**Water Storage Piggyback**

Name of Organization: North Dakota Natural Resources Trust

Federal Tax ID#: 36-3512179

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**MAJOR Directive:**

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

O **Directive B.** Improve, maintain, and restore water quality, soil conditions, plant diversity, animal systems and to support other practices of stewardship to enhance farming and ranching;

X **Directive C.** Develop, enhance, conserve, and restore wildlife and fish habitat on private and public lands; and

O **Directive D.** Conserve natural areas for recreation through the establishment and development of parks and other recreation areas.
Additional Directive:

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

X **Directive B.** Improve, maintain, and restore water quality, soil conditions, plant diversity, animal systems and to support other practices of stewardship to enhance farming and ranching;

O **Directive C.** Develop, enhance, conserve, and restore wildlife and fish habitat on private and public lands; and

O **Directive D.** Conserve natural areas for recreation through the establishment and development of parks and other recreation areas.

**Type of organization:**

O State Agency

O Political Subdivision

O Tribal Entity

X Tax-exempt, nonprofit corporation, as described in United States Internal Revenue Code (26 U.S.C. § 501 (c))

**Project Name: Water Storage Piggyback**

**Abstract/Executive Summary**

It's springtime in North Dakota and the water is flowing, the birds are flying and everyone is anxious to put winter behind us and get the growing season started. Unfortunately for all too many North Dakotans this time of year also brings the concern of spring flooding. Many are watching water levels rise on roadways and fields, and those living next to rivers are watching river flow levels with great interest. It's safe to say that spring flooding is very damaging to property. One way to help create additional water storage, which can reduce flooding, is the restoration of wetlands and water storage areas. An example of the storage capability of wetlands is that a one acre wetland only three feet deep stores approximately one million gallons of water.

Local, state, federal and nongovernmental organizations recognize the benefits of water storage and provided programs in which landowners can voluntarily enroll. These programs are delivered by restoring, creating, and enhancing wetlands and other water storage areas. Many of these programs enter into agreements with landowners to create this water storage by providing partial or 100% cost-share to complete the necessary dirtwork construction, but many simply do not provide landowners with funding for the loss of agricultural production for the land that would be flooded. The Water Storage Piggyback (Piggyback) proposal would provide a complementary program to existing water storage programs in the state. This piggyback payment would provide the funding to participants for the loss of agricultural
production from the lands that will be underwater. The Piggyback program would provide landowners with a one-time upfront payment and would run concurrently with water storage programs. It would be offered in varying length terms to correspond with the program that the landowner choses to enroll into with a maximum term length of 20 years. This Piggyback program will not only provide the agricultural production loss payment, but also will incentivize landowners to participate in the local, state, federal, and non-governmental water retention programs.

**Amount of Grant request $300,000.00**

**Total Project Costs $400,000.00**

**Amount of Matching Funds $100,000.00**
- Cash - $75,000
- In-kind - $25,000

**Source(s) of Matching Funds**
- NDNRT - $100,000

**Certifications**
- I certify that this application has been made with the support of the governing body and chief executive of my organization.
- 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 North Dakota Natural Resources 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 planning 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 three staff.

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 – Describe the proposed project identifying how the project will meet the specific directive(s) of the Outdoor Heritage Fund Program
Identify project goals, strategies and benefits and your timetable for implementation. Include information about the need for the project and whether there is urgency for funding. Please indicate if this is a new project or if it is replacing funding that is no longer available to your organization. Identify any innovative features or processes of your project.

Project Goals, Strategies and Benefits: The goal of the Piggyback program is to create approximately 500 surface acres of water storage throughout the state of North Dakota. The Piggyback program will be a financial tool to off-set the loss of agricultural production from the land that will be flooded and encourage landowners to enroll into water storage programs. The program will be offered to any landowner who will physically store water through enrolling into existing local, state, federal and nongovernmental water storage agreements. By physically storing water, the Trust means that a structure (typically earthen) will be constructed to complete the water storage by restoration, creation, and/or enhancement.

This proposal provides an innovative way to bring diverse groups together to partner on water storage and provide landowners with just compensation for their decisions. Another innovative aspect of this proposal is the ability of landowners to layer multiple programs to
achieve the desired outcome. This layering of the Piggyback program is will be very complementary to the other storage programs and will be done in a way that is not excessively burdensome or complex for landowners.

The Piggyback program addresses OHF directive C that will develop, enhance, conserve, and restore habitat on private lands. It also addresses directive B by improving and restoring water quality and supports other practices of stewardship. The Piggyback program and corresponding water storage programs will provide water supply source for cattle and enhance haying and grazing for grassland base producers.

Timetable for implementation: The Piggyback program outreach and education will start immediately after the grant is approved. The Trust will meet individually and/or collectively with groups to inform partner organizations who deliver water storage programs in North Dakota of the availability and details of the Piggyback program. There will be a one-page brochure produced that can be distributed to landowners and partners. The brochure will have contact information, so landowners can contact the Trust to gather additional information and have accurately answered questions. The outreach and coordination activity will be the focus for the first 3 to 6 months, but will be continually on-going throughout the grant period.

The Piggyback program will be open continuously to landowners, until all funds have been committed. The Trust will continually manage and monitor the committed funds and completed projects. Water storage construction is very dependent on weather, permitting, and availability of contractors. Because of these factors the estimated total timeframe for grant completion will be 2 to 4 years to achieve the Piggyback program goals. The Trust will continually coordinate with our partners to gauge and report progress.

Management of Project – Provide a description of how you will manage and oversee the project to ensure it is carried out on schedule and in a manner that best ensures its objectives will be met.

The Trust will oversee and coordinate all activities associated with the Water Storage Piggyback proposal. The Water Storage Piggyback will be offered throughout the entire state of North Dakota. Promotion and information coordination with partners will be a high priority. After the promotion and outreach, the Trust will develop site specific agreements with landowners which will include a map defining boundaries, the payments amount, the responsibility of each landowner and Trust, and buyback options. All agreements will be signed and dated by landowner and Trust.

The Trust’s staff will coordinate the Piggyback program from our office located in Bismarck, ND. Terry Allbee, Biologist/Business Manager, will serve as the program coordinator. Terry has 15 years of experience in delivering conservation projects for the Trust. The Trust will coordinate with the state’s water storage program partners, ensuring that Piggyback program funds are spent effectively. The Trust will provide all tracking and reporting of all participant agreements following grant guidelines.
Evaluation – Describe your plan to document progress and results.
How will you tell if the project is successful? Please be specific on the methods you will utilize to measure success. Note that regular reporting, final evaluation and expenditure reports will be required for every grant awarded.

Evaluation success of the Piggyback program is directly related to landowner’s enrollment into the program. High landowner interest is the key to the Piggyback program success. The acreage goal can only be achieved by willingness of landowners to enroll into the Piggyback program and cooperative partner’s water storage programs.

The Trust will monitor all Piggyback program agreements. Evaluations and progress reports will be completed. The Trust’s programs are structured to be flexible and accommodating to agreement participants. Keeping an open line of communication with agreement participants and the water storage partners is very important to the Trust.

Budget:

<table>
<thead>
<tr>
<th>Project Expense</th>
<th>OHF Request</th>
<th>Applicant’s Match Share (Cash)</th>
<th>Applicant’s Match Share (In-Kind)</th>
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</thead>
<tbody>
<tr>
<td>WSP - Landowner Payments</td>
<td>$300,000</td>
<td>$75,000</td>
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<tr>
<td>Staff/Delivery</td>
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<tr>
<td>Total Project Costs</td>
<td>$300,000</td>
<td>$75,000</td>
<td>$25,000</td>
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Budget narrative
Water Storage Piggyback Payments – Payment per acre is based on North Dakota Department of Trust Lands county average rental rate for non-irrigated cropland, production correction factor, and years of agreement

Staff/Delivery – Based on actual staff time, benefits, travel, and overhead (20%) to deliver Piggyback program agreements. This includes promotion and outreach, meeting with landowners, partnering with state, federal, local, and nongovernmental organizations, processing payments, and agreement monitoring.

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

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.

Wetlands, swamps, and marshes are the state’s natural water holding features. Often referred to as “wasted land”, wetlands are essential wildlife habitat, massive natural water filters, and "natural sponges" that hold water when it rains. Wetlands help reduce flooding of
rivers by storing water during heavy rains in the headwaters and watershed, slowing runoff into streams, and reducing flood peaks.

The Piggyback programs participants will manage their property to ensure the integrity of the structures built are properly maintained to store water. The landowner, Trust, and water storage entity will a stake in ensuring water storage agreements are successful.

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

The Trust thanks the Outdoor Heritage Fund Advisory Board for considering our Water Storage Piggyback proposal. The request is for $300,000 of OHF funds for Piggyback program agreements, with $100,000 in Trust match for agreements and delivery. If OHF recommends a reduction in funding from the original proposal, this will result in less agreements with landowners, less number of storage acres achieved, and a reduction in the amount of match available by the Trust.