Contract No. 004-062
“North Dakota Waterbank Program”
Submitted by ND Department of Agriculture
Principal Investigator: Carrie Larson
Directives: C, A & B

PARTICIPANTS

<table>
<thead>
<tr>
<th>Sponsor</th>
<th>Cost Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>ND Game &amp; Fish</td>
<td>$ 200,000</td>
</tr>
<tr>
<td>ND Department of Agriculture</td>
<td>$ 100,000</td>
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<tr>
<td><strong>Subtotal Cash Cost Share</strong></td>
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<tr>
<td>ND Game &amp; Fish</td>
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<tr>
<td>ND Department of Agriculture</td>
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<tr>
<td><strong>Subtotal In-Kind Cost Share</strong></td>
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</tr>
<tr>
<td>North Dakota Industrial Commission</td>
<td>$1,200,000</td>
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<tr>
<td><strong>Subtotal Outdoor Heritage Fund</strong></td>
<td><strong>$1,200,000</strong></td>
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**Total Project Cost** $1,600,000

Project Schedule – 10 years
Contract Date – 5/12/2015
Start Date – 5/19/2015
Completion Date – 12/31/2024

Project Deliverables:
Status Report: December 31, 2015 ✓
Status Report: December 31, 2016 ✓
Status Report: December 31, 2017 ✓
Status Report: December 31, 2018 ✓
Status Report: December 31, 2019
Status Report: December 31, 2020
Status Report: December 31, 2021
Status Report: December 31, 2022
Status Report: December 31, 2023
Final Report: December 31, 2024

OBJECTIVE/STATEMENT OF WORK:
The purpose of this project is to provide funding for Waterbank Program. Tasks will include obtaining a number of waterbank agreements; complete land treatments; upland seeding and identified wetland restorations; monitor tracts; provide alternative incentives to landowners for flooded cropland.

STATUS:
Contract has been executed.

12/31/2015 - Status report received. Report states: North Dakota Department of Agriculture (NDDA) acquired spending authority as of July 1, 2015 to expend and allocate these funds. With that authority secured, progress continued by establishing a state waterbank advisory committee comprised of representatives from the ND Department of Agriculture and the ND Game and Fish Department. This group established participant eligibility and program priorities that have been laid out in an updated application form, ranking form, and program announcement. With these documents completed, the program is on track with a few funds being expended to date. This group will be tasked with reviewing
and ranking applications, surveying land tracts of successful applicants for final evaluation, and monitoring the tracts throughout the term of the agreement. The application period is set to be launched January 2016.

One change that was proposed to and accepted by the Outdoor Heritage Fund was changing the per acre payment rates for wetland and upland acres. These changes are based on land productivity and were proposed to allow funding to encompass more agreements and more involvement in the program.

**Status Report received for the period of 12/1/2015 - 9/30/2016.** No funding was requested from the Outdoor Heritage Fund at this time. The status report shows that match funding had been expended by both the Department of Agriculture and the North Dakota Game and Fish Department.

**Status Report received for the period 10/1/2016 - 12/31/2016.** The report indicates that the North Dakota Department of Agriculture (NDDA) received 23 applications during two sign up periods held in 2016. Contracts/NOGA’s for all applications are in process. All contractual required planting of approved seed mixtures will be completed during the spring of 2017. NDDA will verify planting and will release compensation as outlined in the Contracts/NOGA’s. NDDA will continue monitoring tracts accepted into the program. Some applicants have signed additional contracts with the North Dakota Game and fish Department to enter into the PLOTS program. NDDA anticipates that the OHF grant will be completely obligated after the 2017 signup. NDDA will also continue to evaluate the program and make modifications to best serve all program partners.

**Status Report received for the period 1/1/2017- 3/31/2017.** Reimbursement request was made for $14,596.00. The Department indicated they would provide a full report in December as per the contract.

**Status Report received for the period 4/1/2017 - 6/30/2017.** Reimbursement request was made for $118,008.78. The Department indicated they would provide a full report in December as per the contract.

**Status Report received for the period 7/1/2017 - 9/30/2017.** Reimbursement request was made for $1,773.44. The Department indicated they would provide a full report in December as per the contract.

**Status Report received for the year 2017.** The report states in part: One application period was held in 2017, opening March 1st and closing on March 17th. All applications received by the North Dakota Department of Agriculture (NDDA) were reviewed by the state waterbank advisory committee comprised of representatives from NDDA and North Dakota Game and Fish Department (NDGF). Reviewed applications were ranked. NDDA surveyed land tracts of successful applicants, noted presence of state and county listed noxious weeds, reviewed potential involvement in other land management agreements, and confirmation of acreage applied for met with existing acreage present. Landowner verification was administered through NDRIN title work. Eighteen participants entered agreements with NDDA. NDDA monitored sites and posted waterbank program identification at all accessible locations.

To date, 1990.6 acres entered into the program, with 719.94 wetland acres conserved. For these total acres, there are 22 fully executed Notice of Grant Awards (NOGA’s) extending until 2028 with payment schedules set up as one time per year with a total obligation amount of $94,362.62.
Status Report received for the period 1/1/2018 - 3/31/2018. Reimbursement request was made for $36,892.60. The Department indicated they would provide a full report in December as per the contract.

Status Report received for the year 2018. The report states in part: No application periods were held in 2018. One additional grant was accepted in 2018. This grant was offered to the applicant during the last application period, but the applicant did not execute at that time. No changes were made to the agreement other than the start and finish dates. Three program participants (one parcel of property owned by three people), canceled their waterbank agreements in 2018. Four program participants opted to accept a lump-sum payment instead of yearly payments for the remainder of their grants, no other changes were made to their grants.

To date, 1,966.74 acres are enrolled in the program with 648.52 wetland acres conserved. For these total acres, there are 20 fully executed Notice of Grant Awards (NOGAs) extending until 2028.

Updated: 2/13/19