project is \$495,000: OHF \$250,000, Cash Match \$235,000, In-kind Match \$10,000
- Total of \$35,298 paid (\$214,702 remaining).
- 4 wetlands totaling 10.95 acres has been enhanced so far.

#### Working Grasslands Partnership 5 (Round 19 – Fall 2021)

- Fifth phase of Working Grassland Partnership
- Total project is \$1,857,000: OHF \$985,000, Trust \$212,500, Landowners \$640,000, Partners \$20,000
- 10 landowner agreements for 5,300 acres
- Expected to be completed in 2026

#### Grazing Resiliency in the Bakken II (Round 20 – Spring 2022)

- Expanded from GRB I in response to statewide drought with cost share being provided by landowner in-kind of 40%
- Total project is \$3,280,000: OHF \$1,970,000, Trust \$55,000, Other Partner funds \$1,255,000.
- Expected to enhance 35,000 acres of grazing systems and plant 2,500 acres cover crops

#### ND Partners for Wildlife Project 2 (Round 20 – Spring 2022)

- Second phase of the ND Partners for Wildlife
- Total project is \$1,734,800: OHF \$1,016,500, Trust \$53,600, Partners \$49,900, Landowners \$634,800
- Expected to plant 1,500 acres of cover crops, seed 240 acres of native grass, enhance 16,000 acres of grazing systems and restore 40 acres of wetlands

## NDNRT - OHF Grant Submission History

		<u>Request</u>	<u>Match</u>	<u>Total Project</u>	<u>Funded \$</u>
Round 1	Working Lands Partnership	\$3,750,000	\$655,000	\$4,405,000	\$0
<b>Round 2</b>	<b>Water Storage Piggyback</b>	<b>\$300,000</b>	<b>\$100,000</b>	<b>\$400,000</b>	<b>\$300,000</b>
Round 3	Conservation Cover Pilot Project	\$3,525,000	\$1,175,000	\$4,950,000	\$0
Round 4	No application	\$0	\$0	\$0	\$0
<b>Round 5</b>	<b>Beginning Farmer Enhancement</b>	<b>\$132,884</b>	<b>\$124,557</b>	<b>\$257,441</b>	<b>\$132,884</b>
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
<b>Round 9</b>	<b>Grand Forks County Prairie Mgt Toolbox (Co Ap)</b>	<b>\$121,220</b>	<b>\$129,200</b>	<b>\$250,420</b>	<b>\$121,220</b>
<b>Round 9</b>	<b>Water Storage and Grass Seeding</b>	<b>\$292,500</b>	<b>\$207,500</b>	<b>\$500,000</b>	<b>\$67,500</b>
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
<b>Round 12</b>	<b>Livestock and Wildlife Dams</b>	<b>\$138,850</b>	<b>\$138,500</b>	<b>\$277,700</b>	<b>\$138,850</b>
<b>Round 13</b>	<b>ND Grassland Restoration Project</b>	<b>\$104,500</b>	<b>\$150,500</b>	<b>\$255,000</b>	<b>\$104,500</b>
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	<b>ND Grassland Restoration Project 2</b>	<b>\$100,000</b>	<b>\$155,000</b>	<b>\$255,000</b>	<b>\$100,000</b>
Round 16	No application	\$0	\$0	\$0	\$0
Round 17	Bakken Development and Working Lands II	\$3,308,100	\$3,053,283	\$6,361,383	\$3,308,100
Round 17	ND Partner for Wildlife Project	\$716,500	\$586,500	\$1,303,000	\$716,500
Round 18	Grazing Resiliency in the Bakken	\$1,290,000	\$860,000	\$2,150,000	\$1,270,000
Round 18	Wildlife and Livestock Dams	\$250,000	\$245,000	\$495,000	\$240,000
Round 19	Working Grasslands Partnership 5	\$985,000	\$872,500	\$1,857,500	\$985,000
Round 20	Grazing Resiliency in the Bakken II	\$1,970,000	\$1,310,000	\$3,280,000	\$1,970,000
Round 20	ND Partners for Wildlife Project 2	\$1,016,500	\$718,300	\$1,734,800	\$1,016,500
	<b>Total</b>	<b>\$25,859,933</b>	<b>\$16,819,392</b>	<b>\$42,929,675</b>	<b>\$16,505,433</b>

\*Bold denoted completed project

### 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.

In 2021, a less than 20-acre CRP contact expired, and these acres were offered into general CRP sign-up. Unfortunately, the USDA could not enter into a new CRP contract with Trust because the Trust exceeded the 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 continued to provide staffing for Game and Fish Director Terry Steinwand as Central Flyway representative on the NAWCA Council and the Council Chair from January through July 2021. Rick Warhurst served on the NAWCA Staff as the Central Flyway representative. Terry retired from the North Dakota Game and Fish Department on July 31 and left the NAWCA Council. Rick was automatically removed from the NAWCA Staff when Terry departed the NAWCA Council. In late August 2021 the Central Flyway Council nominated Jeb Williams, the new North Dakota Game and Fish Department Director, to replace Terry on the NAWCA Council as the Central Flyway representative. Jeb asked Rick to continue to serve on the NAWCA Staff as the Central Flyway representative. The Department of Interior must confirm new NAWCA Council members, and through the remainder of 2021 Jeb was not confirmed by the Department of Interior. Rick was not a member of the NAWCA Staff during the remainder of 2021 or the first six months of 2022 (NAWCA Cycles 2022-2 and 2023-1). On June 22, 2022, Jeb Williams received a letter from the Secretary, Department of Interior, confirming his appointment to the NAWCA Council. On June 27, 2022, Rick received an email from Kari Duncan, Chief, Division of Bird Habitat Conservation and NAWCA Coordinator, welcoming him back to the NAWCA Staff. Rick will again serve on the NAWCA Staff as the Central Flyway representative reading and scoring NAWCA proposals and assisting NAWCA Council member Jeb Williams.
- During the NAWCA U.S. Standard Slate of Projects for the 2022-1 Cycle, the NAWCA Staff reviewed 29 proposals and recommended to Council approval of 28 of the 29 for funding. Twenty-nine states and eleven Joint Ventures were represented in the proposals. In June 2021 the NAWCA Council approved 28 Projects for funding at \$34,059,089. One project is in North Dakota, six projects are in the Central Flyway and six are in the Prairie Pothole Joint Venture. The approved projects were submitted to the Migratory Bird Conservation Commission (MBCC) and received approval in September 2021 by the MBCC.
- The 2023-2 U.S. Standard Grant Proposals will be sent to NAWCA Staff in late August 2022.

### **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 2021 fall board meeting was held virtually; both Rick and I attended.
  - o The spring PPJV board meeting was held in conjunction with the North American Wildlife Conference held in Spokane, WA in March 2022. This was a hybrid meeting with some board members in-person and many of the board (me included) attending remotely. Rick and other Trust staff members sat in on various agenda items of interest.

- o Sean Fields, PPJV Coordinator for the past two years, announced in June 2022 he was taking early retirement from the FWS. Sean has done an excellent job and his dedication, hard work and pleasant personality will be very much missed.
- o The 2022 Federal Duck Stamp contest, sponsored by the PPJV, is being held in Bismarck in September 2022. Trust staff is helping coordinate local sponsorship and associated activities. Brenda is taking the lead in coordination with PPJV staff.
- The Trust was able to offer the following NAWCA matching funds in the PPJV landscape during the past year:
  - o Chase Lake Area Wetland Project XV - \$212,500
  - o Northern Prairie Project VI - \$131,207
  - o Drift Prairie Project VIII - \$200,000
  - o Missouri Coteau Working Wetlands Project III - \$103,444.49
- The Trust has received Conoco Phillips' fund totaling \$600,000 to the PPJV since 2016. Terry continues to work with the PPJV coordinator handling administration of the funds for the PPJV.
  - o The Trust made a successful proposal to the PPJV management board for an additional funding for habitat delivery in the Declining Grassland Bird CRP priority area using a variety of incentives on SAFE contracts and National Duck Stamp contest.
  - o 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:

- Beth Beckers was hired as a part-time Communications and Outreach Specialist
- Jesse is serving on the Communications Committee and Strategic Plan Committee of the Board
- In 2021, the NGPJV Board hired Rachel Gooen to coordinate an update to the Strategic Plan and the Five-Year Action Plan.
- The Northern Grasslands Incentive Program (N-GRIP) is working through local leadership teams within states of the JV to deliver habitat projects throughout the region. Steve Riley is leading the effort on behalf of the JV with the first projects expected to be funded in spring of 2022.

### **PARTNERSHIPS / OTHER CONSERVATION SUPPORT ACTIVITIES**

- Meadowlark Initiative: In April 2021, The ND Game & Fish was awarded a RCPP grant totaling \$7 million in NRCS funds and a similar amount of partner match, for a project named The Meadowlark Initiative. Since its approval, the Trust is involved in the project management,

coordination and delivery of the project and receiving reimbursement funds through the grant. In April 2022, the Trust hired Heather Husband for the Meadowlark Initiative Coordinator position. She has been heading up project and partner management as well playing the lead on any landowner inquiries that come into the program. Currently, the RCPP grant has completed one reporting period and the Trust has been reimbursed for project management services through April of this year. Bird monitoring, soil monitoring and social survey outcomes have been started and will continue throughout the length of the grant.

- In partnership with NDGF the Trust submitted a grant to the NDGF State Wildlife Grant program to support the development of a habitat protection program focused on areas where protection programs do not exist. Early concepts include 30-50 year agreements in, yet to be determined, focus areas in western ND and areas not eligible for USFWS protection programs. In addition to developing the details of this program funds will be used to secure contracts to test the process. Total grant is \$573,000 with the Trust providing \$200,000 cash match. Match will come from energy offset funding. NDGF intends to follow this project by securing additional funding to further roll out the program. This will be an additional component of the Meadowlark Initiative.
- Grand Forks Prairie Partners – The Trust is a partner with UND on the Grand Forks County Prairie Project 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. The Trust did not make an award nomination in 2022.
- North Dakota Chapter of the Wildlife Society:
  - o Both Rick and Jesse have served as President for the Chapter. Keeping this important professional group relevant and credible is important to the Trust's work and that of our conservation colleagues.
  - o The Trust continues to help nominate the recipients for the ND Habitat Award and the ND Award.
- Terry assisted our partners at the ND Wildlife Federation by serving as treasurer. He is currently helping with their audit and transition the duties to their new treasurer.

### **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:

- A number of years ago we were approached by the Walter Piehl family from Minot asking for help in exploring conservation options for their family land near Marion in LaMoure County. We evaluated their property and identified several options for private land conservation. They eventually sold wetland easements to the US Fish and Wildlife Service and put some of their property into CRP. We were contacted by the family again in 2021 asking for help in exploring

additional conservation options and indicating that they would be interested in selling one quarter of land to a conservation entity. We facilitated a partner discussion group consisting of USFWS, NDGF, PF and DU. At present, NDGF would be interested in being the fee title holder if a funding package can be constructed and there is a path to attain approval. PF has been looking for a fee title acquisition opportunity for a number of years. While PF is not one of the conservation groups eligible to hold title to land under the restrictions of the Corporate Farming Law, they can participate as a funding partner and in other ways. We have identified an action plan and time frame and will be working with the Piehl family to see if it is acceptable.

- At the request of the McLean County Commission and Water Management Board, a Painted Woods Phase II project (anticipated when Phase I was completed in 2016) was initiated. The property contains 170 acres and is located west of Highway 83 just south of old rest area. The landowners and American Foundation For Wildlife have signed an option agreement. The project is currently awaiting the completion of the appraisal. If all numbers are agreeable to both parties, the State of North Dakota approval process for non-profit acquisitions will begin.

### **IN SUMMARY**

The past year has seen relative stability in Trust structure. The one exception was the hiring of Heather as the Meadowlark Initiative (MI) Coordinator under a partnership agreement between the RCPP and NDGF. The MI and Heather's position will lay the groundwork for some of the most dynamic partnerships and effective conservation delivery in North Dakota history.

Jesse's coordination with the energy industry and energy project related work continues to be an important component of Trust activities. OHF projects like Bakken Development and Grazing Resiliency have gone extremely well. NFWF grants in support of staff to deliver these projects and more has been extremely helpful. And the voluntary offset dollars from various players in the energy industry, both oil/gas and wind, have provided the support for Eric's DASK work and a variety of other projects, all utilizing a GIS based decision support system developed by Brenda and Eric.

Other OHF projects like Terry's WGP and Rick's wetland restoration project have been extremely popular with private landowners. And we continue to work with all partners to help promote and deliver the wide array of voluntary private land conservation projects available.

The Trust's fiscal condition is the strongest it has ever been due to a variety of factors. BoR contributions have been consistently higher than expected, increasing our federal account and the dollars available to invest. Terry continues to do an excellent job of fiscal management and SEI's investment performance on our behalf continues to produce the results the board has directed. Staff tracks all project work closely, efficiently utilizing outside funding sources. The board's wise decision to establish a retained earnings fund from our excess cash, invested at a higher rate of return, has added to our overall income. Grants that support staff work, like NFWF, our MI agreement with RCPP/NDGF and others, allow us to retain Trust investment income for use in other areas or for investment in the retained earnings fund.

And the best news of all. Interest in private land conservation by North Dakota farmers and ranchers continues to grow. Despite the outcry over the concept of America the Beautiful (AKS 30 x 30)



and consistent concern among several agricultural groups opposed to conservation efforts, we see no indication of concern from working farmers and ranchers. People living and working on the land have an uncanny ability to ignore political static and make decisions that best reflect what they want for their land and for future generations. For that reason, our conservation business, and that of all our partners, is literally booming.