

2009 HOUSE APPROPRIATIONS

HB 1481

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1481

House Appropriations Committee  
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date: January 27, 2009

Recorder Job Number: 7810

Committee Clerk Signature

*Shirley Branning*

Minutes:

**Rep. Wald:** Called the hearing on HB 1481 to order by calling on Merlan Paaverude, Director of the State Historical Society of North Dakota.

**Pam Sharp, OMB Director:** This is part of the Governor's recommendation, originally part of the appropriation bill and has been pulled out into a separate bill. Our recommendation provided \$18M of general funds for the Heritage expansion and special fund authority of \$12M and with the expectation that that \$12M would be raised by the Heritage fund raising efforts. This is onetime money and we do recognize that this could be a phased in approach; however, we do consider that this \$30M phase could be a stand alone. Down the road there could be additional phases requested. Our commitment is for the \$30M in this point in time.

**Rep. Wald:** Are you suggesting that the architecture could easily be expanded and added on to?

**Sharp:** Yes, it could be a stand alone but it could be expanded.

**Rep. Martinson:** The Governor said this is it, no more. Is that the intention that in two years he wouldn't fund additional? Why doesn't he support the whole project?

**Sharp:** At this point our commitment is the \$30M. If there is a request, we will look at it again, we would like it to be stand alone. The option is phases down the road.

**Rep. Williams:** \$18M general, \$12M fund raising? So the \$30M includes \$12M in fund raising

**Sharp:** That is correct.

**Merlan Paaverude, Director State Historical Society of North Dakota:** Offered testimony on HB 1481, see Attachment #1.

**Rep. Martinson:** What is the total cost you are looking for?

**Paaverude:** The total cost of the project that we have planned that would last for 25 years is \$51.7M including a 120 car parking lot and \$52.4M would be with a double decker 60-60 parking lot. That would include \$12M of raised funds. So that is about \$40M of general funds. Dave Skalsky will be going over that with you. We're looking at the project again, we planned it so it would last for 25 years. We deal with not only the archeology and the museum collection, and the archives. But we also have our partners, the North Dakota Geological Survey and the Paleontological collection. We need room for them. We are looking for very high tech for our exhibits, our programs, the exhibits, and information access. Also, looking at greatly improving the access for people. The Heritage Center is about 27 years old, actually 30 but it is showing its age as far as access for folks to come and go. Some of the money would be put into the existing building to up grade it and get it ready for more good usage. We plug into the cultural heritage tourism, a part of North Dakota's income, a hub of history. Folks can find out everything from Minot, Dickinson, etc. and serve as a center for special events and as North Dakota's history campus.

**Rep. Williams:** You're asking for \$18M. In your proposal to the Governor, did you ask for the whole \$40M?

**Paaverude:** Yes, we did.

**Dave Skalsky, Assistant Director of the State Historical Society:** Provided testimony regarding the proposed phases of the construction. see attachments # 1a and 1b. Reference is made to photos to describe the various phases. \$57.1M for the total project. attachment # 1c describes the Project Comparables: Construction Cost of \$35.8M for Phase I. It shows that we are not out of line with construction costs and comparisons with other states.

**Rep. Wald:** In terms of Phase I, Is the architect designing this so that local contractors can bid on it for site preparation, heating and plumbing, electrical and all that. Separate contracts, is there going to be a construction manager?

**Steve Dewald, President of Lightowler, Johnson and Associates:** The design is going to be inclusive so that local contractors can respond to the proposals. That is the intent.

**Paaverude:** The most efficient way to do this is do it one time and build it all, If we went beyond that everything would change and we would have to increase that amount. Doing it in phases would be difficult with collections being moved around. We are excited about the collections area. We need that for the next 25 years.

**Rep. Wald:** On the financing, the State of North Dakota is going to be responsible for \$18M and you're gonna raise \$12M from either special funds, donations. Is there any federal money in that?

**Paaverude:** We are working with the Federal Government, the congressional group right now to look at that. The \$12M has been sold to people out there as the big project.

**Rep. Wald:** Your definition of the big project is the \$51M.

**Paaverude:** We've had people say that if we had the \$51M more support would come.

**Rep. Wald:** The bill provides for a loan from the Bank of North Dakota with a trigger mechanism so that once you have raised \$6M you can go to the Bank of North Dakota for \$6M to get to the \$12M.

**Paaverude:** Yes

**Rep. Wald:** What will be the repayment schedule? 5 years, 10 years, or how long?

**Paaverude:** We'd have to deal with the Bank of North Dakota on that. It would give us that money up front. It would be a help if we could get to that 6 and then plug in the rest. So far there are written pledges for \$2.5M.

**Rep. Kroeber:** If you received federal funding would that be part of the \$12M special funds or would that be in addition to those?

**Paaverude:** That would be part of the \$12M. If we raise more that would be great.

**Rep. Wald:** You won't be coming back?

**Paaverude:** If we build a portion of this, if we run out of money, yes we will be back.

**Claudia Berg, Expansion Coordinator for the Heritage Center Project:** This project will add so much to tourism.

**Virginia Nelsen, Executive Director of the State Historical Society Foundation:** We are the Fund Raising arm of the project. She described the fund raising efforts of the foundation. The jeopardy of the collections is an issue during construction. For the needs of the people of North Dakota the full construction is critical. The people of North Dakota do not want to see a piecemeal project.

**Rep. Wald:** It is all or nothing.

**Nelsen:** Not all have said that, but about 5 or 10%.

**Paaverude:** We haven't really asked this question but about 10%.

**Nelsen:** The needs of the Society must be met for the next 25 years. At the end of the 5-6 year period, North Dakota will stand out as a great state to live in. The key master plan has been presented to our donors and this is what they expect, see attachment #2. Copies of previous testimony HB 1017 were distributed again to be used as they refer to this bill.

**Cordell Dick, Fund Raising Consultant from Bismarck:** If the project is not build to full capacity, that \$6.8M would be at substantial risk. It could risk the entire gift if full support is not given.

**Rep. Wald:** 501C3, tax deductible

**Dick:** Yes

**Rep. Onstad:** I understand there's pledges for \$2.5M or something. Does that represent 20 companies, individuals, separate entities. What kind of donors is that?

**Dick:** We have signed pledges from about 70 individuals, corporations, that make up \$2.5M. Generally 5 year pledges.

**Rep. Onstad :** Of those 70, are they looking to additional gifts if the full funding is in place?

**Dick:** When we asked them to make their commitment, we were asking them to make a commitment contingent upon the full project being built.

**Rep. Wald:** I would ask that once every six months you come to budget section and give use a project report. Would you object if we include language that requires you to report to the budget section every six months or so to give us a progress report?

**Paaverude:** Yes, we would be happy to report.

**Mike Gustafson:** Supports full funding of the project. He shared observations, the intent is to provide a full project as we did 25-26 years ago. He provided History Hero donations through his family if this is a full funded project. Bill Marcil, owner of the Fargo Forum

Communications, has offered a contribution in the amount of \$1M. He said he would give a \$250,000 pledge and then get the project on the table and gain the support needed, we could come back and see him. He has implied that he will give more.

**Rep. Wald:** You say this is contingent upon the legislative action on the project.

**Gustafson:** If we fund in phases, we will fall substantially short of the \$12M.

**Rep. Wald:** How many in the room support the project? Most of the attendees raised their hands. How many oppose? No one showed opposition.

**Paaverude:** He passed out digital Horizon cards and reminded attendees of the web site, [history@nd.gov](mailto:history@nd.gov).

**Rep. Wald:** Hearing closed on HB 1481.

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1481

House Appropriations Committee  
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date: February 2, 2009

Recorder Job Number: 8362

Committee Clerk Signature

*Shirley Branning*

Minutes:

**Chairman Skarphol:** HB 1481, Heritage Center Addition. This one does say there is appropriation. Pretty strong feelings on both sides of this issue.

**Rep. Martinson:** I can hardly go against this; you've got the four leaders on this and the Governor. Laughter. And they are all people I have a lot of respect for.

**Rep. Wald:** On line # 20, it said they may request a loan from the Bank of North Dakota up to \$6M before fund raising goal is reached. That makes me nervous.

**Brady Larson, Legislative Council Staff:** If you look at Section # 2, subsection 1, you will notice there are two conditions there, those conditions have to be met before the loan can be requested. So starting on line # 18 that's where it states "upon upon certification that both of the above conditions have been met. That requires that both of those conditions be met, prior to the loan.

**Chairman Skarphol:** That there be pledges for or actual cash on hand. For the full \$14M before they can go get the loan for ½ of it. What is the historical value of the pledges that are made to these types of projects?

**Rep. Klein:** I have here a figure of \$2.5M in written pledges.

**Rep. Hawken:** That's what they have on hand right now.



**Rep. Wald:** I've been on a number of building projects and there is a whole lot of difference between pledges and money in the bank. I am not trying to submarine the project but ...

**Chairman Skarphol:** Would you like to propose an amendment that would provide with some level of comfort? I am uncomfortable with the whole thing because this is not the last request for general fund dollars. Rep. Carlson and I offered to be prime sponsors of a \$60M appropriation for an all new Heritage Center if they would have a professional firm evaluate their needs and they were unwilling to accept out offer two sessions ago. From a Representatives point of view, I cannot support this bill.

**Rep. Klein:** This project is one the state needs. This would get them started with the first part of it and I don't know if there is an overall plan on how to do the rest.

**Chairman Skarphol:** My guess would be that once they get their loans paid off they will come back for the second portion.

**Rep. Hawken:** It is totally set up for phases, and I think there might be three as opposed to two. With the understanding that they wouldn't get the full amount from us at this time, they have done a good job of designing the building because it will actually look fine with Phase I. This is one of those investments and it is one time money in a sense in that the one portion, they're not gonna come back for more general funds to redo that but they will come back for more general funds for the other sections and I don't think, that's out there, that's in the plan. So that will be a decision for another legislature. I'd like to see us fund the whole thing but I know we're not going to do that.

**Chairman Skarphol:** A motion is in order.

**Rep. Wald:** This is the same as Section 5 in 1018.

**Chairman Skarphol:** It is the money, and it is the complete expansion of the Heritage Center.

**Rep. Hawken:** I would move a **Do Pass** on HB 1481.

**Rep. Onstad:** Second.

**Chairman Skarphol:** Any discussion? If not, call the roll.

**Do Pass Yes 6, No 2, Absent 0.**

**Chairman Skarphol:** Rep. Hawken, you will carry the bill.

## 2009 HOUSE STANDING COMMITTEE MINUTES

HB 1481

House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: February 5, 2009

Recorder Job Number: 8851

Committee Clerk Signature	<i>Holly N. Aund</i>
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Minutes:

**Chm. Svedjan** moved the discussion to HB 1481.

**Rep. Hawken** distributed "North Dakota Heritage Center Expansion" handout (Attachment A).

HB 1481 would provide \$18 million for the building of a new addition to the Heritage Center with the understanding that \$12 million would be raised by the Center. This would only do one phase of the Heritage Center Addition. There is another option I just received that would cost several million dollars more but it would cover all three phases. The difference being that they would try and fundraise for the exhibit. This \$18 million and the \$12 million count the exhibits.

**Chm. Svedjan:** We need to look at the bill that's in front of us.

**Rep. Hawken:** The bill that's in front of us is \$18 million for construction of phase one of the Heritage Center. Attachment A is an example of that. This could be built by local contractors.

**Rep. Hawken moved a Do Pass to HB 1481. Rep. Kroeber seconded the motion.**

**Rep. Bellew:** This is phase one of one-time spending, correct? How many more phases are there going to be? (2:27)

**Rep. Hawken:** Two.

**Rep. Bellew:** What are the amounts of the other two phases?

**Rep. Hawken:** I can get you the amounts. The total bill if we were to do the whole thing with the exhibits today would be \$51 million minus the \$12 million. (There is only) one more phase.

**Rep. Delzer:** We've had this discussion in the past. I didn't support it then and I don't support it now. I'll give you some of the reasons why. We are allowing something other than the Capitol building to take precedence on the capitol grounds. I have a real problem with that and to me that's unacceptable. We also have a situation where there is a request by the Supreme Court for usage of their area and more room. I think there's a bill in somewhere that's been turned into a study resolution to look at the entire capitol facility and usage of the whole facility. We need to hold this at least until that study is finished and see what's going on with everything. I just can't support it. (3:07)

**Rep. Skarphol:** If you read Section 2 there's information about borrowing. The \$12 million that has to be raised to match the \$18 million that's included in here in General Funds . . . the bill does state that they must be pledged or obligated (the \$12 million). Fifty percent of the Federal or Special Funds required to complete the project up to \$6 million has to have been received by the State Historical Society prior to them being able to borrow the other \$6 million. They would borrow that against pledges. Part of my difficulty in supporting this is the fact that all too often pledges are made and not delivered upon. I cannot support this based on that caveat. We tried hard last session to get a feasibility study done as to their needs. Rep. Carlson and I offered to be prime sponsors of that bill that would give them \$60 million to build an entirely new facility if they would do that study. If that study would have indicated that expanding this one was the right thing to do I think I would have supported the expansion. It's easy to say you've done a study when you ask the entity that you asked to do the study to give you the results that you want to hear. I realize there are those folks who think we have the money, let's do it now. I just can't support this. (4:26)

**Rep. Berg:** My preference would be to see all the other one-time spending we've got stacked up before we start pounding these out and get a feeling for where we're going overall.

**Rep. Meyer:** Have they indicated how much money they have raised in pledges? (7:12)

**Rep. Hawken:** It was \$2.5 million, but they just got another \$500,000. Many people are willing to donate but they are waiting to see if the state wants to be a part of this program.

**Chm. Svedjan:** Back to Rep. Berg's comment, I was thinking the same thing. It might be good to consider the one-time expenditure bills together. I'm sensing that the committee doesn't feel they have enough information on this as well. There may another consideration here and maybe this is pertinent, maybe it is not. But to the extent that stimulus funds could be available, I don't know if they could or would be available here, and I wonder if we should give ourselves a little more time on this. (7:49)

**Rep. Wald:** I think that's a good option. Either here or across the aisle we could amend this project back into the State Historical Society budget as a vehicle to resurrect it if we so desire. (8:42)

**Chm. Svedjan:** Would you (Rep. Hawken) have objection if we delayed on our action on this?

**Rep. Hawken:** I would not have an objection to delay the action on this bill. I'm hearing from my colleague that it sounds like he wanted us to defeat this and maybe later put it in, I would have a great deal of objection on that.

**Rep. Glassheim:** What are you doing on the other potential stimulus bills? If we pass them through one house are they considered appropriated and therefore we can't access federal money? (9:27)

**Chm. Svedjan:** I don't know that there's been a clear determination on that question. I wouldn't want to do things that would unnecessarily jeopardize the use of those funds. I'm not even sure there would be a category from which stimulus funds could be used. I'm feeling we

should, if it's o.k. with the motion maker and seconder, that we withdraw the motion and hold this for the time being. Would you be willing to do that?

**Rep. Hawken:** I would.

**Rep. Kroeber** withdrew his second.

**The motion for a Do Pass was withdrawn as was the second.**

**Chm. Svedjan** stopped the discussion on HB 1481. The Full Committee comes back together next Wednesday and then we'll be in marathon.

**Rep. Berg:** NCSL has a conference call on the stimulus package at 4 pm today if anyone else is interested in sitting in. (11:06)

**Chm. Svedjan:** they are doing that at least weekly, is that not correct?

**Rep. Berg:** Yes.

**Chm. Svedjan** adjourned the meeting until the call of the Chair.

Full Committee meets next Wednesday. I'll group the bills better.

**Rep. Berg:** NCSL has a conference call on the stimulus package at 4 pm in the Legislative Library if anyone is interested in listing.

## 2009 HOUSE STANDING COMMITTEE MINUTES

HB 1481

House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: February 17, 2009

Recorder Job Number: 9644

Committee Clerk Signature

*Holly M. Aard*

Minutes:

**Chm. Svedjan** turned the discussion to HB 1481.

**Chm. Svedjan:** We heard this bill quite some time ago. At the time, there was discussion about the amount of money in the bill – what is to be appropriated according to the bills' request and what is to be raised privately. There was some question as to whether or not the state portion could relate to stimulus funds. My assessment is that it does not appear there is any possibility for the use of stimulus funds on this project. Were any of you looking at other alternatives? Any amendments?

**Rep. Hawken** moved a Do Pass to HB 1481. **Rep. Onstad** seconded the motion. The motion carried by a roll call vote of 13 yeas, 11 nays and 1 absent and not voting. **Rep. Hawken** will carry the bill.

Date: Feb. 2, 2009  
Roll Call Vote #: 1

**2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES**  
**BILL/RESOLUTION NO. 1481**

House House Appropriations Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Rep. Hawken Seconded By Rep. Onstad

Representatives	Yes	No	Representatives	Yes	No
Bob Skarphol – Chairman		✓	Joe Kroeber	✓	
Francis Wald – Vice Chairman		✓	Kenton Onstad	✓	
Kathy Hawken	✓		Clark Williams	✓	
Matthew M. Klein	✓				
Bob Martinson	✓				

Total Yes 6 No 2

Absent 0

Bill Carrier Rep. Hawken

If the vote is on an amendment, briefly indicate intent:



Date: 2/5/09  
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1481

**Full House Appropriations Committee**

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken No Pass

Motion Made By Hurd Seconded By Kraemer

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Rep. Skarphol			Rep. Kroeber		
Rep. Wald			Rep. Onstad		
Rep. Hawken			Rep. Williams		
Rep. Klein					
Rep. Martinson					
Rep. Delzer			Rep. Glassheim		
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer		
Rep. Dosch					
Rep. Pollert			Rep. Ekstrom		
Rep. Bellew			Rep. Kerzman		
Rep. Kreidt			Rep. Metcalf		
Rep. Nelson					
Rep. Wieland					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

*Withdrawn*

Date: 2/17/09  
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1481

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken

No Pass

Motion Made By

Hawken

Seconded By

Onstad

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan		✓			
Vice Chairman Kempenich		✓			
Rep. Skarphol		✓	Rep. Kroeber	✓	
Rep. Wald		✓	Rep. Onstad	✓	
Rep. Hawken	✓		Rep. Williams	✓	
Rep. Klein	✓				
Rep. Martinson	✓				
Rep. Delzer		✓	Rep. Glassheim	✓	
Rep. Thoreson		✓	Rep. Kaldor	✓	
Rep. Berg		✓	Rep. Meyer	✓	
Rep. Dosch	✓				
Rep. Pollert		✓	Rep. Ekstrom	✓	
Rep. Bellew		✓	Rep. Kerzman	✓	
Rep. Kreidt		✓	Rep. Metcalf	✓	
Rep. Nelson	✓				
Rep. Wieland		✓			

Total (Yes) 13 No 11

Absent 1

Floor Assignment

Hawken

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE (410)**  
February 18, 2009 4:16 p.m.

**Module No: HR-31-3353**  
**Carrier: Hawken**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**HB 1481: Appropriations Committee (Rep. Svedjan, Chairman) recommends DO PASS**  
(13 YEAS, 11 NAYS, 1 ABSENT AND NOT VOTING). HB 1481 was placed on the  
Eleventh order on the calendar.

2009 SENATE APPROPRIATIONS

HB 1481

## 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1481

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 03-05-09

Recorder Job Number: 10285

Committee Clerk Signature
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Minutes:

**Chairman Holmberg** called the committee hearing to order in reference to HB 1481 in regards to state historical society; and to provide contingent borrowing authority for a heritage center addition.

**Senator Krauter** Introduced students from Richardton-Taylor.

**Senator Mathern** Introduced the Executive Director of the Council of State Government.

**Merl Paaverud** Director of the state Historical Society of North Dakota introduced:

**Dr. Albert I. Berger** President of State Historical Board from Grand Forks. Testified in favor of HB 1481. See attachment # 1. (11.26)

**Merl Paaverud** Testified in favor of HB 1481. See attachment # 2. (14.19)

**Senator Mathern** You stated this is a 25 year look, why would we only talk 25 years? Why don't we plan a 100 year deal? What if we get to the 50<sup>th</sup> year, where are you going to put all that stuff?

**Paaverud** It will be a 100 year deal. We're just talking about the collections area as we collect we figure with what we have collected in the past and what we will be collecting in that space, which is the lower level, will last us for 25 years. The original Heritage Center was built to last for about 25 years for that collection area. The archives were only built to last 10 to 12 years and we were way beyond that and what we had to do then was to find places to store it or

have people keep those things until we get the space. I guess we're trying to be looking at 25 year increments for the collections. The building will serve well beyond for 100 years plus, just like the existing Heritage center does. I would love to build something that would be 100 years worth of collection and storage.

**Chairman Holmberg** Because we have questions about stimulus money versus access to historical areas we won't be acting on this bill today we need more clarity on that. (16.15) And as a historian you should know then there is only 1 legislator left who voted against the original construction, and that was me.

**V. Chair Bowman** If we funded the request of 18M, is that going to take care of the whole project?

**Paaverud** The original request would do the entire project. The governor was good enough to include money in the general fund and then approve another amount of other funds to be raised(17.36) Dave will be presenting the breakdown of the phases. It is a wonderful building, it has security, it has environmental controls, it is going to be built to last as Senator Mathern says for 100s of years. We've gone through the process to look at all opportunities but it is going to cost more if we wait. It is one of those projects where we certainly would like to do it all but we will work and try to do whatever we can. We do have a Hall of Honors that will honor our legislators.

**Claudia Berg** Museum Director and Expansion Coordinator for the North Dakota Heritage Center. Testified in favor of HB 1481. See attachments #3&4. (22.58)

**Chairman Holmberg** When they built the new courthouse in Grand Forks they used a lot of glass and they could hardly use their computers because of all the light. Are there any offices in that area?

**Berg** No it is all public space. There is also a technique called frittering where you put dots and at a distance it actually has an image to those also can also serve as a screening for that space. She continued describing all the pictures in her testimony. Continued with her testimony (31.23)

**Chairman Holmberg** How many feet is it now from the street when you go down and into the Heritage Center? How much closer will this be? It is so far away.

**Berg** I will get that information. Continued her testimony

**Senator Robinson** (32.19) Had questions regarding funding and what portion would be done.

**Berg** Dave has some handouts that might be helpful.

**Senator Christmann** I always kind of hope and work for the best but plan for the worst. As we get into this whole stimulus plan and the new programs coming out and only funded for a short time we are going to have a lot of new things in the next couple biennium to probably try to sustain. The fossil fuels industry in North Dakota also has some tough treading in the future. If we are unable to do more than what we do this year, if we did the plan, for instance as the governor proposed it, does that leave the whole situation in a position where it can stay that way for 10 or 20 years if need be or are you going to get this half done, and you can really force us into something next session.

**Berg** (33.46) We were asked to design this in phases so one phase would be a complete looking building. What that does it gives us one gallery to extend our exhibits. The big challenge would be on the lower level with collections in that if we have one phase it would be pretty large collections to figure out how we save or share that phase for the next however many years that is. So the biggest challenge now is on the lower level. As we build out it becomes a real challenge then with all those collections in place to literally be hop scotching down the hallway with those collections because every time you move them there's damage.

Every time we move them we have to change a location and a data base and pack them to move them. You have dishes stored all over, there is dust, fire hazards, it would save a lot of money and staff's time to be able to do it as one project and get it done. (35.09)

**Dave Skalsky** Assistant Director. Testified in favor of HB 1481. See attachment #5&6. (35.49)

He stated they worked with architects across the country and compared costs. The cost escalated these are some of the projects that have been done. (36.10) Remember the state archives are where we have our important documents. This is just to provide you with what other states have done, we are not out of line with what we recommend. Described the design

**V. Chair Bowman** Has anyone given you the costs to run it after it is opened? I got a real initiation into this with one of the buildings at NDSU, spoke about that experience. We need to know these things.

**Skalsky** We have put together some info, we will get that to you.

**V. Chair Grindberg** The comparison you handed out—are they the prime contractor?

**Skalsky** They work through a Fargo firm and have been doing a lot of work on this.

**V. Chair Grindberg** The costs don't match up between the two sheets. Can we get a breakdown of all the cell costs?

**Skalsky** Explained the differences and walked them through the plans

**Senator Mathern** Will there be someone speaking directly about the fund raising plan?

**Chairman Holmberg** We will have a subcommittee that will be finishing this up. Let's let the out of town people speak.

**Ed Murphy** State Geologist, North Dakota Geological Survey, Department of Mineral Resources, Industrial Commission. Testified in favor of HB 1481. See attachment #7. (44.09)

**Senator Warner** Is it privately owned?

**Murphy** Yes



**Senator Warner** Is there any idea if it will be here permanently?

**Murphy** Tyler wants to open a museum in Marmot, but it will be several years.

**Deanan Butcher** Introduced her grandson Owen.

**Owen Piehl** Testified in favor of HB 1481. See attachment # 8.

**Enoch Thorsgaard** Northwood, ND, Trustee with SHSND Foundation, Former Legislator.

Testified in favor of HB 1481. See attachment # 9. (52.15)

**Senator Mathern** Did you vote yes or no on this 25 years ago?

**Thorsgaard** I supported it all the years I was here.

**Bruce Schwartz** International Director of Lions Club International. Testified in favor of HB 1481. See attachment # 10.

**John McMillan** Board President, SHS of ND Foundation. Testified in favor of HB 1481. See attachment # 11.

**Janet Esser** Mandan, ND. Testified in favor of the bill. See attachment # 12.

**Cordell Dick** Fundraising Consultant. Testified in favor of the bill. See attachment # 13.

**Chairman Holmberg** We have your contact info for the subcommittee.

**Michael D. Gustafson** Trustee, NDHS Foundation Board. Testified in support of the bill. See attachment #14. He wanted to go on record to make available any testimony that was given to the Houses earlier. (1.09.48)

**Senator Krauter** This testimony about project fund raising county by county, was that presented to the governor and the House appropriations? I am intrigued by that, I think there are resources out there.

**Merlis (Name unknown).** During the house subcommittee we did talk about the idea so the House did hear that in committee. I think this is very viable. Spoke about his personal experience.

**Amy Guthrie Sakariassen** Bismarck, ND. Testified in favor of HB 1481. See attachment # 15.

**Joe** (no further information given) Spoke about the history of heritage center. This project needs champions. Discussed funding sources, encouraged the legislators to be champions, and urged them to view this as an investment in the people.

**Chairman Holmberg** Closed the hearing on HB 1481.

## 2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1481

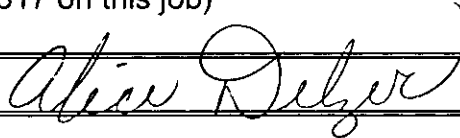
Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 04-03-09

Recorder Job Number: 11725 (also HB 1317 on this job)

Committee Clerk Signature



Minutes:

**Chairman Holmberg** called the committee to order in reference to HB 1481 in regards to the state historical society.(2.49)

**V. Chair Grindberg** explained amendment #90850.0101. This won't be the last version of legislative action regarding the proposal to construct and expand the new heritage center.

What we have done as a subcommittee at this point is recommending a plan that we think is fairly straight forward with benchmarks and at this point in the progress of this discussion and debate seems to make sense. Let me back up and give you a prospective of the over-all budget which comprises construction of the expansion, the galleries, the building shelves site work, renovation of the existing areas in the heritage center, finishing a lower level and then exhibits. As you also would recall they have a goal of raising money for the project. What our recommendation is to keep this concept moving forward as this project is noteworthy and needs to advance. We are recommending that it is approached this way. He continued to explain the amendments. (8.23)

**V. Chair Grindberg moved the amendment. Seconded by Senator Krauter.**

**Senator Mathern** expressed concern about the May 1 date and he'd hate to see them not start if everything was in order before that if contractors could get in earlier why not let them start earlier. He would like the date changed to April 1<sup>st</sup>.

**V. Chair Grindberg** There is no magic date of May 1, 2010. One would presume if this is the final version and passed and signed into law they would aggressively raising money to meet the financial commitment. Construction planning, construction documents, and bidding could all be set up for the winter which is the best time to bid any project. Whether they start in April or May it is going to be a competitive bid. There is a lot of work to do here yet. If you believe in the project we think this is the best approach to keep the discussion moving forward and that will be our request.

**Senator Krauter** We can work on the May 1<sup>st</sup> issue. This gives the incentive and the push to go and raise the money. (12.38)

**Senator Christmann** I would like to see this project completed someday but I think office space for our agencies is more of a priority.

**V. Chair Bowman** I am going to support the amendments to the bill. My passion is in the oil producing counties and we have a responsibility to take care of those counties that are facing total disaster with their road projects because they don't have money to do it. I don't know where we will be at the end of session so I support the amendments but not the bill.

**Senator Robinson** I am going to support the effort here. We all have our wishes and I thought property tax should be addressed before the oil tax break and the nursing home too. The committee has worked hard and there is a plan across the state for this.

**Chairman Holmberg** All in favor of the amendments say Aye. It carried.

**SENATOR KRATUER MOVED A DO PASS AS AMENDED ON HB 1481.SENATOR WARDNER SECONDED. A ROLL CALL VOTE WAS TAKEN RESULTING 12 YEAS, 2 NAYS, 0 ABSENT. VICE-CHAIRMAN GRINDBERG WILL CARRY THE BILL.**

**Chairman Holmberg** closed the hearing on HB 1481.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1481

Page 1, replace line 2 with "legislative intent."

Page 1, line 6, after the comma insert "out of any moneys in the permanent oil tax trust fund in the state treasury, the sum of \$7,000,000, or so much of the sum as may be necessary,"

Page 1, replace lines 9 through 24 with:

**"SECTION 2. CONSTRUCTION AUTHORIZATION.** Section 1 of this Act includes \$25,000,000, of which \$18,000,000 is from the general fund and \$7,000,000 is from the permanent oil tax trust fund, which the state historical society shall use for site work and for construction of the heritage center building addition enclosed structure. Construction may not begin until May 1, 2010, and until the state historical society certifies to the budget section that fifty percent of the federal or special funds required to complete the project, up to \$6,000,000, has been pledged to the state historical society.

**SECTION 3. LEGISLATIVE INTENT - USE OF FEDERAL FUNDS AND OTHER INCOME.** It is the intent of the sixty-first legislative assembly that the \$12,000,000 of special funds derived from federal funds or other income to the state historical society included in section 1 of this Act be used for renovating the existing heritage center building, finishing the lower level of the heritage center addition, and developing exhibits.

**SECTION 4. LEGISLATIVE INTENT - ADDITIONAL FUNDING.** It is the intent of the sixty-first legislative assembly that the sixty-second legislative assembly provide additional funding of \$14,700,000 from the general fund to complete the upper level of the heritage center addition."

Page 2, line 5, replace "30,000,000" with "37,000,000"

Page 2, line 6, replace "30,000,000" with "37,000,000"

Page 2, line 7, replace "12,000,000" with "19,000,000"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT - LC 90850.0101 FN 1**

**A copy of the statement of purpose of amendment is attached.**

**STATEMENT OF PURPOSE OF AMENDMENT:****House Bill No. 1481 - State Historical Society - Senate Action**

	<b>Executive Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Heritage center expansion		\$30,000,000	\$7,000,000	\$37,000,000
Total all funds	\$0	\$30,000,000	\$7,000,000	\$37,000,000
Less estimated income	0	12,000,000	7,000,000	19,000,000
General fund	\$0	\$18,000,000	\$0	\$18,000,000
FTE	0.00	0.00	0.00	0.00

**Department No. 701 - State Historical Society - Detail of Senate Changes**

	<b>Increase Funding for Heritage Center Expansion<sup>1</sup></b>	<b>Total Senate Changes</b>
Heritage center expansion	\$7,000,000	\$7,000,000
Total all funds	\$7,000,000	\$7,000,000
Less estimated income	7,000,000	7,000,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> This amendment adds \$7 million from the permanent oil tax trust fund for the Heritage Center addition.

This amendment provides that construction may not begin until May 1, 2010, and until at least 50 percent of the federal or special funds required to complete the project have been pledged. This amendment also includes two sections of legislative intent relating to the use of special funds and funding to be provided by the 62nd Legislative Assembly.

Date: 4/3/09  
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1481

Senate Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 90850.0/01

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Grindberg Seconded By Krauter

Representatives	Yes	No	Representatives	Yes	No
Senator Fischer			Senator Warner		
Senator Christmann			Senator Robinson		
Senator Krebsbach			Senator Krauter		
Senator Bowman			Senator Lindaas		
Senator Kilzer			Senator Mathern		
Senator Grindberg			Senator Seymour		
Senator Wardner					
Chairman Holmberg					

Total Yes yes voice No

Absent

Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Date: 4/3/09  
Roll Call Vote #: 2

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 1481

Senate Senate Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken ☒ Do Pass ☐ Do Not Pass ☒ Amended

Motion Made By \_\_\_\_\_ Seconded By \_\_\_\_\_

Representatives	Yes	No	Representatives	Yes	No
Senator Krebsbach	✓		Senator Seymour	✓	
Senator Fischer	✓		Senator Lindaas	✓	
Senator Wardner	✓		Senator Robinson	✓	
Senator Kilzer	✓		Senator Warner	✓	
V. Chair Bowman		✓	Senator Krauter	✓	
Senator Christmann		✓	Senator Mathern	✓	
V. Chair Grindberg	✓	✓			
Chairman Holmberg	✓				

Total Yes 12 No 2

Absent \_\_\_\_\_

Floor Assignment Grindberg

If the vote is on an amendment, briefly indicate intent:



**REPORT OF STANDING COMMITTEE**

**HB 1481: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1481 was placed on the Sixth order on the calendar.

Page 1, replace line 2 with "legislative intent."

Page 1, line 6, after the comma insert "out of any moneys in the permanent oil tax trust fund in the state treasury, the sum of \$7,000,000, or so much of the sum as may be necessary,"

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Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT - LC 90850.0101 FN 1**

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

2009 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1481

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1481

House Appropriations Committee  
Education and Environment Division

☒ Check here for Conference Committee

Hearing Date: April 20, 2009

Recorder Job Number: 11971

Committee Clerk Signature

*Shirley Branning*

Minutes:

**Chairman Skarphol:** Brought the Conference Committee to order to discuss HB 1481 by calling the roll. Members included Senators Grindberg, Tom Fischer, and Krauter; Representatives Svedjan and Williams.

**Senator Grindberg:** We operated under the premise that the passage of HB1481 in the House and with our discussions with the staff at the Heritage Center our intent is to capture the vision for this project. The approach was putting the folks that were trying to raise the money and moving forward with the project, considering the construction seasons savings. They were in a box and we broke apart the pieces and said this will be a 4 year effort, noting the Governor had put \$18M in and there was \$12M in fund raising required. This would not total the overall budget to complete the master plan. We identified that to do all the site work and construct the shell was \$25M. We amended the bill and added \$7M coming from the Permanent Oil Trust Fund that would provide them \$25M to begin construction on the shell no sooner than May of 2010 and that the intent was that they had to have 50% of the \$12M pledged before they could start construction on the shell. Of the remaining amount, the 2011-1013 Legislature would then look at the \$14.7M which would be the amount to fit up the interior.

It would give them time to secure dollars in the campaign, that money would be directed towards exhibits, finishing of the lower level and renovating the existing Heritage Center.

What we passed out of the Senate was to give them a year to work on their campaign and allow them to start and move forward with the plan.

**Chairman Skarphol:** Your analysis is that \$25M could build the remaining phases. Once the shell is completed the \$12M in matching would be utilized on the existing facility and then it would be your intent to appropriate \$7M to complete the interior.

You are making an assumption that the Governor had intended to fund some additional portion next biennium.

**Senator Grindberg:** Our understanding was that this is a \$51M project to complete the entire master plan. The Governor didn't to provide state funding to capture all on the front end and so this will take 2 biennium or the will of the Legislature to appropriate \$39M.. They need to raise \$12M. We have to hold their feet to the fire to raise that. Raise \$6M this year then you can start building the shell.

**Senator Krauter:** Echoing what Senator Grindberg said, the thought process in raising funds pledges county by county. Contributors are recognized for their commitment.

**Senator Grindberg:** Testimony was that many donors have been contacted across the state. We are waiting for their final commitment until they were sure that the State was committed to this project. In this regarding the pledges, if we commit to the shell as was passed out in HB 1481, that would send a strong message to those who made conditional pledges

**Representative Svedjan:** Senator Grindberg, the addition of the \$7M is what is convincing the donors to make good on their pledges

**Senator Grindberg:** I believe that is one way we can look at it.

**Representative Svedjan:** The original \$18M was not enough to convince donors to contribute to the project, is that fair to say?

**Senator Krauter:** The concept of having a part of it in place is what we are driving at. If the whole package is in front of you and here is the plan for raising that money and you are part of that plan....

**Representative Svedjan:** It is the 2 issues, the additional \$7M and when you take a look at where we are as of today with the Permanent Oil Tax Trust Fund, that fund is getting down to a very low level.

Point number two for me has to do with what has been done with pledge requirements. There were two conditions that had to be met: one, that the entire amount of the Federal or special funds needed to be pledged or obligated to the State Historical Society but that 50% had to be in hand. Now that I read the amendments of what the Senate passed, construction may not begin until May 2010 and until the State Historical Society certifies to the budget section that 50% of the Federal or Special funds, up to \$6M has been pledged. That is a significant difference from the original.

**Senator Grindberg:** Our action directed that \$12M total amount gave them more time to get pledges. It is still part of the overall long term budget. Current economic times will not bring forth these pledges the way in which it was set up in the House version. \$24M does not provide them the opportunity to do anything, unless you were to cut the project in half. We felt holding their feet to the fire, large commitments rarely produce the cash in one time, planning needs to consider that.

**Chairman Skarphol:** We are going to contemplate this for a while, the House is not as confident in pledges as the Senate. For purposes of this meeting we will call it a day.

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1481

House Appropriations Committee  
Education and Environment Division

☒ Check here for Conference Committee

Hearing Date: April 25, 2009

Recorder Job Number: 12270

Committee Clerk Signature

*Shirley Brannan*

Minutes:

**Chairman Skarphol:** Brought the Conference Committee to order to discuss HB 1481 by calling the roll. Members included Senators Grindberg, Tom Fischer, and Krauter; Representatives Svedjan and Williams.

On our side of the aisle we have a little different opinion about this Bill and have had discussion since our last meeting. We will have a vote made and if it fails we will probably adjourn for today, quite frankly.

**Rep. Svedjan:** I will preface my motion with some of my concern with where this legislature with regard to spending compared to our projected revenues. As of yesterday we are \$178M in over spending ongoing revenues..

Under spending the one time revenues, this is just the reverse of what we oughta have. If it were up to me and I were to overspend any category, it would be our onetime revenues, not our ongoing. We are in a position right now where it is going to take any remaining available onetime revenue to help offset the huge increases that we have so far approved to offset the huge deficit created by the increases in ongoing spending revenues.

We are still \$115M off target and a huge part of my concern. It maybe doesn't relate directly to this project but it does relate to this project. As of yesterday, the overall increase in ongoing

spending is 29.3% , we are 71% higher in this biennium than we were three years ago. So that is my concern. In light of where we are financially in this budget, I would

**Move the Senate recede from its amendments, and further amend.** I will talk about how we would like this further amended. First of all, for the Senate to recede from its amendments it would bring the bill back to the way the House sent it to the Senate.

I would like to further amend that the amount appropriated in General Funds for the Heritage Center be contingent upon the State of North Dakota either equaling or exceeding its revenue projects at the end of the first year of the biennium – the \$18M would be allowed to be expended only if we meet or exceed our revenue projections by the end of the first biennium. If we are on target we would give authorization for the \$18M to be spent.

Part 2 would have to do with the need for a project manager, that the Facility Management Division of the Management and Budget Section shall serve as the project construction manager for the Heritage Center Addition Project for the biennium – July 2009 and ending June 30, 2011. It makes the director of Facility Management the project construction manager for the position. **I would make that motion.**

**Rep. Williams: Second.**

**Senator Grindberg:** I am not sure what purpose what the project manager would mean in this case given your motion. Nothing can be done with \$18M. The Bill that you passed to us had \$18M and the fund raising and borrowing authority, but you could make the point that if they had \$12M in cash and your motion a year from now states that they could do the shell.

I will resist the motion. I understand some of the logic on onetime spending. I am not convinced that .....From what I'm hearing now, we adjourn and in 3 months our revenue is

just gonna explode. I don't want a situation where the folks who have worked hard and are passionate about this are saying, they certainly missed that one.

We need to think it through until next week .

**Senator Krauter:** I, too am going to resist the motion and agree with concept of a project manager. As far as the revenues, I think they are going to change. We need to cut some of the appropriations. The issues I see are \$60M at the Bank of North Dakota that has not been transferred. That is revenue source. We are all aware of what has happened with the price of oil, the trigger mechanism in the 4<sup>th</sup> month is not likely to be activated. So there is potentially another \$97M that will flow into the Permanent Oil Trust Fund. Looking at the issues right now of an income tax reduction where the voters said back in November, we don't want you to cut income taxes. Adding up the reductions in income taxes and corporate taxes that is \$100M gives us a lot to play yet.

To be successful people making pledges, etc. to make it work. Getting that pledge money and getting that 50% in and sell the project. We can raise that money, make it can work, make that commitment, build the shell. There is more work to do.

**Chairman Skarphol:** The \$60M at Bank of North Dakota, merely puts it at the capitalization rate that it ought to be to be in the financial condition that it should be. So the transfer would not be prudent on our part. The increased oil tax revenue has not shown a decrease because of the trigger. I'm not sure it will be reflective, and there is no assurance that oil prices are gonna go up. The Senate amendments ensure the completion of this facility and the total cost is somewhere over \$50M. I'm gonna support the motion and we'll see what happens.

**Rep.Svedjan:** My own experience, providing an analogy describing his concern. I am not convinced that will happen and I don't want to put us in a position where we are committed to



something and we don't have the revenue to pay for it. That is why the motion is stated in such a way that if revenues do come in, then we'll give the go ahead to do it at a \$18M figure. As a safeguard, to not putting ourselves in a position where we commit the revenue where right now we need to use it to balance our budget, is not the right thing to do.

We are \$115M off the mark to balance this budget, as of yesterday. That is taking \$63M to use to pay for the increases in ongoing spending. It is unwise to use onetime spending to increase ongoing projects.

Having revenue available to balance this budget to appropriately utilize the funds we have for the greater priorities.

**Senator Grindberg:** The points have been made. Both Houses passed \$18M without strings. Now the debate should be, how do we move forward?

We have spoken about what is left of the private sector piece. We would massage it a little bit, add the \$7M and move the project forward.

**Chairman Skarphol:** I think the House's position moving it forward was that the \$30M was to have a finished project. Whether it was going to be built in modules, they build the next module, not build a shell of all the modules and have us sitting there with an empty shell.

**Senator Krauter:** Addressing **Joe Morrisette, OMB Analyst;** In the estimate revenues that OMB had provided us in December and February, was not the trigger mechanism figured in there the reduction from the Permanent Oil Trust Fund?

**Morrisette:** The revised forecast that was provided in February had the trigger in effect for 5 months of the next biennium.

**Senator Krauter:** Addressing **Becky Keller, Legislative Council Representative,** in the revised new legislative numbers that trigger mechanism was in there for 24 months.

**Keller:** It would be on for 10 months.

**Senator Krauter:** Point of clarification. I did see the numbers and I highlighted the doubles that are in there. The personal income tax reduction is in there twice. So we need to be patient and work through these numbers. The revenues are a little under, the appropriations are high. There is some common ground here but we are not there yet.

**Chairman Skarphol:** Clerk, take the roll.

**Vote taken: Yes 3 No 3 Motion fails.**

**Meeting adjourned.**

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1481

House Appropriations Committee  
Education and Environment Division

☒ Check here for Conference Committee

Hearing Date: April 28, 2009

Recorder Job Number: 12340

Committee Clerk Signature

*Shirley Branning*

Minutes:

**Chairman Skarphol:** Brought the Conference Committee to order to discuss HB 1481 by calling the roll. Members included Senators Grindberg, Tom Fischer, and Krauter; Representatives Svedjan and Williams.

**Representative Svedjan:** Move Senate recede from its amendments.

**Representative Williams:** Second

**Chairman Skarphol:** We have a call for the question. Take the Roll

**Vote Taken:** Yes 3 No 3 Absent 0 Motion Fails.

**Representative Svedjan:** I move that the Senate Recede and further amend. The motion to further amend would be to move the \$7M that the Senate has in current amendments from the Permanent Oil Tax Trust Fund to General fund and that we further amend by eliminating the Legislative intent that addresses the \$14.7M and that this amendment appropriate the \$14.7M in addition to the \$7M which adds to the \$18M that is currently in the Bill all from the General Fund.

**Chairman Skarphol:** Is that your total proposal or did you have some other ...

**Representative Svedjan:** I would like further to incorporate the manager language which was stated on .0102.

For clarification, I would, as part of this motion retain what is in Section 3 of .0101, which is the Senate amendment.

In Section # 2, the numbers would change from \$25M to \$39.7 from General fund and retain the language that 50% of the Federal and special funds required to complete the project up to \$6M is pledged money. Not money in hand.

**Chairman Skarphol:** Summarizing, your motion would authorize the full \$39.7, and half of the match would be required to be pledged and there would be a construction manager and there would be no emergency clause and so they wouldn't start until the next biennium.

**Representative Svedjan:** The \$14M of funds that could be raised from other sources could be used to renovate the existing Heritage Center building. Finishing the lower level of the Heritage Center and the existing exhibits.

**Senator Grindberg:** Asking for a copy of the amendment.

**Representative Svedjan:** I don't.

**Chairman Skarphol:** I thought they were pretty self explanatory.

**Representative Williams:** Second.

**Chairman Skarphol:** Discussion, hearing none, take the Roll.

**Vote Taken: Senate No. 3 House Yes 3 Absent 0 Motion Fails.**

**Meeting adjourned.**

Meeting adjourned to meet again.

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1481

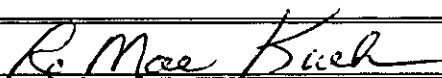
House Appropriations Committee  
Education and Environment Division

☒ Check here for Conference Committee

Hearing Date: April 29, 2009

Recorder Job Number: 12378

Committee Clerk Signature



Minutes:

**Chairman Skarphol:** Brought the Conference Committee to order to discuss HB 1481 by calling the roll. Members included Senators Grindberg, Tom Fischer, and Krauter; Representatives Berg and Williams.

Explain changes to new committee member

**Senator Grindberg:** Explains .0101, the changes made by the Senate. The bill we received with House action, 1481 was \$18 million in General Fund and the language on ???? authority, what both chambers recognized, as the other Federal Private Campaign for the overall project of \$12 million with the Bank of North Dakota on a loan request on some of those pledges conceivably allowing up to \$30 million if all \$12 million was available on top of the \$18 million. When we had the hearing on the Senate side, capturing the dream of this master plan, it was well received. As we broke into a subcommittee of three members, understanding the project in its entirety quickly came to the realization that even if we accepted the House version nothing would happen for two years. For two reasons: one, the overall project is estimated at \$51.7 million, two, I think everyone agree that the economic conditions across the nation and personal wealth follow the stock market. The reality of capturing \$12 million with pledges and donations is going to be seriously challenged until this economy turns around. We challenged

the staff to provide us additional information that we took apart. Knowing that this is a \$51.7 million project and the bill received by us has potentially \$30 million it most likely was going to carry into two bienniums. Therefore we said OK. What would it cost to construct the shell and all site work? That number came back from the architects at \$25 million. Then we asked for the best projection of cost to finish less the two galleries and that estimate came in at \$12.6 million. Then we asked for the finishing of the two galleries, the upper level was estimated at \$2.1 million and then renovation of the existing building estimated at \$3 million.

Finishing lower level at \$3.3 million. The exhibits at \$5.7 million bringing that to \$51.7 million. We felt that a 2 biennium approach would require them still to raise the \$12 million. But providing them a little more time given the 4-year nature of this project that we would dedicate by intent language that the \$12 million in private funds would be used for the renovation of the existing Heritage Center, finishing the lower level addition, and the exhibits. We felt that would provide them more time and still have that \$12 million commitment. Since then we added \$7 million from Permanent Oil Trust fund to get to the \$25 million for the building shell. Provided that the \$6 million in private, federal, or special funds was committed they could begin construction on May 1, 2010. Our differences are, we both passed \$18 million. It was the consent of both bodies that something needs to move forward.

**Chairman Skarphol:** We had a brief discussion of project management of this facility. I would hope we could incorporate that. Distributed .0102

**Rep. Berg:** Just to recap in my own mind, the total project is going to be \$51.7 million. Of that we are expecting a private match of \$12 million. Is that all we are expecting in private. So the issue is, the concern would be to have a ½ built building and then in two years not have the revenue to continue it. From my perspective, a 2 year or 4 -year project or a complete project

makes a lot of sense. We are dealing with one-time money. It's the ongoing money that is a concern long term. You mentioned the \$12 million match, that is private money, federal money, and borrowing. What is the thinking on each of these funds? Of the \$12 million, what would be federal dollars and how much would be private dollars?

**Senator Grindberg:** Not a specific amount. With a firm commitment from the state, federal money is more likely than without a firm commitment from the state. There is a Hero's campaign trying to get a certain level of support from every county in the state. There was a gentlemen here from Seattle in January that committed ½ million dollars.

**Chairman Skarphol:** Your colleagues seem to think that there needs to be a strong indication of state support. My assumption was \$18 million would accomplish that. Apparently that isn't the sense today. If there was a willingness on the part of the House to fully fund it, are you willing to require that half of that match be in hand before they move forward? I'm talking \$39.7 million. Are you willing to require that half of that be in hand?

It goes far beyond what the Governor's intentions were and probably still are.

**Senator Grindberg:** Mull it over, if that truly is the objective, if \$8M is pledged by next spring, the foundation could go out and borrow that money.

**Rep. Berg:** In the Commerce Department budget we talked a lot about tourism infrastructure. I believe we should have a 50% match on these projects. I've always been concerned when you don't have the private sector match, there is not the local support. We would be looking at \$39.7 million in General Fund Dollars and \$12 million in private sector money which is a total project of \$51million. To me that seems like a generous match on the state's part. We should look at this as one project from start to finish. People that put money in also bring ideas. If we are committing almost \$40 million, and we are asking them to go out and raise \$6

million I think that \$50 million project will be a better project. It could be a federal grant which has no way of improving like private dollars could.

I would move that we fully fund the project. We put \$39.7 million in General Fund dollars into this project now. That way we don't go through this whole process again in another legislative session. We require half of it to be raised in cash. If it takes a year longer to do that, I don't think it matters in the scope of what this represents in long term for the state.

**I move that we commit \$39.7 million to this project in General Fund money.** I would ask that \$6 million be in cash. You can decide if that would be federal dollars or private dollars, preferably private. The more oversight we can have the better. It was talked about Facilities Management having that oversight.

**Rep. Williams:** Second

**Senator Grindberg:** I would like time to think. I'm not ready to vote.

**Senator Krauter:**  $\$39.7M + \$6M = \$45.6M$ . We are still \$6 million short.

**Rep. Berg:** I am assuming they are going to raise \$12 million. Half of that \$12 million would be in cash.

**Rep. Berg:** This is one-time spending. We have \$190 million in Permanent Oil Trust Fund money that hasn't been spent. We had \$310 million in one-time General Fund spending that is carry over. There is \$68 million in there. I think it is not an issue of "do we have the money this day", but if we are going to fund this project let's fund the project. Let's not give a little now and then in two years say we can't do it.

**Senator Grindberg:** On our budget status sheet dated April 28, under the one-time column it shows a balance \$46.8 million. Is that the money you are proposing to add to?

**Rep. Berg:** On the one-time spending, do you show a minus \$119 million?



**Senator Grindberg:** With supplanting stimulus money and netting the General Fund some savings now vs. our commitment in 1113, the \$395 million we passed this morning for tax relief if you discount that of not being ongoing revenue because it is not supporting government and it is money back in people's hands our increase in spending excluding one-time is 12.3% for the biennium. So it is 6% per year.

**Rep. Berg:** We have \$650 million of stimulus money flowing in. We have \$110 million of stimulus money that is supplanting General Fund.

I would like to see us close down the session focusing on this ongoing revenue and get that balanced. I think it will be very difficult to fund Department of Transportation without General Fund money.

**Chairman Skarphol:** I think we need to take some time.

Motion withdrawn.

Adjourn for today.

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1481

House Appropriations Committee  
Education and Environment Division

☒ Check here for Conference Committee

Hearing Date: April 30, 2009

Recorder Job Number: 12405

Committee Clerk Signature

*Shirley Branning*

Minutes:

**Chairman Skarphol:** Brought the Conference Committee to order to discuss HB 1481 by calling the roll. Members included Senators Grindberg, Tom Fischer, and Krauter; Representatives Berg and Williams.

**Senator Grindberg:** Review discussion to review bullet points. If the six members agree to fully fund this project than we should capture our requests and then order the amendments in written form from council. Upon preparation, meet again to review those and act accordingly.

Chairman Skarphol: If the time becomes a constraint we could review those and then meet.

**Senator Grindberg:** Agree.

**Rep. Berg:** Going back over his points. The premise is that we would fully fund the project today and there would be \$12M in matching. It would have to be committed in cash, the \$6M before the project could begin.

Was there discussion on the mix of the match? It is critical to bring private donors to the table because they add a lot.

**Senator Grindberg:** We view it as federal and private, not state funds, \$6M come from

Private Hero's campaign, \$6M from feds. Any combination of funds equaling \$12M other than state funds, would qualify.

**Chairman Skarphol:** Individual and corporate works as well.

**Rep. Berg:** Was there any testimony on how much is private and federal?

**Senator Grindberg:** Information is available.

**Chairman Skarphol:** Really eager to raise that money. Their efforts would be more substantial with \$18M or \$15M.

**Rep. Berg:** It would be easier to raise money if you present a project that would be completed versus trying to raise money that is for an incomplete project

**Rep. Williams:** I do not want to see strings attached.

**Senator Krauter:** The question about cash. \$12M and \$6M cash, does it mean that those pledges could be \$6M or not? Need to clarify how pledge is defined.

**Rep. Berg:** Language in Council that defines that. A pledge in writing means they will deliver. A verbal pledge, probably not cash. A prudent 3<sup>rd</sup> party would see that as cash.

**Senator Krauter:** A pledge of \$10,000.....

**Rep. Berg:** May have financial problems. Laughter. Accountants look at pledges like that and may reduce it by 25% for not coming in, but.....

**Chairman Skarphol:** Do you wish for that to be included in the language, the definition of cash?

**Senator Grindberg:** We can do that but I don't believe we have to have that language because of the independent foundation that is raising the money. Do not need that language because of sincere pledges. Presume that \$6M is available, would fully fund this project to schematic design so everything is bid together. You could argue that the remaining \$6M would be used for the exhibits. That will set the state money in motion when we are ready to go.

**Rep. Berg:** If they are not under time pressure and get pretty close to the \$12M before we pull the plug and understanding they are going to raise money during construction and after construction.

If I could get a copy of their fund raising proposal and I will check with council.

**Chairman Skarphol:** They do have a business plan, I believe a professional plan.

**Rep. Berg:** I will have the amendments drafted and we can take a look at them. I will support this in the House.

**Senator Grindberg:** Add the project manager.

**Chairman Skarphol:** Correct. If we can get this amendment put together, do we want to meet again today and finish this off?

**Senator Krauter:** Run the numbers one more time.

**Chairman Skarphol:** We fund for \$39.7M General fund and provide for \$12M in matching half of which is to be in hand prior to commencement of the project and incorporate the language with regard to the Facilities Management being the project manager.

**Rep. Berg:** Agrees.

**Chairman Skarphol:** We'll get the Amendments drafted and meet again today.

**Meeting adjourned.**

## 2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 1481

House Appropriations Committee  
Education and Environment Division

☒ Check here for Conference Committee

Hearing Date: May 1, 2009

Recorder Job Number: 12439

Committee Clerk Signature

*Shirley Branning*

Minutes:

**Chairman Skarphol:** Brought the Conference Committee to order to discuss HB 1481 by calling the roll. Members included Senators Grindberg, Tom Fischer, and Krauter; Representatives Berg and Williams.

Explaining the amendment as printed on page 1 of the Statement of Purpose of Amendments, of Amendment .0104, see attachment # 1.

That is the essence of the amendment.

I am open to a motion to move the amendment 0104 and move forward.

**Rep. Berg: So Move.**

**Rep. Williams: Second.**

**Vote Taken : Yes 6 No 0 Absent 0 Motion carried.**

**Chairman Skarphol:** I will vote yes on the floor and I will be the carrier of this Bill.

Meeting adjourned.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1481

That the Senate recede from its amendments as printed on page 1242 of the House Journal and page 1013 of the Senate Journal and that House Bill No. 1481 be amended as follows:

Page 2, after line 12, insert:

**"SECTION 4. PROJECT MANAGER - HERITAGE CENTER ADDITION PROJECT.** The director of the facility management division of the office of management and budget shall serve as the project construction manager for the heritage center addition project for the biennium beginning July 1, 2009, and ending June 30, 2011."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment provides for the director of the Facility Management Division of the Office of Management and Budget to be the project manager for the Heritage Center addition project.

# REPORT OF CONFERENCE COMMITTEE (ACCEDE/RECEDE)

Bill Number 1481 (, as (re)engrossed):

Date: April 28, 2009

Your Conference Committee House Approp. Edu and Envir #4

For the Senate:

For the House:

YES / NO		YES / NO	
<input checked="" type="checkbox"/>	Senator Brindberg	<input checked="" type="checkbox"/>	Rep. Skarphel
<input checked="" type="checkbox"/>	Senator Tom Lischer	<input checked="" type="checkbox"/>	Rep. Suedjan
<input checked="" type="checkbox"/>	Senator Krauter	<input checked="" type="checkbox"/>	Rep. Williams

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_ - \_\_\_\_\_

\_\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the Seventh order:

\_\_\_\_\_, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE: \_\_\_\_\_

CARRIER: \_\_\_\_\_

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: Rep. Suedjan

SECONDED BY: Rep. Williams

VOTE COUNT 3 YES 3 NO 0 ABSENT

**REPORT OF CONFERENCE COMMITTEE  
(ACCEDE/RECEDE)**

Bill Number 1481 (, as (re)engrossed):

Date: April 28, 2009

Your Conference Committee House Approp. Edu and Envir <sup>#2</sup> amendment. 0202

For the Senate:

For the House:

YES / NO		YES / NO	
<input checked="" type="checkbox"/>	Senator Brindberg	<input checked="" type="checkbox"/>	Rep. Sharpel
<input checked="" type="checkbox"/>	Senator Tom Fisher	<input checked="" type="checkbox"/>	Rep. Suedjan
<input checked="" type="checkbox"/>	Senator Krauter	<input checked="" type="checkbox"/>	Rep. Williams

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) \_\_\_\_\_ - \_\_\_\_\_

\_\_\_\_, and place \_\_\_\_\_ on the Seventh order.

\_\_\_\_, adopt (further) amendments as follows, and place \_\_\_\_\_ on the Seventh order:

\_\_\_\_, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) \_\_\_\_\_ was placed on the Seventh order of business on the calendar.

DATE: \_\_\_\_\_

CARRIER: \_\_\_\_\_

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: Rep. Suedjan

SECONDED BY: Rep. Williams

VOTE COUNT 3 YES 3 NO 0 ABSENT



YR  
5/1/09  
1083

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1481

That the Senate recede from its amendments as printed on page 1242 of the House Journal and page 1013 of the Senate Journal and that House Bill No. 1481 be amended as follows:

Page 1, line 1, remove "; and to provide"

Page 1, line 2, remove "contingent borrowing authority"

Page 1, line 5, replace "\$18,000,000" with "\$39,700,000"

Page 1, line 9, remove "- **BORROWING AUTHORITY**"

Page 1, line 10, replace "\$30,000,000" with "\$51,700,000" and replace "\$18,000,000" with "\$39,700,000"

Page 1, line 12, replace "shall" with "may"

Page 1, line 13, remove "both of the"

Page 1, remove lines 14 through 16

Page 1, line 17, remove "2. Fifty percent" and replace "up to" with "cash or pledges with a discounted cash value of at least"

Page 1, line 18, remove the third comma

Page 1, remove lines 19 through 24

Page 2, line 5, replace "30,000,000" with "51,700,000"

Page 2, line 6, replace "30,000,000" with "51,700,000"

Page 2, line 8, replace "18,000,000" with "39,700,000"

Page 2, after line 12, insert:

**"SECTION 4. PROJECT MANAGER - HERITAGE CENTER ADDITION PROJECT.** The director of the facility management division of the office of management and budget shall serve as the project construction manager for the heritage center addition project for the biennium beginning July 1, 2009, and ending June 30, 2011.

**SECTION 5. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS.** The state historical society shall seek federal funds under the federal American Recovery and Reinvestment Act of 2009 for the heritage center expansion project. Any funds received are appropriated to the state historical society for the purpose of defraying the expenses of the project. The state historical society may not spend the general fund moneys appropriated in section 1 of this Act to the extent that federal fiscal stimulus funds are received and spent for the project under this section."

Renumber accordingly

283

**STATEMENT OF PURPOSE OF AMENDMENT - LC 90850.0104 FN 1**

**A copy of the statement of purpose of amendment is attached.**

**STATEMENT OF PURPOSE OF AMENDMENT:****House Bill No. 1481 - State Historical Society - Conference Committee Action**

	<b>Executive Budget</b>	<b>House Version</b>	<b>Conference Committee Changes</b>	<b>Conference Committee Version</b>	<b>Senate Version</b>	<b>Comparison to Senate</b>
Heritage center expansion		\$30,000,000	\$21,700,000	\$51,700,000	\$37,000,000	\$14,700,000
Total all funds	\$0	\$30,000,000	\$21,700,000	\$51,700,000	\$37,000,000	\$14,700,000
Less estimated income	0	12,000,000	0	12,000,000	19,000,000	(7,000,000)
General fund	\$0	\$18,000,000	\$21,700,000	\$39,700,000	\$18,000,000	\$21,700,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Department No. 701 - State Historical Society - Detail of Conference Committee Changes**

	<b>Increase Funding for Heritage Center Expansion<sup>1</sup></b>	<b>Total Conference Committee Changes</b>
Heritage center expansion	\$21,700,000	\$21,700,000
Total all funds	\$21,700,000	\$21,700,000
Less estimated income	0	0
General fund	\$21,700,000	\$21,700,000
FTE	0.00	0.00

<sup>1</sup> This amendment adds \$21.7 million from the general fund to provide a total of \$51,700,000, of which \$39,700,000 is from the general fund for the Heritage Center addition project.

This amendment provides that construction may not begin until at least \$6 million of the federal or special funds required to complete the project has been received in cash or pledges with a discounted cash value. Sections are also added providing for a project manager and appropriating any federal fiscal stimulus funding received by the State Historical Society for the project. General fund money may not be spent to the extent stimulus funds are received.

# REPORT OF CONFERENCE COMMITTEE (ACCEDE/RECEDE)

Bill Number 1481 (, as (re)engrossed):

Date: May 1, 2009

Your Conference Committee House Approp. Edu and Envir

For the Senate:

For the House:

	YES	NO		YES	NO
<u>Senator Brindberg</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Rep. Skarphal</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Senator Tom Licher</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Rep. Berg</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Senator Krauter</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Rep. Williams</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (SJ/HJ) page(s) 1242 - 1013  
and place SJ on the Seventh order.

☒ , adopt (further) amendments as follows, and place          on the Seventh order:

         , having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed)          was placed on the Seventh order of business on the calendar.

DATE: May 1, 2009  
CARRIER: Rep. Skarphal

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: Rep. Berg

SECONDED BY: Rep. Williams

VOTE COUNT 6 YES 0 NO 0 ABSENT

**REPORT OF CONFERENCE COMMITTEE**

**HB 1481:** Your conference committee (Sens. Grindberg, Fischer, Krauter and Reps. Skarphol, Berg, Williams) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1242, adopt amendments as follows, and place HB 1481 on the Seventh order:

That the Senate recede from its amendments as printed on page 1242 of the House Journal and page 1013 of the Senate Journal and that House Bill No. 1481 be amended as follows:

Page 1, line 1, remove "; and to provide"

Page 1, line 2, remove "contingent borrowing authority"

Page 1, line 5, replace "\$18,000,000" with "\$39,700,000"

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Page 2, after line 12, insert:

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**SECTION 5. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS.** The state historical society shall seek federal funds under the federal American Recovery and Reinvestment Act of 2009 for the heritage center expansion project. Any funds received are appropriated to the state historical society for the purpose of defraying the expenses of the project. The state historical society may not spend the general fund moneys appropriated in section 1 of this Act to the extent that federal fiscal stimulus funds are received and spent for the project under this section."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT - LC 90850.0104 FN 1**

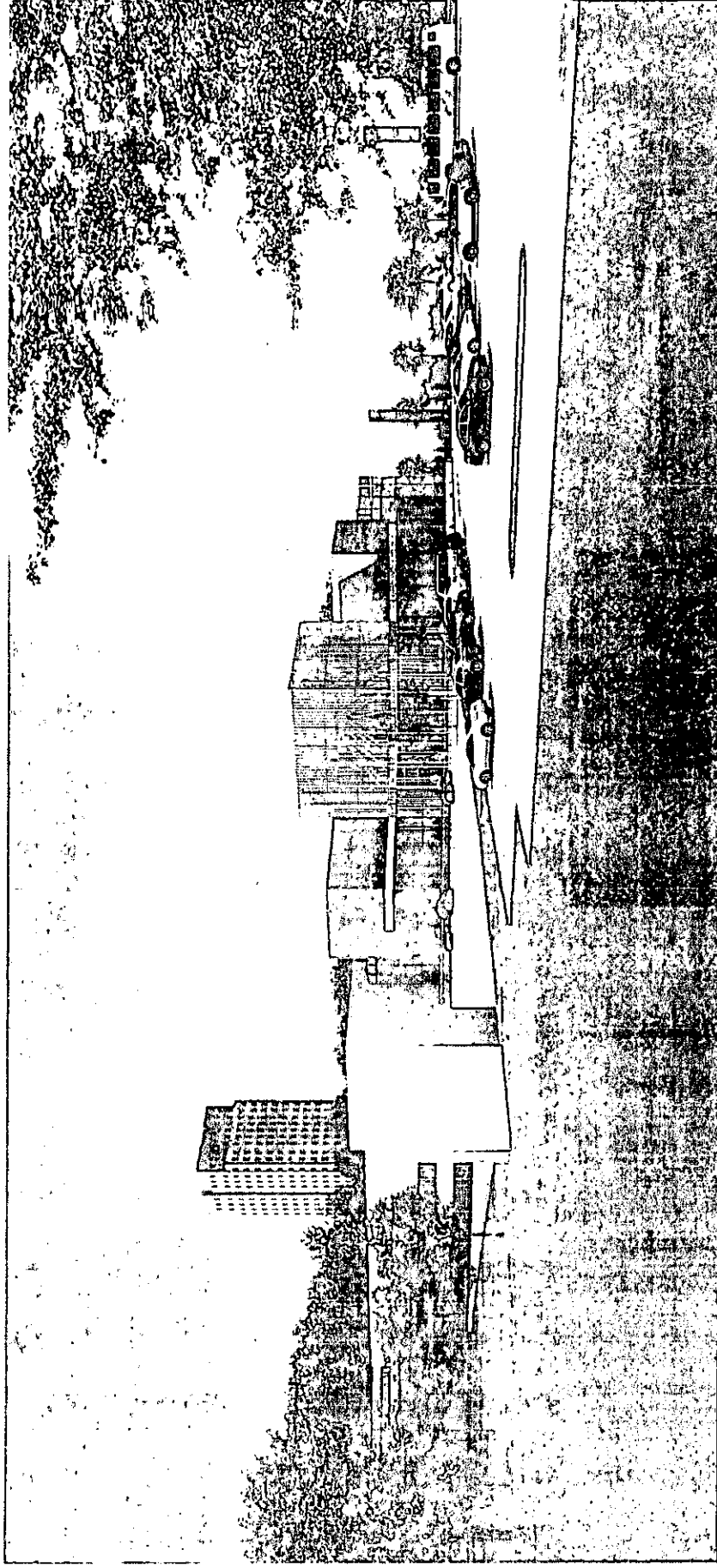
A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

HB 1481 was placed on the Seventh order of business on the calendar.

2009 TESTIMONY

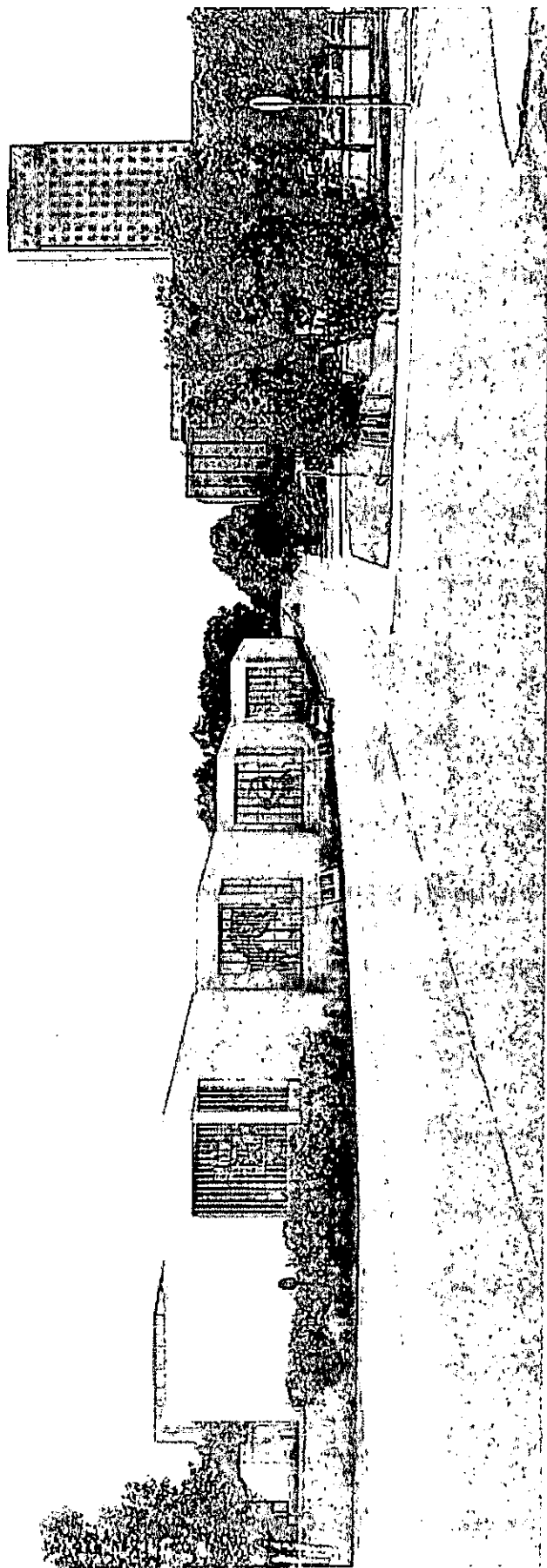
HB 1481

Attachment #11<sup>B</sup>  
HB 1481

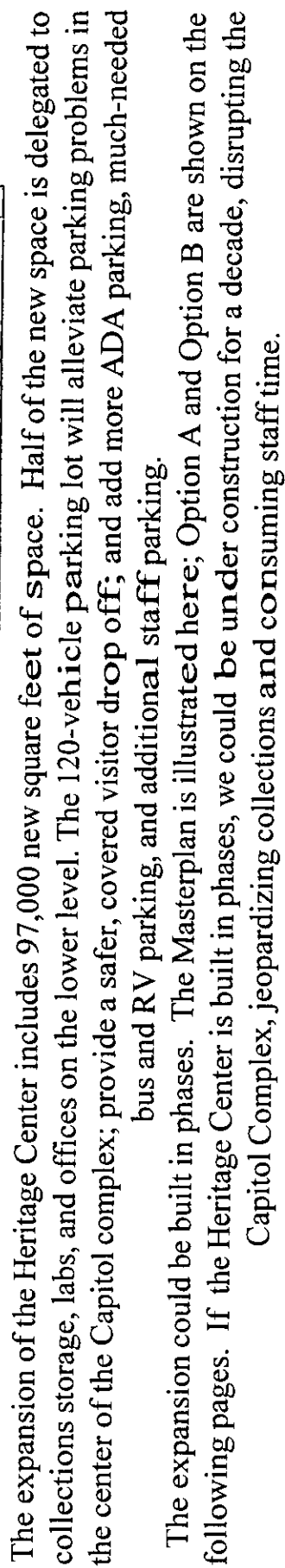


# North Dakota Heritage Center Expansion

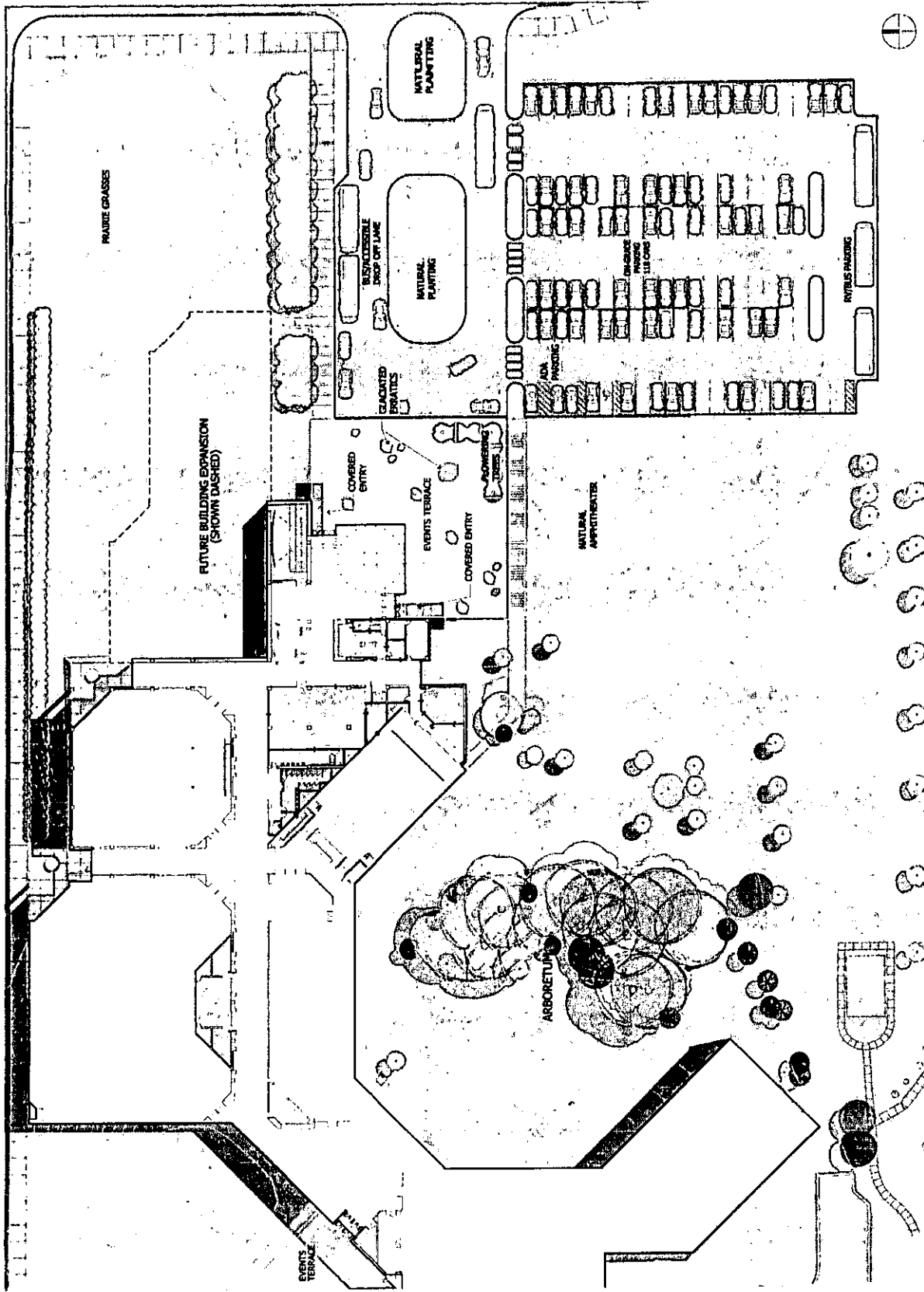




The expanded Heritage Center extends out from the original gallery, located at the far end in this view. The four gallery windows, acting as billboards, announce the exhibits within each gallery and welcome visitors and tourists to the Capitol complex from State Street. The architecture of the expansion replicates features from the existing building, including the use of limestone, a requirement for buildings on the Capitol complex.



The expansion could be built in phases. The Masterplan is illustrated here; Option A and Option B are shown on the following pages. If the Heritage Center is built in phases, we could be under construction for a decade, disrupting the Capitol Complex, jeopardizing collections and consuming staff time.

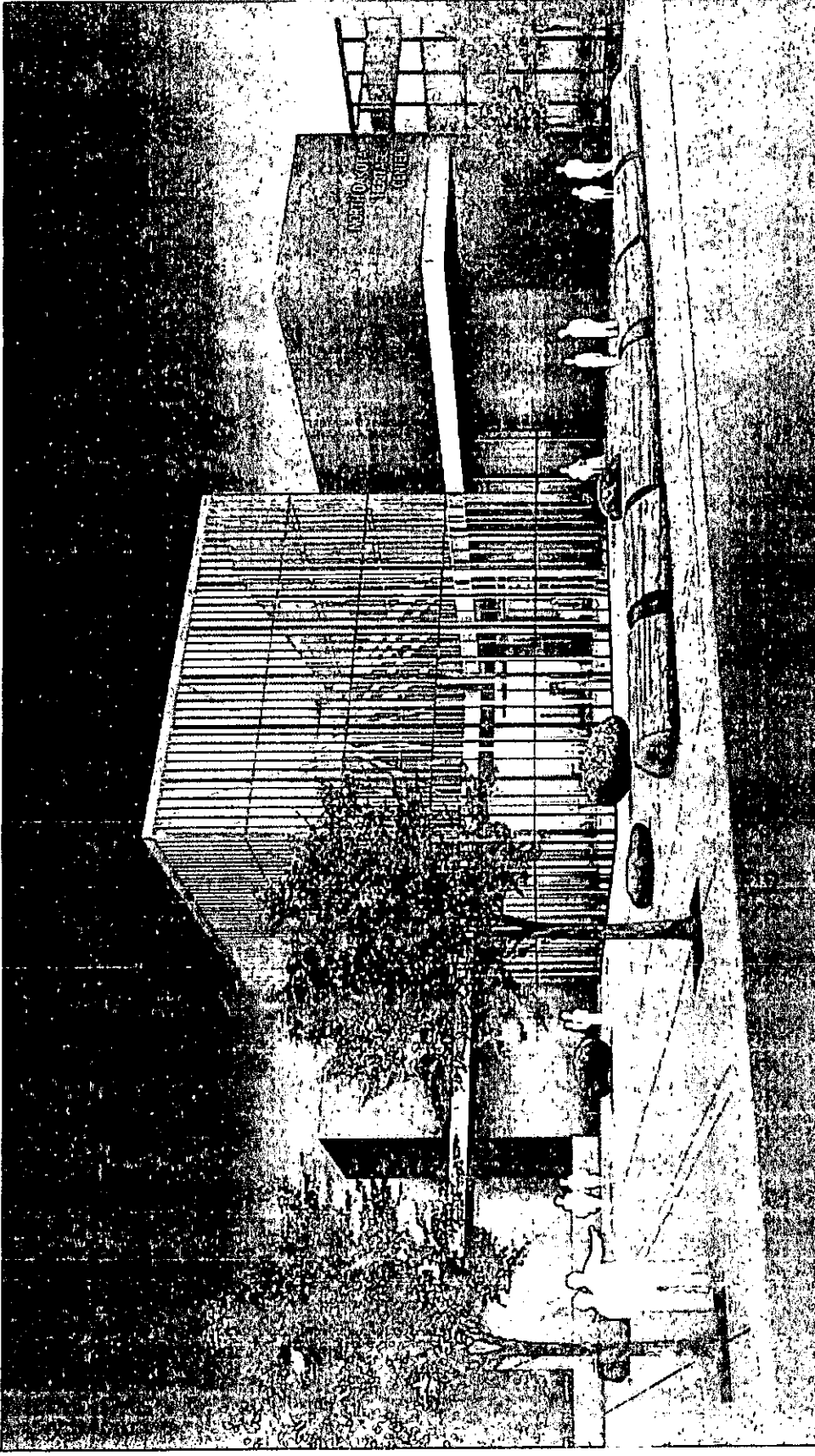


SITE PLAN - Phase I, Option A

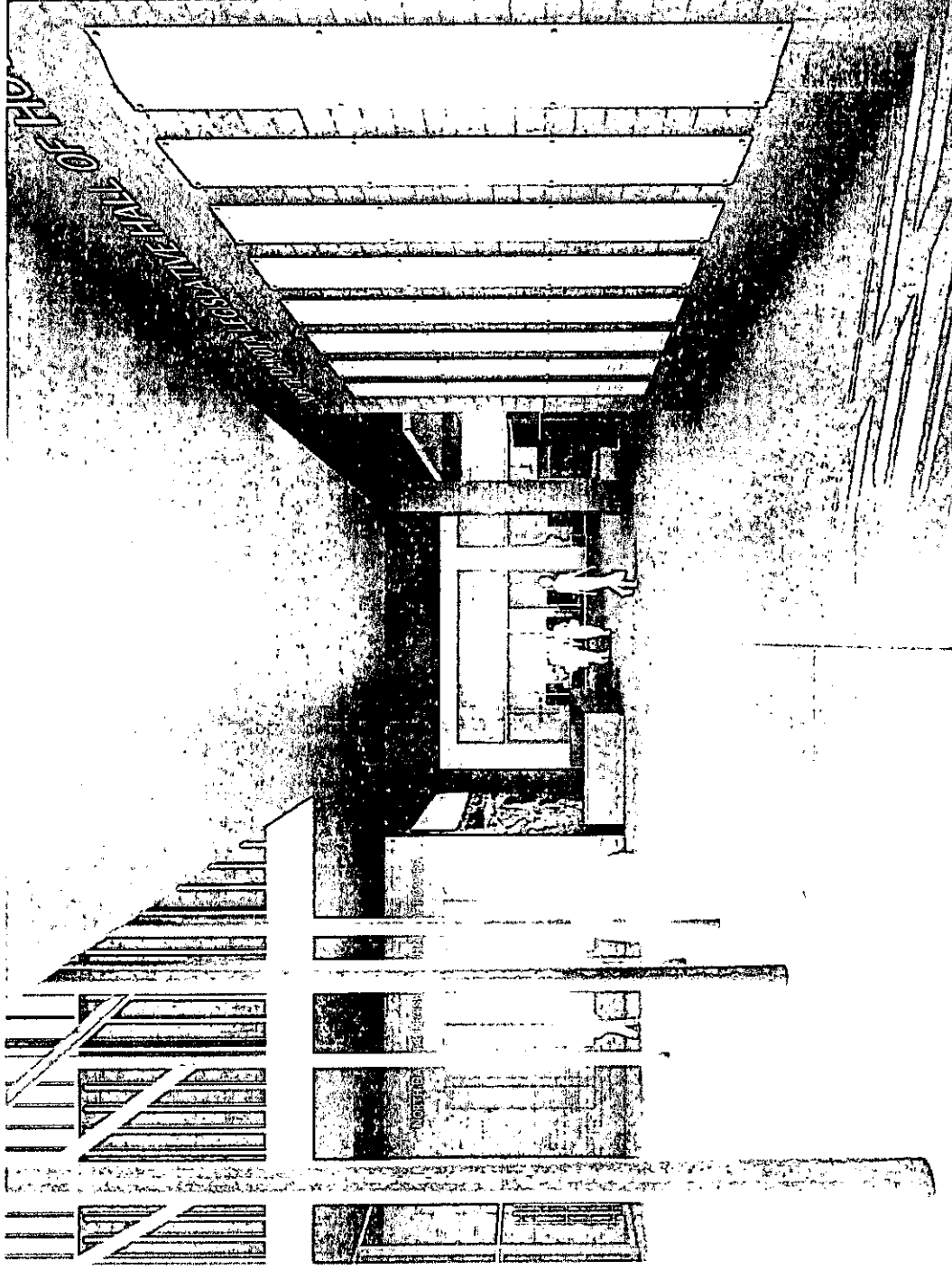
NORTH DAKOTA HERITAGE CENTER STATE MUSEUM EXPANSION |   
Bismarck, North Dakota



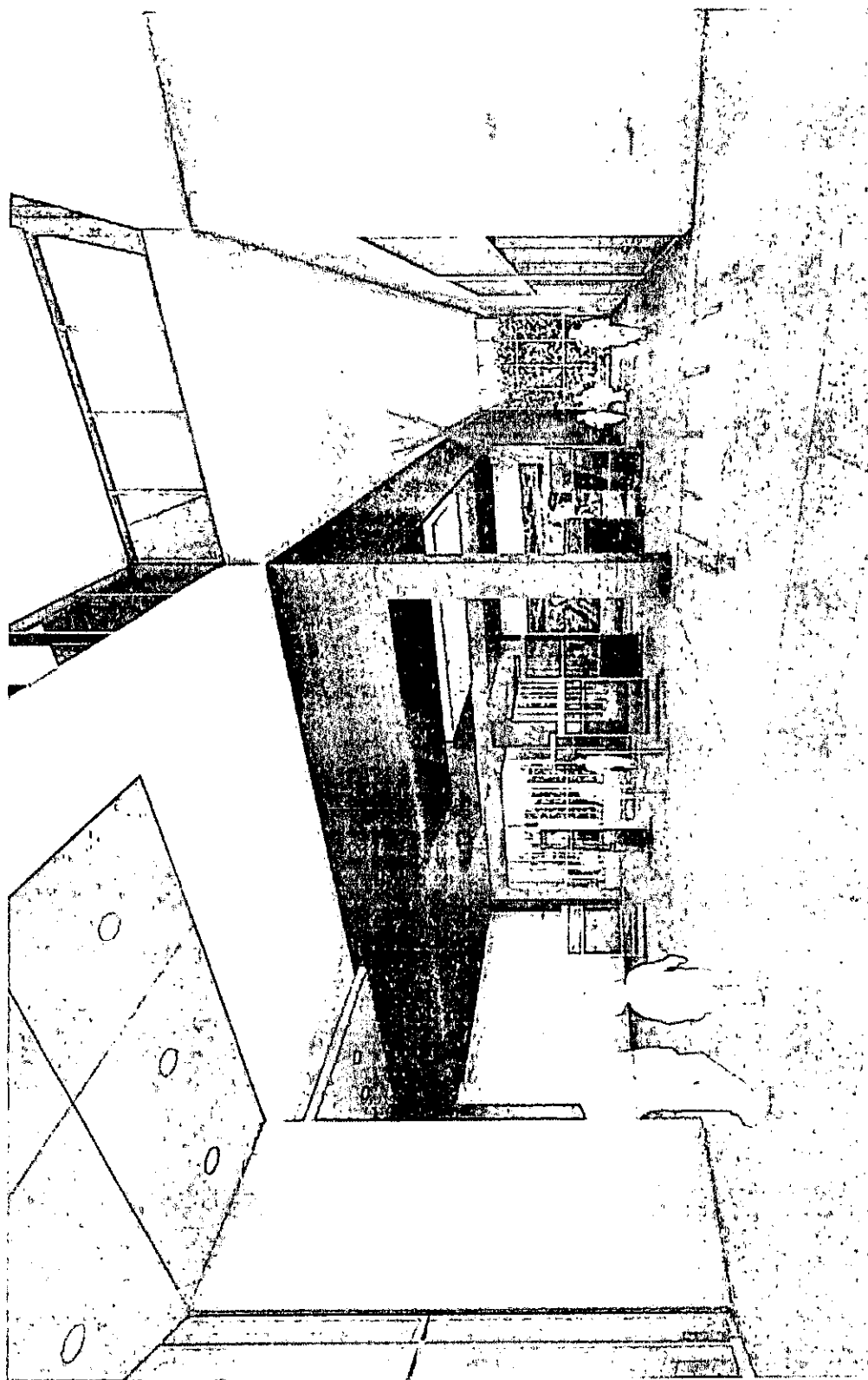




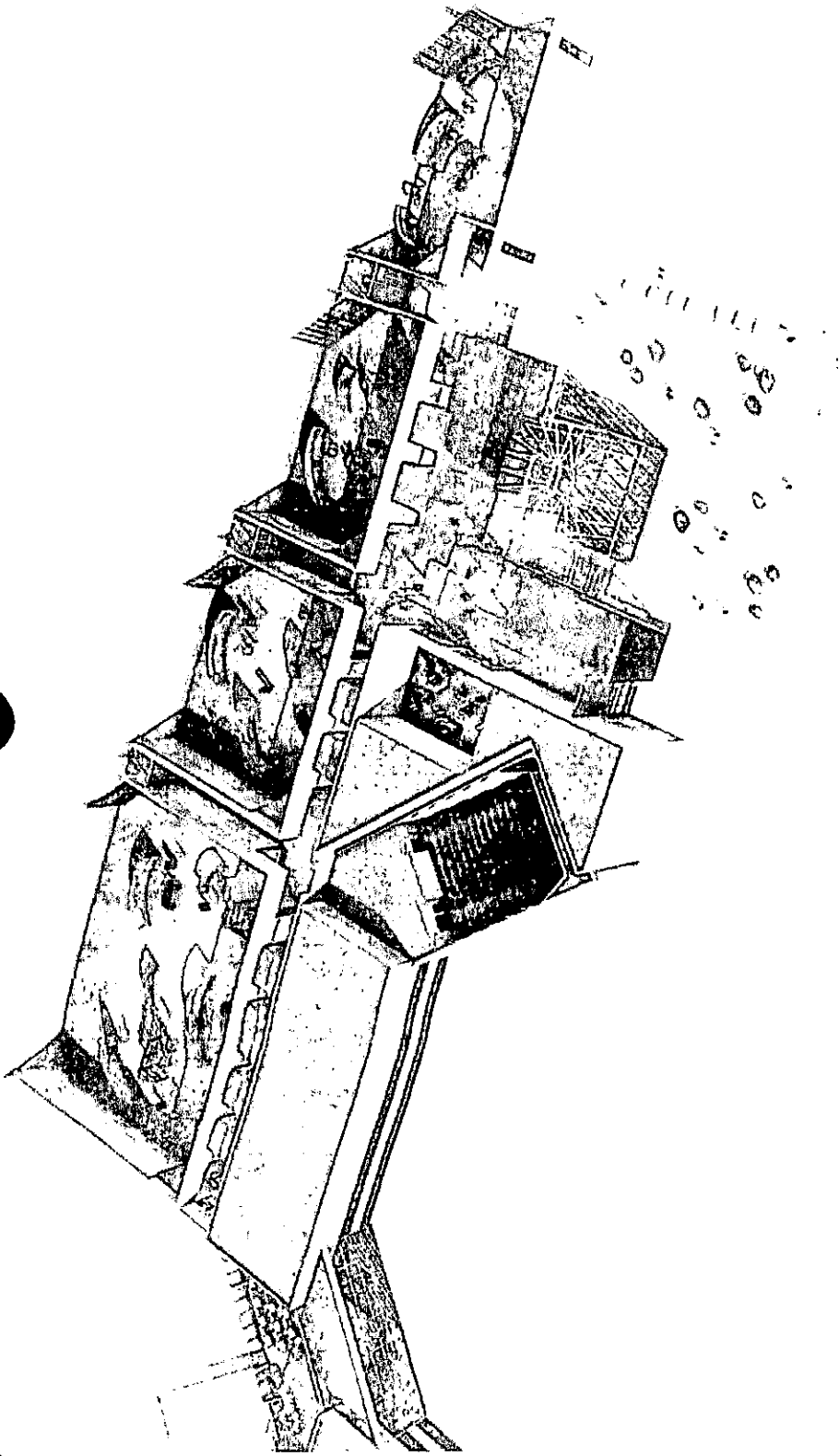
The Northern Lights Atrium stands as a beacon of light on the Capitol complex. The 2,725-square-foot-lobby has multiple functions, such as educational and public programs, national conferences and conventions, catered events, weddings, celebrations, and more. Numerous program partners, including other state agencies, organizations, and institutions, will have access to the public spaces, providing a broad range of activities for visitors, students, families, and communities. Using state-of-the-art materials and design techniques, the glass-wall structure will withstand extreme weather conditions. Other energy efficient systems, such as geothermal heating and cooling, are planned for the building.



The North Dakota Legislative Hall of Honors, that surrounds the Northern Lights Atrium, will recognize major supporters and donors, that include, governors, legislators and state appropriations, congressional and federal funding, foundations, corporations, statewide service groups, and private support for the project. Private support includes History Heroes, a program representing citizens from all 53 North Dakota counties. Also visible is a “living mural” behind the Information Desk on the left, the Museum Store that promotes North Dakota artisans and products, straight ahead, and the Hub of History to the right.



The expanded North Dakota Heritage Center will be a regional, national and international destination, part of a series of museums, including the Field Museum in Chicago, the History Center in St. Paul, Mount Rushmore in South Dakota, and the Cody Museum in Wyoming-- a string of pearls across the northern tier states. The Hub of History, a high-tech partnership with North Dakota Tourism and the statewide CVB network, will provide statewide and regional marketing to enhance all cultural and heritage tourism.



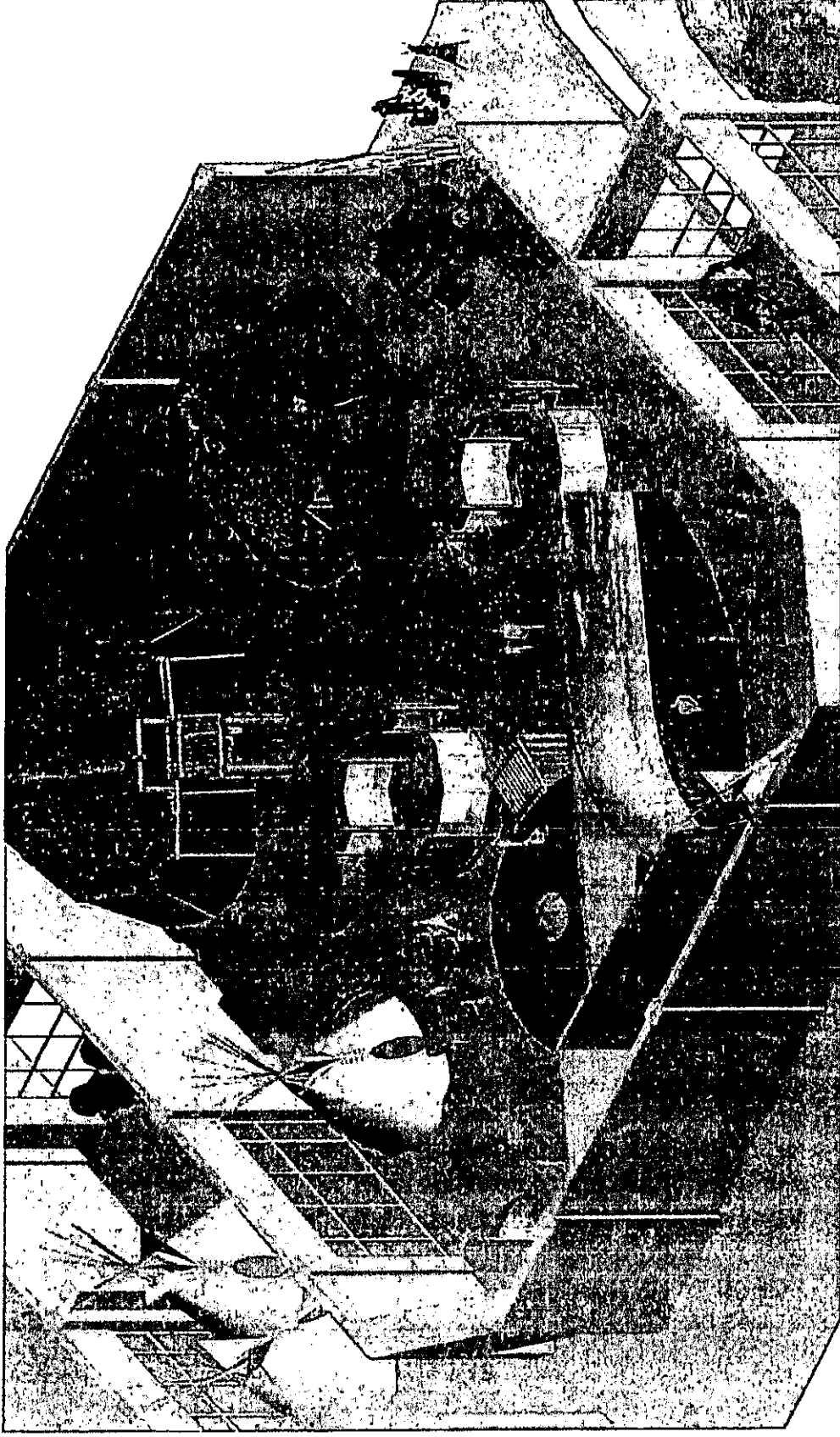
The size of the expansion was determined by collections and records storage needs for the next 20 to 25 years. The lower level houses the Historical Society's archaeology and artifact collections and the Geological Survey's State Fossil Collection. The Heritage Center is also the federal repository for North Dakota's archaeological and paleontological collections. The collections are at the heart of the agency's mission and the thousands of resource files are critical to oil, coal, road, bridge, and pipeline contractors and developers across the state.

The Russell Reid Auditorium, once renovated, will meet ADA guidelines. The 248-seat auditorium could provide an additional legislative hearing room.

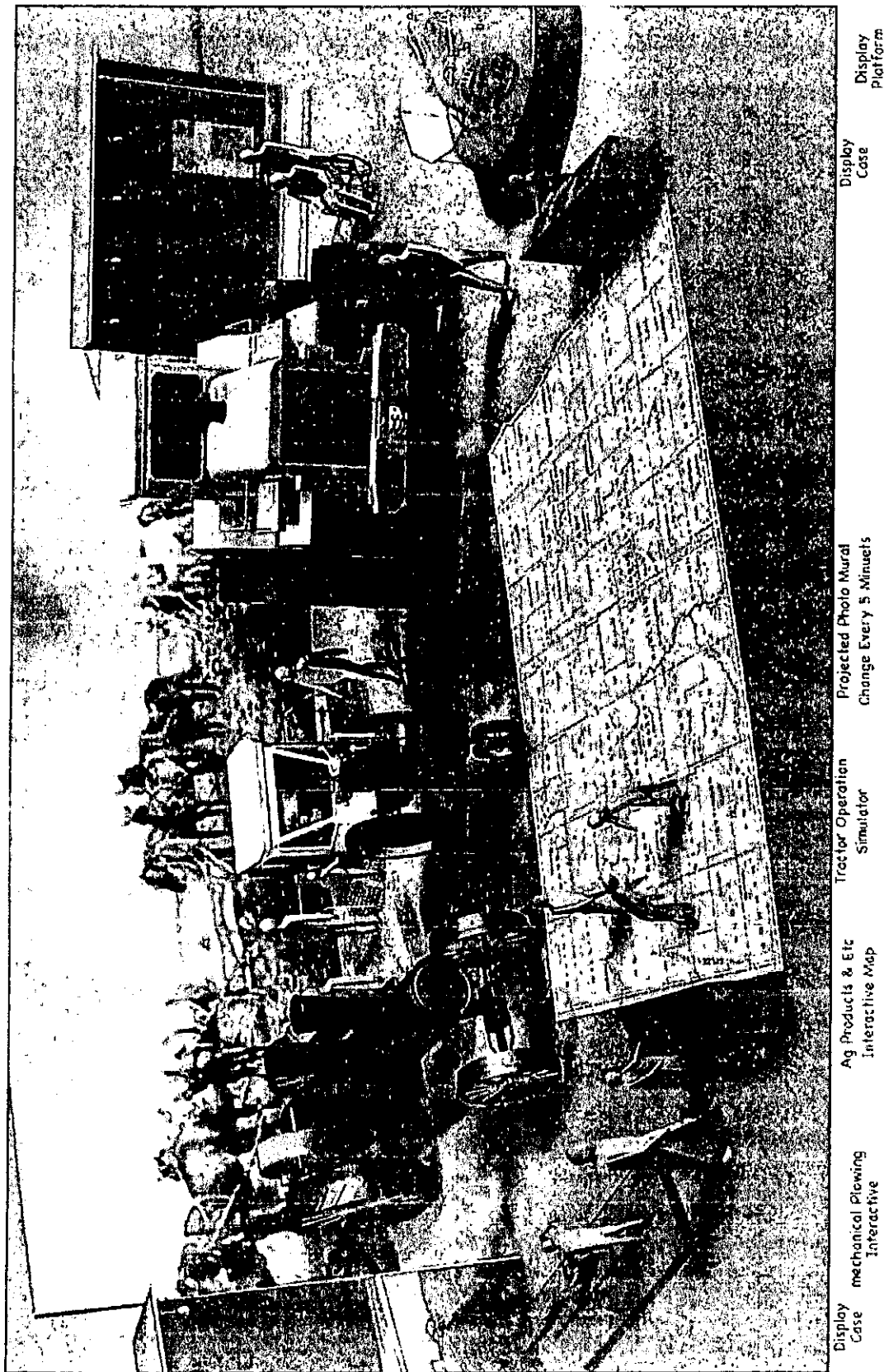




The Geological Time Gallery contains 500 million years of history. A "magic globe," interactive learning labs, full-scale specimens of dinosaurs, champsosaurs, and saber-tooth cats, all from North Dakota, illustrate life in this region up to the last glacier, about 10,000 years ago. These exhibits set the stage for the fossil fuel stories of North Dakota's coal and oil industries and explain the landscape and soils that shape the state's agricultural future.



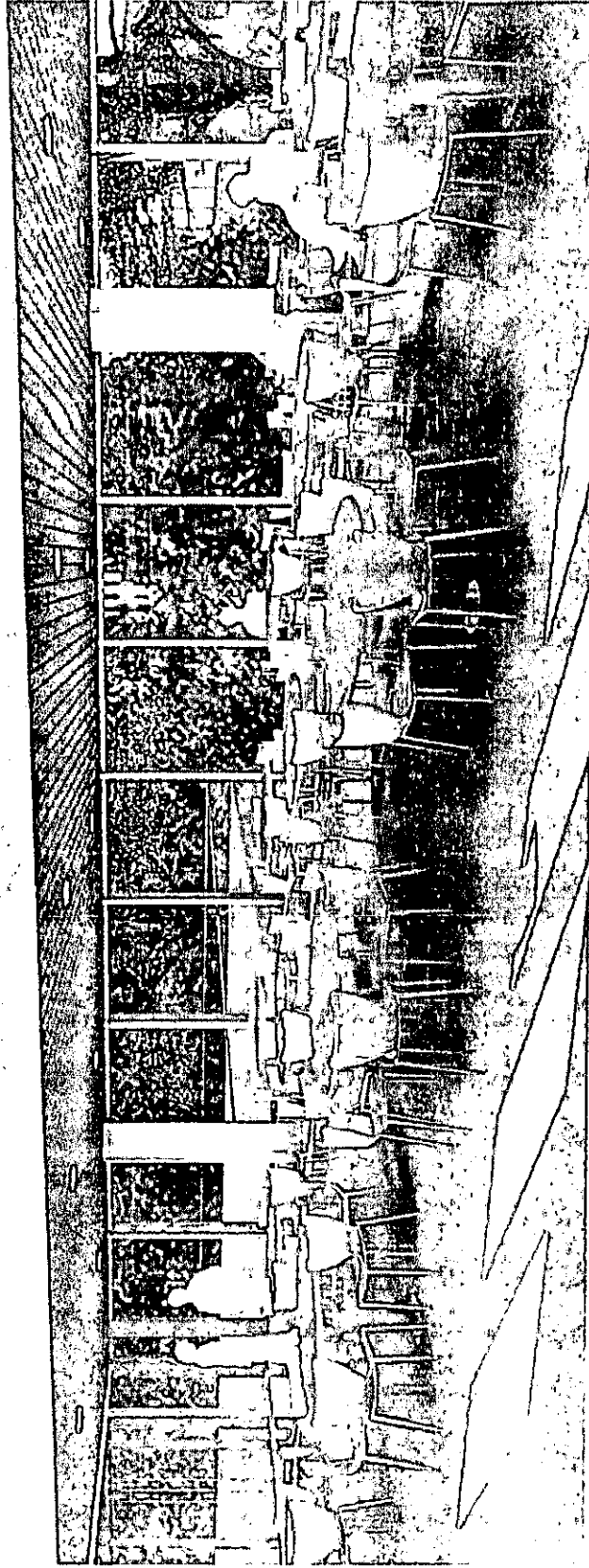
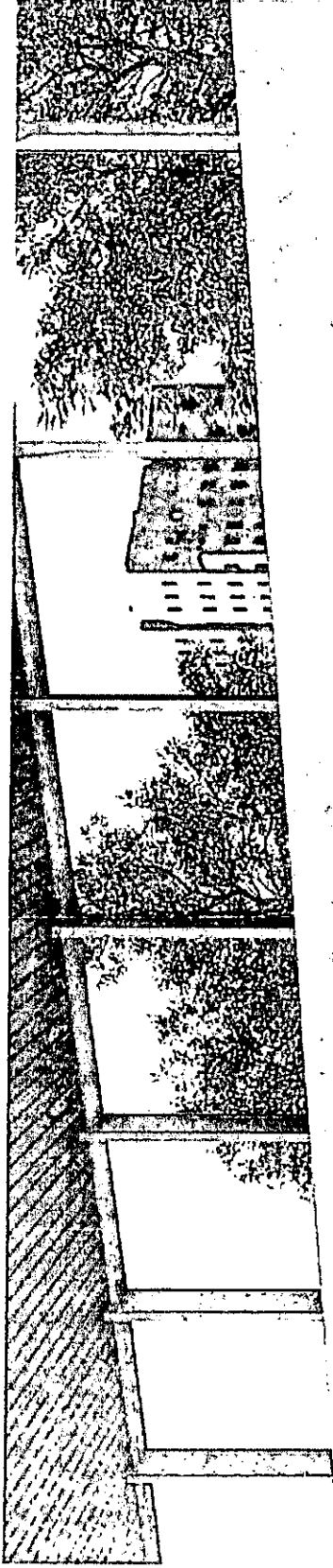
The First Peoples Gallery represents over 10,000 years of the earliest human history in North Dakota. When the Giza pyramids in Egypt and pre-Columbian civilizations of South America flourished, so did Native American civilizations in North Dakota. Oral tradition, archaeology, technology, and world-class collections of objects will bring these stories to life for students and visitors. In partnerships with tribal leaders and elders, ancestral stories to present day-events will be connected to their places across the state.



For thousands of years the people of North Dakota have relied on inspiration, opportunities, and innovations to create a better life for themselves and others. Continuing the story that began in the First Peoples Gallery, the third gallery provides a look at the state's more recent industries, agriculture, everyday life, and world connections through oral histories, film, objects, and technology. This gallery covers the period that begins with the settlement era and continues to today, capturing the last 70 years of history that is currently missing in the Heritage Center's Main Gallery.



The Governors Gallery will host temporary and traveling exhibits, creating regional and world-class blockbuster events that capture the attention of visitors from the region and beyond. It is also the venue for the Historical Society to display existing collections and develop large-scale exhibits that can travel worldwide. Continuing outreach activities to statewide venues, that include traveling exhibits in the TIES (Traveling Interpretive Exhibits Services) program, the loan of artifacts to other museums (currently there are over 1,100 objects on loan), SEND (Suitcase Exhibits for North Dakota) trunks for classroom use, and technical assistance by agency staff, remains a priority.



Although the expansion is visually very attractive, it was designed not to detract from the focal point of the Capitol complex-- the State Capitol building. The view from the Missouri River Special Events Center provides opportunities to interpret the history of the Capitol building and grounds. The west entrance will remain for easy access into the Heritage Center from the center of the Capitol complex. The James River Café, located in this area, would provide refreshments for visitors.

**State Historical Society of North Dakota  
State Museum Expansion**

**Probable Construction Costs Summary**

**On-Grade Parking Strategy**

Primary Project Qty: GSF  
HCA Comm. #: 0883-005-00

Useable GSF Compared to Program

**Construction Cost Building Total**

Sitework (includes 60 parking spaces)  
Parking (On-Grade, additional 60 spaces- 120 total)  
Interior remodel (ALLOWANCE)

Escalation to 2010

**Construction Cost Total**

Construction Cost per GSF (New Construction Only)  
Construction Cost per GSF (Includes Remodel)

Owner Soft Costs

**Total Project Cost**

Exhibits (ALLOWANCE)

**Total Project Cost w/ Exhibits**

Phase One Option A
63,395 GSF
\$20,678,533
\$2,037,063
\$515,000
\$1,000,000
\$2,180,754
\$26,411,350
\$401
\$417
\$5,297,891
<b>\$31,709,241</b>

Phase One Option B
81,105 GSF
\$26,656,515
\$2,037,063
\$515,000
\$2,000,000
\$2,808,772
\$34,017,350
\$395
\$419
\$6,821,372
<b>\$40,838,722</b>

Masterplan
97,081 GSF
\$29,680,971
\$2,037,063
\$515,000
\$3,000,000
\$3,170,973
\$38,404,007
\$365
\$396
\$7,660,257
<b>\$46,064,264</b>

\$2,100,000

**\$33,809,241**

\$3,600,000

**\$44,438,722**

\$5,700,000

**\$51,764,264**

HA.

Architecture | Engineering | Planning

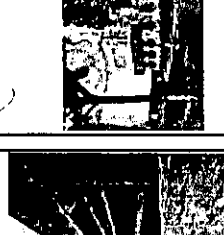











August 2008

attachment 1a

HA.  
Architecture | Engineering | Planning

Date: 7-Jan-09

HB 1481  
attachment # 1c  
January 27, 2009

PROJECT	North Dakota Heritage Center, 1978	State of North Dakota Archives Expansion	State of Minnesota Historical Center	Texas State History Museum	Oklahoma History Center	University of Alaska Museum	North Dakota Heritage Center Expansion, 2010
Size (GSF)	130,000	30,904	407,000	180,000	215,000	78,549	97,081
Constr. Mid-Point	1978	2006	1990	2000	2003	2000	2011
Escal. to July 2010 (%)	265.00%	78.00%	108.00%	62.00%	54.00%	62.00%	22.00%
Loc. Adj. Factor	1.00	1.00	0.92	1.02	1.02	0.84	1.00
	<ul style="list-style-type: none"> <li>◆ Multi-level collection, storage &amp; offices</li> <li>◆ Stone exterior</li> <li>◆ Minimal interior finishes</li> </ul> 	<ul style="list-style-type: none"> <li>◆ Multi-level collection, storage &amp; offices</li> <li>◆ Stone exterior</li> <li>◆ Minimal interior finishes</li> </ul> 	<ul style="list-style-type: none"> <li>◆ Concrete construction</li> <li>◆ 4-5 level exhibit space &amp; offices, basement &amp; sub-basement archives</li> <li>◆ Stone exterior</li> <li>◆ Large curtainwall areas</li> <li>◆ 100 year building</li> </ul>  	<ul style="list-style-type: none"> <li>◆ Multi-level exhibit space, &amp; offices</li> <li>◆ Urban site constraints</li> <li>◆ Stone exterior</li> </ul>  	<ul style="list-style-type: none"> <li>◆ 3 level exhibit space, library, auditorium, &amp; offices</li> <li>◆ Lower level archives</li> </ul>  	<ul style="list-style-type: none"> <li>◆ 50% major renovation / 50% new</li> <li>◆ Iconic architectural form</li> <li>◆ Exhibit space and offices</li> </ul>  	<ul style="list-style-type: none"> <li>◆ Multi-level exhibit space, &amp; offices</li> <li>◆ Stone / curtainwall exterior</li> <li>◆ Collections storage space</li> <li>◆ No exist. renovation incl.</li> </ul>  
	\$/SF	\$/SF	\$/SF	\$/SF	\$/SF	\$/SF	\$/SF
	TOTAL \$	TOTAL \$	TOTAL \$	TOTAL \$	TOTAL \$	TOTAL \$	TOTAL \$
	\$81.65	\$157.20	\$193.12	\$250.00	\$269.30	\$256.32	\$365.00
Constr. Cost @ Bid	\$10,640,000	\$4,858,000	\$78,600,000	\$45,000,000	\$45,000,000	\$20,133,414	\$35,404,007
Constr. Cost 2010	\$38,836,000	\$6,218,240	\$150,408,960	\$74,358,000	\$70,686,000	\$27,397,550	\$35,404,007

Mr. Chairman, members of the Appropriations Committee. As I have the honor of serving as President of the State Historical Board, I would like today to encourage you to support Governor Hoeven's budget request to expand the museum wing of the North Dakota Heritage Center, HB 1481. Specifically, we, with the support of the Governor, are asking for \$30.8 million in general fund appropriations and spending authority.

Our Executive Director, Merl Paaverud, and our Society staff are here today to make the detailed, professional presentations that you require. I would today like to convince you that the Heritage Center expansion plan is *more than worth* the substantial investment we are asking you to make in it.

The Society exists "to identify, preserve, interpret, and promote the heritage of North Dakota and its people." We here in North Dakota have always wanted to see how our forebears built the communities we live in, how they lived the lives that brought us forth. We certainly want our children to understand those things too; and that interest in our roots



and heritage has always been a responsibility of the State Historical Society. Now, something new has been added.

As we have learned how large tourism has become in our state's economy, we have also become aware that "*heritage* tourism" is a very important component of that industry. North Dakota is rich in historical events that people all over the world know about—and it is very rich in the great *untold* stories that also convince people to travel and explore. People visit Washington expressly to see the Smithsonian. Visitors already come to North Dakota to see Fort Abercrombie and the Chateau de Morès. (I mention those because they are the two State Historic Sites where we have most recently used state, federal, and private investments to develop inviting, informative Interpretive Centers that give our visitors a fuller, more enjoyable experience. More bang for the traveler's buck.) With that successful experience under our belts, we can now build a significant, state-of-the-art museum that will bring visitors to North Dakota to actually see and experience this distinctive, legendary place. So I now come before you representing an educational institution

that in recent years has acquired an economic development mission—*and* an economic development opportunity.

We have carefully walked a long road to get to where we are today. We began four sessions ago, when two bipartisan groups—North Dakota's six living Governors and the Governor Hoeven's Commission on the future of the Historical Society—both recognized that investing in preserving, interpreting, and promoting our heritage was at once necessary and desirable. The Governor's Commission recommended in 2003 that North Dakota make seven investments to expand the resources of the Society. By the end of the 2005 session, the Legislature had funded four of them to completion. The 2007 session also appropriated \$1.5 million to fund planning for the expansion of the museum wing of the Heritage Center—the final capital improvement among the Commission's recommendations. The master plan for the expanded Heritage Center that we bring before you today came in on schedule, at a cost roughly 2/3 of the planning budget you appropriated.

We developed our plan with thorough cooperation between our professional staff, our designers, our board's building committee, and

the Governor's office. Some of the people who have had the most to do with putting this together are with you to make a more thorough presentation and to answer your questions.

We believe that we have addressed those issues that make the expansion of the center necessary:

- The expansion will allow visitors easily to see a striking new entrance. Along with additional parking, this increased visibility and convenience will facilitate visitation *and* allow the Center to function better as North Dakota's premier visitors' information center. (At the same time, its low profile will not detract from the Capitol itself.)
- The design makes access to the Heritage Center easier for all visitors, including improved parking and better compliance with the Americans with Disabilities Act.
- The design substantially increases access to the Russell Reid Auditorium and it also makes the Auditorium itself usable in new and varied ways, including as a 248-seat legislative hearing room.
- The structure includes larger and more modern storage, office, and laboratory space that will support increased variety of our exhibits at

the Heritage Center, the Pembina Museum, Fort Totten, and our other State Historic Sites. Furthermore, modernizing the behind-the-scenes part of the Heritage Center will allow us really to enhance our traveling exhibits programs that serve local historical museums and North Dakota's schools.

- Increasing storage space represents an enormous improvement in the Society's ability to fulfill its statutory mission of preserving the state's historical artifacts.

We believe as well that our proposal provides a design that makes the expansion of the Heritage Center desirable:

- We can explore more North Dakota history with our proposed 4-gallery museum then we can by containing the whole story in one gallery as we do now. We can do more accomplishing our educational missions and we can do more accomplishing our economic development mission.
  - Our knowledge of the Earth's pre-human history has grown enormously since the Heritage Center was first built. The planet's pre-human inhabitants always draw a crowd—and we have a recently

acquired treasure to show, the extremely rare mummified dinosaur we named Dakota.

- People want to know more about this continent's first human inhabitants than ever before.
- The descendants of European settlers *and* Native Americans alike have *made* a lot of history since the Heritage Center was completed nearly thirty years ago. We can explore all of that; we *should* explore all of that.
- Good museums display not only what they own, but also what they bring to town. North Dakota's heritage includes historical, artistic, and literary artifacts—and the events they were part of—from all over the world. When all phases of our plan are complete, the Heritage Center will have the capability to present exhibits of all kinds, from all over the world, right here.
- We can present the North Dakota story with new, exciting, high-tech, interactive exhibits that will excite potential visitors, engage them during their stay, and will enhance their interest sufficiently to explore this legendary place longer and more often.

- The extensive use of high-technology make the Heritage Center our “Hub of History” in a real and direct way. Electronics will allow visitors at the Heritage Center to browse their way across the state, to plan an itinerary through the state’s communities, parks, and historic sites. Impressive enough to attract out-of-state visitors, the “Hub-of-History” will channel guests to those places that they want to see, across the entire state.
- The Heritage Center as it is preserves and helps explain the legacy our parents and grandparents left for us. The Heritage Center as it can be will preserve and help explain the legacy we have created for our children and grandchildren.

We lay before you a master plan to fulfill the recommendations of the Governor’s Commission. As Governor Hoeven and the Legislature have requested, we designed an expansion plan that can be implemented in phases; but one *could* choose to build it all at once. That would be less expensive in the long run, and the new Heritage Center could be open to the public for the state’s upcoming 125<sup>th</sup> birthday. Whichever schedule you choose, I encourage you to authorize the State Historical

Society to pursue implementation of the master plan, for the museum described in that plan meets our needs and allows the Society to play a solid role in North Dakota's economic development for the next generation.

Thank you for your consideration.

/

**Senate Appropriations Committee, Senator Ray Holmberg, Chairman  
HB 1418 – For the Expansion of the North Dakota Heritage Center  
Thursday, March 5, 2009 – 11:00 am – Harvest Room – State Capitol**

Jon McMillan, Fordville, ND – Farmer and Rancher  
Board President, State Historical Society of North Dakota Foundation  
History's Trustee, SHSND Foundation

It is my privilege to serve as president on the Historical Foundation board and to have the opportunity to be actively involved in the development of the statewide private support for the expansion of the North Dakota Heritage Center.

The Foundation board has been aggressively promoting the expansion of the North Dakota Heritage Center and history resources for more than eight years. We have supported and continue to support building the Master Plan for the Heritage Center – the \$51.7 million project. And many of us are hoping to still be alive when the building is completed---so we can bring our children and grandchildren to this fabulous new museum expansion. With your help, with the right investment, we can all live to see the expansion in place on the capitol grounds.

My only recollection of my grandfather was the time I sat on his lap and he let me pick out the arrowhead I wanted from a coffee can. I still have that arrowhead today, I know exactly which one it is, and I will pass it on to my grandson. My grandfather passed away when I was not quite six. This gift made a great impression on me. It stirred a great interest in history in me at a very early age.

My knowledge of the Ox Cart trail remnants—the first wheeled travel--- on our farm also came from oral history from my grandfather—he called it the Pembina Trail. Serving on the board of the Walsh County Historic Preservation Commission we were able to document and locate the trail ruts in both Pembina and Walsh counties. Several were listed on the National Register of Historic Places in 2007---including the one on our farm.

C



My involvement in this process took 18 years. Some things are worth the wait and the work.

And today, I feel a great sense of gratitude that the legislature is considering this major investment in our state museum, completing a network of historic sites and major attractions for heritage tourism in North Dakota---a priceless investment.

My wife Jeannen was a teacher in Fordville-Lankin Public Schools and she took her high school students to the North Dakota Heritage Center the day the new state quarter was launched. Here is what Tina Coloacico, one of her students said about her visit. "The Heritage Center was very interesting as well. I really enjoyed the museum tour. I was very unaware that we had anything like that in North Dakota. I think my favorite part were the animal fossils and bones. It was really interesting to see something like that. I didn't know those animals ever really existed here. There was a lot of information there about the settlements that I didn't know either." Our children need to know their history, without this history how can they lay plans for their futures?

I look forward to standing on the ground breaking line with each of you—with a gold shovel in our hands and a broad smile on our faces. What a great day. Thank you.

House Appropriations Education and Environment Committee  
Hearing – Monday, January 12, 2009 – 9:30 am to 11:00 am  
Sakakawea Room – State Capitol – Bismarck, ND

Virginia Nelsen, Executive Director, State Historical Society of North Dakota  
Foundation, PO Box 1976, Bismarck, ND 58502 701-222-1966 Lobbyist #267

HB: 1018 – the Historical Society Budget and the Expansion of the North Dakota  
Heritage Center.

Representative Skarphol and Committee Members:

I am here to thank you and your legislative colleagues for the \$21 million in funding that  
has been invested in history resources since 2001. Here is a sampling of those  
investments made with state funds plus private donors and federal sources:

- ✓ \$5.7 million in the new State Archives
- ✓ new Chateau de Mores State Historic Site's Interpretive Center which  
tripled the size of the facility
- ✓ construction of Fort Abercrombie Interpretive Center "Gateway to Dakota"
- ✓ billboards now market the Heritage Center to tourists
- ✓ a new Missouri-Yellowstone Confluence Interpretive Center near Williston
- ✓ Cold War story will be told through the abandoned US Air Force missile site at  
Cooperstown now a state historic site
- ✓ plus \$1 million in re-grant investments for regional historical societies
- ✓ and new technology and specialized staff to upgrade programs and  
services of the Society
- ✓ and next, with your support, the expansion of the North Dakota Heritage  
Center...a "world class destination".....for citizens and visitors

Thank you for the \$50,000 planning grant in 2005 and the \$1.5 million planning grant in  
2007. The legislature has invested wisely.

The Historical Foundation has been investing in the fundraising efforts to lay a firm base for the \$12 million that the Foundation board has determined to raise for the full master plan from private individuals, regional foundations, grants and federal sources. At this time we have \$2.5 million in signed pledges---and many opportunities that we can pursue when the total project is authorized by the State Legislature.

In November the Society and the Foundation provided Governor John Hoeven with letters of support from a number of major donors to the Heritage Center expansion. We are providing those letters to you. We also have permission to note the following donations:

- ❑ \$500,000 gift from Basin Electric Power Cooperative, a combination of cash and in-kind to develop exhibits of innovations and advancements in their industry
- ❑ \$250,000 gift from The Forum Communications
- ❑ \$500,000 from Kirk and Janet Lanterman of Seattle, Washington. They are honoring Kirk's grandfather who built his life and business in Mandan, ND by funding the "Settlement Era" exhibit in the new Innovation, Opportunities and Inspiration Gallery. Lt. Governor Jack Dalrymple announced this gift at the Legislative Reception, January 9<sup>th</sup>. Lanterman's credit their success in the world to the character of their North Dakota ancestry.

A firm base has been laid across the state to support Heritage Tourism....with the new interpretive centers and support services. Now it is time to put into place the major centerpiece of Heritage Tourism....the new regional and international destination.....the Smithsonian of the Plains....the Hub of History....the marketing center piece for statewide attractions.....the expanded North Dakota Heritage Center...a gift to the people of North Dakota.....just in time for the 125 anniversary of statehood in 2014.

Thank you, thank you very much.

# The 10-Year Investment Strategy

## State Historical Society of North Dakota

**\$21 MILLION IN INVESTMENTS COMPLETED SINCE 2001**

*A sampling of those investments made in partnership with private donations, state and federal sources.....\$5.7 million State Archives...*



...new Chateau de Mores State Historic Site's Interpretive Center tripled the size of the facility....

...construction of Fort Abercrombie Interpretive Center "Gateway to the Dakotas" ....

...billboards now market to tourists....



...new Missouri-Yellowstone Confluence Interpretive Center near Williston....

...Cold War story will be told through the abandoned US Air Force missile site at Cooperstown now a state historic site....



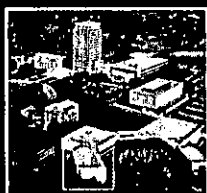
...plus \$1 million in re-grant investments for regional historical societies...and new technology and specialized staff to upgrade programs and services of the Society....



...next, the expansion of the North Dakota

Heritage Center - a "world class destination" for citizens and visitors.

**Thank you -Private Donors, Governors, State Legislators, and Federal Partners.**



**MAKE YOUR CONTRIBUTION TODAY—"You" have the opportunity to do great things.**



**Your Gift Will Support the Governors' Vision**

The Governors from left to right - William L. Guy; Arthur A. Link; Allen I. Olson; George A. Sinner; Edward T. Schafer; John Hoeven. Photo taken at the November 2001 Governors' Forum at the North Dakota Heritage Center, 20<sup>th</sup> Anniversary Celebration.

### Governors' Vision - Asked for Investments:

In November 2001, the former Governors asked Governor Hoeven for a Commission to review the needs of the State Historical Society. Since 2001, \$21 million in one time investments have been secured for the state's history agency, state historic sites and regional historic attractions based on the seven major recommendations from the Commission.

*We must continue*  
**our investments.**

# We Must Continue Our Investments

Year End  
Annual Campaign

Dear Friends of the Foundation:

**Without your contributions**, over \$21 million in one time projects could not have been secured for the State Historical Society. **Without your donations**, the Foundation would not have been able to work side by side with the Historical Society, legislators, private donors and federal partners to secure these major investments in our state's history agency—a vision set forth by the Governors.

The next investment is the expansion of the North Dakota Heritage Center—a legacy in the making. **Your tax deductible contribution—in any amount—will support the Foundation's operational costs as we continue efforts to seek state, federal and private investments in this legacy.**

The proposed North Dakota Heritage Center is a "world class destination" and a gift to the people of North Dakota. Make your contribution today.

**"You" have the opportunity—to do great things.**

Most Sincerely,

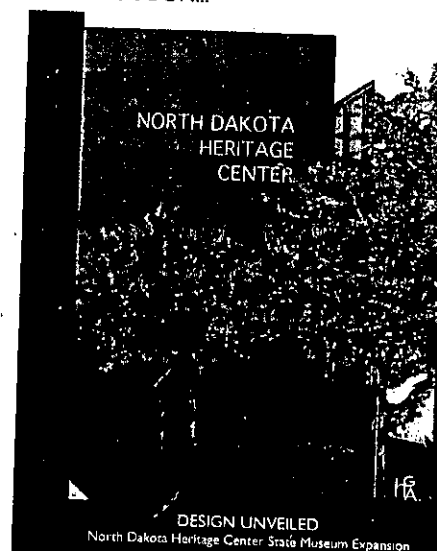


Virginia A. Nelsen, Executive Director  
State Historical Society of North Dakota Foundation



History's  
*Foundation*  
State Historical Society  
of North Dakota Foundation

COMING SOON...



The proposed expansion of the North Dakota Heritage Center, Bismarck, ND - State Capitol Grounds - unveiled October 13-31, 2008 at statewide luncheons.

**MAKE YOUR CONTRIBUTION TODAY—"You" have the opportunity to do great things.**

My Donation \$ \_\_\_\_\_  
Year End Annual Campaign

I also want information on the following:

- ☐ Bequest and Will Donation
- ☐ IRA Distribution Donation
- ☐ Gift of Life Insurance
- ☐ Gift of Real Estate

**Please return this form in your envelope with payment.**

**Make checks payable to: SHSND Foundation**

Mail to:  
State Historical Society of  
North Dakota Foundation

PO Box 1976 • Bismarck, ND 58502-1976  
701-222-1966

Email: [statehistoricalfoundation@btinet.net](mailto:statehistoricalfoundation@btinet.net)

Name \_\_\_\_\_

Spouse \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ Zip \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

☐ Check ☐ Visa ☐ Mastercard ☐ Discover

Card # \_\_\_\_\_ Expiration Date \_\_\_\_\_

Name (as it appears on card) \_\_\_\_\_

Signature \_\_\_\_\_



House Appropriations Education and Environment Committee

Hearing - Monday, January 12, 2009 - 9:30 am to 11 am

Sakakawea Room - Main Floor - East Wing Area

State Capitol Building, Bismarck, North Dakota

House Bill: 1018 State Historical Society Budget with ND Heritage Center Expansion Funding

Michael D Gustafson, Trustee, North Dakota Historical Society Foundation Board

Cell Phone: 701-238-2785, 5378 165<sup>th</sup> Ave SE, Kindred, North Dakota

Good Morning,

Chairman Bob Skarpohl and Members of the committee, I am here in support of HB 1018. As a Trustee and Foundation Board Member, I have been very involved in advancing the idea of private sector fund raising for the expansion of the Heritage Center through a program called "History Heroes" in all of our 53 counties. The concept is rather bold...as the intent is to ask for a \$10,000 pledge over a five year period from at least ten donors per county, thus raising a significant amount of private sector money (\$5.3 Million) toward the overall \$12 Million goal from the private sector.

To test the concept, I first made my pledge to become a "History Hero" more than a year ago and then proposed to the Society Foundation Board that I would volunteer much of my time and request out of pocket expenses to travel throughout the state to various counties and tell the story, by actually visiting with potential donors in their town, businesses and/or farm and homes. The test model actually at times seemed almost overwhelming, as I would transport my RV to a central location to set up camp for a week to ten days and then contact people in two or three counties from a network that I had created while working in the rural electric distribution industry for thirty years.

I started in Lamoure County in June with the intent of capturing events such as the Toy Farmer Show and the Centennial Celebration in Verona a week later...keeping in mind that I am an avid farm toy collector, and have not missed more than one or two shows in the last twenty five years. The Verona Celebration was a natural as I knew that many of the attendee's would be members of Cass County Electric Cooperative service

area, where I was employed for nearly my entire utility career. While staying at the Lamoure County Lake complex South of Lamoure, I traveled throughout the region of Lamoure, Dickey and Sargent counties...with a follow-up visit to this same region during the Fourth of July, but in this case setting up the RV in Oakes to accommodate pre-scheduled appointments.

I am proud to share with you that one of my first donors, a native of North Dakota near Verona and now living in Idaho as a retired College Professor, was first contacted through the toy show and then the Verona Celebration. As I shared the expansion project with Chuck F. Humphrey and then communicated with him by phone and the internet about becoming a "History Hero," he made the following comment... "As I become more informed about the project, I am learning my way towards being committed." Note the word "learning," as I wanted to correct him by saying don't you mean "leaning toward"...but then I recognized that the test model was working, because donors need this kind of first hand information to buy into the investment of keeping the history alive in this part of the world.

I am reminded of my trip to the Northeastern part of North Dakota where I set up camp at the Icelandic State Park...which is an area that I had never spent any time before, and found the region to be breath taking. G.B. Gunlogson...who family donated the land for this State Park made the following statement, "This is your heritage. You can let it be forgotten or you can make it live to inspire future generations throughout America." It is this theme that gives me the inspiration and the enthusiasm to share this phase of the fund raising campaign to help build the new addition to the Heritage Center in Bismarck.

Throughout a five month period of time I visited with potential donors in 17 counties and visited with approximately 300 people including meetings of organizations such as Lions Clubs in New England and Williston, Dickinson Chapter of the American Petroleum Institute, The Annual Conference of the Theodore Roosevelt Express Way in Belfield and two County Commission meetings. I have personally traveled some 15,000 miles communicating with 150 individuals who have either indicated an interest personally or know of one or more people in their county that would be a good contact. In many cases the response to the request is conditioned to learning more about the project, whether the Governor would submit the expansion as part of his budget and an assumption that a good harvest would be forth coming and the economy improves.

In closing, I want to share a story read in the Fargo Forum this past spring when a journalist talked to individuals responsible for fund raising activities at local universities and community colleges. This lead story on the front page of the newspaper identified the Development Director from Concordia College...as being a "Broker of Dreams" instead of just asking potential donors for money. As a semi professional fund raiser...I find this quote to be extremely important when working on major campaigns such as the expansion of the North Dakota Heritage Center.

The reality is that not many people know much about the center, and in that respect it is important to identify the current facility as being built some twenty six years ago and only tells the story of North Dakota History through the early 1930's. Virginia Nelsen, Executive Director of the Foundation, indicates that this situation leaves the Great Depression as the most current tale of the people of our state. There is now more than seventy years of additional history to share with our children, citizens and the visitors that capture the aspects of emerging industries...such as coal, petroleum, wind power, agricultural processing, manufacturing and current state of the art technology. Exhibits in the new expansion will also detail the story of the First People and explore geological time and dinosaurs, as well as a temporary gallery for touring exhibits from around the world and a digital theater. There will also be expanded artifact, archaeology and paleontology collection areas, and staff work and lab areas which will give the impression of the Heritage Center being the "Smithsonian of the Plains"...on our State Capital Campus.

Yes, the reality is...that this is an example of the "Dream" that you must first capture in conversation as you are visiting with potential donors as this allows them to see for themselves and/or their family roots as being part of North Dakota's "History Heroes."



House Appropriations Education & Environmental Committee

HB 1018 - Historical Society Budget and Expansion of Heritage Center

Monday, January 12, 2009

9:30 a.m. to 11:00 a.m.

Sakakawea Room, State Capitol Building

My name is Duane Bye. I am a Historical Foundation Trustee. I am retired from Basin Electric Power Cooperative where I worked for years, many in the area of economic development.

I believe the proposed expansion of the Heritage Center will have a very strong influence on North Dakotas future economic expansion. I believe this for the following reasons:

The facility will be a centerpiece for the state, a place North Dakotans will be proud of. It will attract people from all over the country who will want to spend an extra day or two in the area and spend their money while they are here.

The current annual door count at the Heritage Center is about 100,000 visitors, with 48% coming from out of state and other countries. Based on data from museums around the region, it is estimated that the new facilities would increase total visitation by 50% to 150,000 per year, thus increasing visitor spending from an estimated \$7 million to about \$10 million per year. These dollar and cents numbers are important but they are only a part of the benefits of this expansion.

As North Dakotans, we take pride in our state and we want newcomers to take pride in it, too. Our need is to attract skilled and educated people into the work force, show them that we are a modern, up-and-coming place where they can build a future. They will see that this facility not only displays our rich heritage, but also participates with all of our colleges and universities to forge a powerful education system.

Do you realize that the current facility, as good as it is, is unable to present our history from the 1930s to the present time because of lack of space? We are unable to participate in major traveling exhibits also because of lack of space and appropriate facilities.

With the Heritage Center expansion, North Dakota will be able to develop our own traveling exhibits and put them on display all over the country and the world. Imagine the attention this will bring to our state!

This expansion will truly make our Heritage Center the "Smithsonian on the Prairie".

Thank you.

House Bill 1018  
State Historical Society Budget with ND Heritage Center Expansion Funding

House Appropriations Education and Environment Committee  
Hearing – Monday, January 12, 2009 – 9:30 a.m. to 11:00 a.m.  
Sakakawea Room – Main Floor – East Wing Area  
State Capitol Building, Bismarck, ND

Cordell Dick, Owner, Cordell G. Dick, CPA, CFRE Consulting  
6640 N. Star Acres Rd. Bismarck, ND 58503 cordelld@cordelld.com 701-471-4000

My name is Cordell Dick. I live in Bismarck. I have been working with the State Historical Society and the Foundation on the ND Heritage Center Expansion Project off and on for over three years as their fundraising consultant, assisting them in the fundraising efforts for the Heritage Center expansion project. As a result of working on this project, I have come to believe the following key fundraising fundamentals about this project:

- ◆ People all across the State of North Dakota like this project and are interested in seeing it become a reality.
- ◆ There is reluctance by many major contributor prospects to make a gift commitment until they know that the State of North Dakota is committed to build this project.
- ◆ Fundraising from the private sector and from foundations will be much easier once the State of North Dakota makes a commitment for building the project.
- ◆ The private sector/foundation gift support is dependent on the State's commitment for building the Master Plan that meets the needs of the Society for the next 20 – 25 years. Donors will either make no gift commitment or a greatly reduced gift commitment if the State's funding will not support the Full Master Plan.

House Appropriations Education and Environment Committee

Hearing Date: Monday, January 12, 2009 9:30 – 11:00 am

Sakakawea Room, Main Floor, East Wing Area - State Capitol Building, Bismarck, ND

House Bill 1018 – State Historical Budget with North Dakota Heritage Center Expansion Funding

Dick Weber, Member and Trustee, Historical Society Foundation

PO Box 2733, Bismarck, ND 58502 701 223-1795

Chairman Skarpohl, members of the committee, I am Dick Weber, retired Vice President of Administration for Basin Electric Power Cooperative, a Trustee for the Historical Society Foundation, and member or chair of a number of non-profit organizations and foundations. I appear today in support of House Bill 1018, the State Historical Society Budget with the North Dakota Heritage Center expansion funding.

As you are all aware, Governor John Hoeven, put in his budget \$18 million for the expansion project plus \$12 million to be raised by the Foundation. If passed by the legislature, this would give the whole project a budget authority of \$30 million.

I appear as one who spent my work life as an executive for Basin Electric with job responsibilities including recruiting key executives, specialized engineers and technicians, and administrative personnel. Unless one is a native born North Dakotan, the first question was often, "What is there to do here in Bismarck or in North Dakota?" The most promising candidates I took on a tour of the many highlights of our capital city. By a very large majority, the candidates praised our Heritage Center. They were most impressed with our displays, programs, and, of course, the gift shop.

I also served sixteen years on the Board of Trustees of Medcenter One and currently chair the Medcenter One Foundation. Our CEO, James Cooper, wrote a letter to Governor Hoeven in support of the Heritage Center expansion project. I have distributed to each of you a copy of that letter, written on May 12, 2008. I would like to read Mr. Cooper's letter. (See attached letter.)

I have assisted in physician recruitment, and again the spouses of these potential physicians asked to see the city and see what there was for them and their families. Again there were wonderful, numerous comments about the beauty of the city and very often favorable comments about our Heritage Center.

The point I am making in this testimony is that our present Heritage Center and the proposed expansion project will be a great attraction to both native North Dakotans and persons seeking employment, as well as tourists visiting our State Capitol Complex.

I urge your serious consideration of the governor's budget request and ask that you recommend a do pass for HB1018. Thank you for this opportunity, Mr. Chairman. I will answer any questions you may have.

Senate Appropriations Committee

Hearing – Thursday, March 5<sup>th</sup> 2009, - 11 a.m.

Harvest Room

State Capitol Building, Bismarck, North Dakota

HB 1481 North Dakota Heritage Center Expansion Funding

Michael D Gustafson, Trustee, North Dakota Historical Society  
Foundation Board: 5378 165<sup>th</sup> Ave SE, Kindred, North Dakota

Good Morning,

Chairman Ray Holmberg and Members of the Senate Appropriates Committee, I am here in support of HB 1481 and as to be part of the record...I have asked the Historical Society Foundation staff to make available my testimony given to the House Appropriations committee early in the session. It is important to note that as a foundation board member I have been actively involved in planning and early stage fund raising for the proposed expansion of the Heritage Center for more than three years. Therefore, when considering the history of the last building project nearly thirty years ago...and the essence of the partnership that was created then between the private sector and state government, it was apparent that a significant amount of money would be necessary to come from the private sector. And as a result of the feasibility study conducted by Cordell Dick...it was apparent that there

was ample interest in the project, and an appetite for this partnership given the fact that the legislature would fund the expansion project in a similar ratio of partnership as the last project. Based upon the current architectural estimates of approximately \$52 million, that means that some \$12 million would be required to come from sources other than State Government. Our records to date indicate that we have received pledges in excess of \$2.5 million...with a generous pledge of \$500,000 recently received from a former North Dakota citizen who wanted to recognize the legacy of the family roots and values established here in this state many years ago. We have asked for multi-million dollar gifts from business and industry as well as a number of million dollar gifts from individuals who have a strong record for philanthropy and passion for this kind of investment. But, I can attest that many of these donors have conditioned their commitment to the decisions that come from this legislative process. It is my opinion that these donors want to see the total project based upon the plan that has been submitted and the demonstrated need for the expansion for the next twenty five years. I personally can relate to this issue by being present when a donor responded to a \$ 1 Million request...by signing a pledge for \$250,000 and recommending that we leverage this pledge by using his name, with the intent that he would revisit the original request when we have a total project. Likewise, I have championed a project called History Heroes...where we ask for at least ten individuals or businesses from each county to make a \$10,000 pledge over five years. My wife and I are proud to represent this group...and during a five month period of time in 2008, I traveled to 17 counties and visited with some 300 citizens at county commission meetings, Lions and Rotary Clubs, and individuals at their homes, farms and businesses. The arithmetic is

pretty simple as this goal will raise in excess of \$ 5 Million which is a serious approach to determining the interest of citizens throughout the state to participate collectively knowing that our participation helps to provide that partnership established in the current facility. With your support for the full funding, I am willing to visit every county in the state during the remainder of 2009 and continue to champion this legacy story that makes us special among all states within the union.



House Bill 1481  
ND Heritage Center Expansion Funding

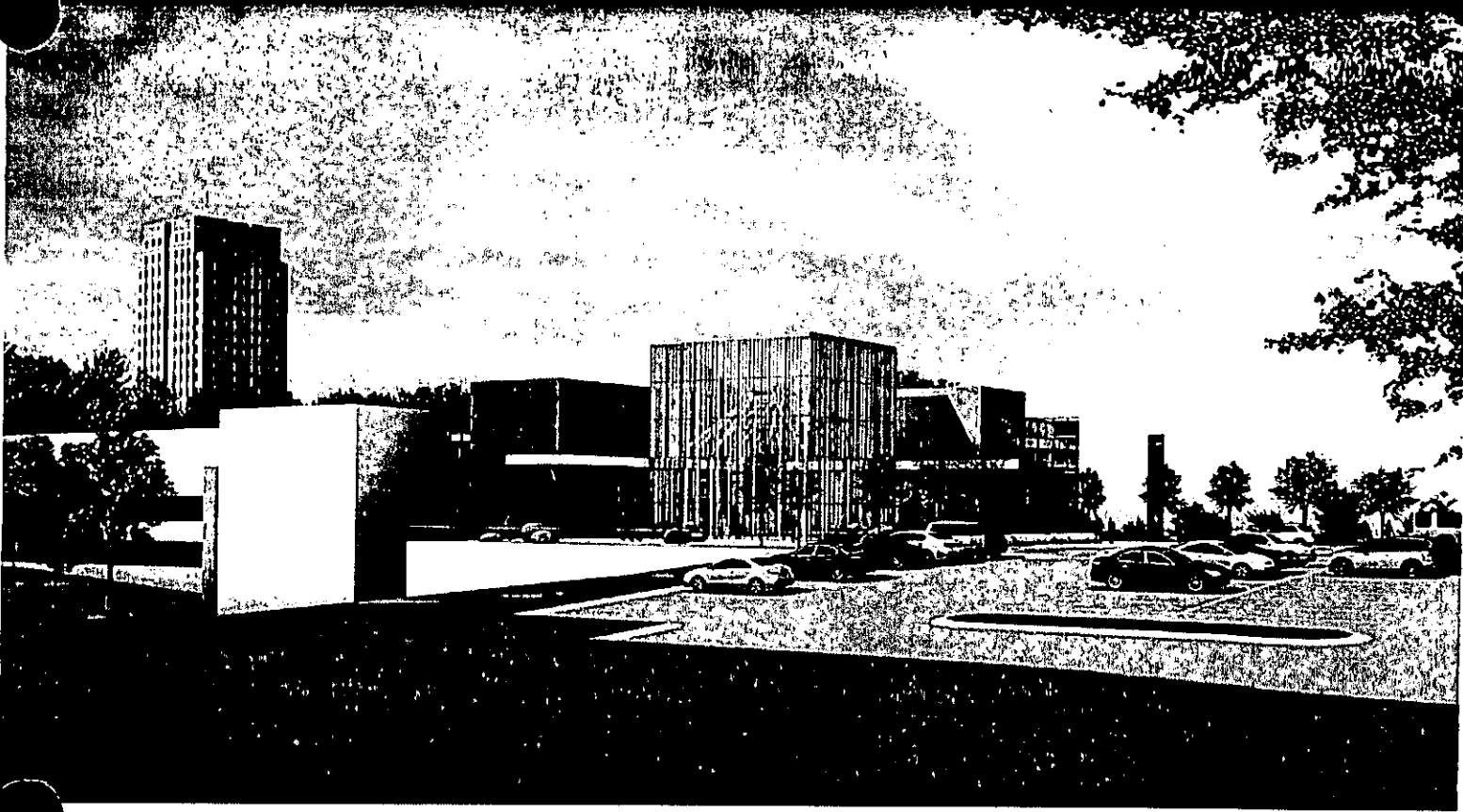
Senate Appropriations Committee  
Hearing – Thursday, March 5, 2009 – 11:00 a.m. to 12:00 p.m.  
Harvest Room – Main Floor  
State Capitol Building, Bismarck, ND

Cordell Dick, Owner, Cordell G. Dick, CPA, CFRE Consulting  
6640 N. Star Acres Rd. Bismarck, ND 58503 cordelld@cordelld.com 701-471-4000

My name is Cordell Dick. I live in Bismarck. I have been working with the State Historical Society and the Foundation on the ND Heritage Center Expansion Project off and on for over three years as their fundraising consultant, assisting them in the fundraising efforts for the Heritage Center expansion project. As a result of working on this project, I have come to believe the following key fundraising fundamentals about this project:

- ◆ People all across the State of North Dakota like this project and are interested in seeing it become a reality.
- ◆ There is reluctance by many major contributor prospects to make a gift commitment until they know that the State of North Dakota is committed to build this project.
- ◆ Fundraising from the private sector and from foundations is primarily at a stand-still at this time until the State of North Dakota makes a commitment for building the project.
- ◆ The projected amount of private sector/foundation gift support is dependent on the State's commitment for building the entire \$52 million Master Plan. It is my professional judgment that Contributors who have already shown interest in making a gift to the project will reduce their gift commitment if the State's funding will not support the full \$52 million Master Plan.

# This Legendary Place: *North Dakota*



Lightowler Johnson  
Associates  
architects engineers



## Expansion of the North Dakota Heritage Center

On the Capitol Grounds, Bismarck, North Dakota

Case Statement for Six-Year  
Fundraising Campaign, 2006-2011

Revised September 2008

*The*  
*Vision -*  
*Showcase*  
*World Class*  
*Accomplishments*  
*of North Dakotans*



PRESENTED BY:

The State Historical Society of North Dakota Foundation  
P.O. Box 1976 • Bismarck, ND 58502 • (701) 222-1966

# We Must Continue Our Investments



Dear Friends of the State Historical Society of North Dakota:

The State Historical Society of North Dakota and its Foundation are engaged in a great vision quest for the state of North Dakota. We see the State Historical Society of North Dakota as a key resource for tourism expansion. In order to fulfill this vision, a 10-year expansion strategy has been developed by our key leaders and supporters.

Tourism is North Dakota's second largest industry; heritage tourism is the fastest growing segment of tourism nationally. As the state's history agency we are seeking investments in our existing inventory of historic sites, collections and museums. This 10-year development plan has secured \$21 million in state, federal and private investments in our regional historic sites, the latest being Fort Abercrombie near Wahpeton and Fargo and the Chateau de Mores Interpretive Center in Medora. We

have also established a strong re-grant program and a funding mechanism for a Preservation Emergency Fund to help with regional historic preservation projects. We completed the new edition to the State Archives, all of these projects in Phase I of our plans.

Phase II of our efforts is the expansion of the North Dakota Heritage Center as the "Hub of History" for the state of North Dakota. In 2005 the State Legislature provided \$50,000 for the initial broad stroke designs and in 2007 the State Legislature provided an additional \$1.5 million in planning dollars for the designs of the exhibits and collections spaces of the proposed Phase II expansion. This document provides a look at these schematic design plans and sets forth our vision for the state's history agency to be a significant partner in tourism expansion for our state.

In 2014, North Dakota will celebrate its 125th anniversary of statehood. The expansion of the North Dakota Heritage Center would be an opportunity to give a meaningful gift to the people of our state to celebrate this milestone.

Merlan E. Paaverud, Jr., Director  
State Historical Society of North Dakota (SHSND)



Governor John Hoeven (middle) and SHSND Director Merl Paaverud congratulate Scott Andes, recipient of both the Dedication Award and Curatorial Award, during the August 14, 2003 SHSND awards banquet. Andes has been a Heritage Volunteer with the State Historical Society since 2001.

**Front Cover: View from the southeast, North Dakota Heritage Center, State Museum Expansion, Bismarck, ND.** With the main entrance of the North Dakota Heritage Center being proposed to the east, this provides a new opportunity to bring visitors to the state capitol complex from the busy adjacent highway. Visitors will not miss this dramatic architectural statement; it will draw travelers like a magnet.

*“We all know that living in North Dakota is an experience that needs to be captured and verified and shared with our children, our visitors and friends. We are inspired. The expansion of the North Dakota Heritage Center must be extraordinary. So we begin.”*



— Virginia Nelsen, Executive Director  
State Historical Society of North Dakota Foundation  
Trustee, SHSND Foundation

# *The* Vision of Our Governors - A Call to Action

## Continue Statewide Investments in Tourism A 10-Year Investment Strategy



All six of North Dakota's living governors serve as Honorary History's Trustees, playing an important leadership role by supporting the expansion dreams of the state's history agency. Here the governors pose before their historic November 2001 forum celebrating the 20th anniversary of the North Dakota Heritage Center (l to r, William Guy, Arthur Link, Allen Olson, George Sinner, Edward Schafer, and John Hoeven).

### The Vision - Showcase World Class Accomplishments of North Dakotans

It is critical that we continue to build resources for heritage tourism in our state to tell the story of living on the plains, enhancing the quality of life for our citizens and friends, giving inspiration to our youth from the accomplishments of our inventors and innovators, and providing all citizens pride in our world-class accomplishments here in North Dakota.

## GOVERNORS' VISION

### Governors Lead Support—Ask for Commission:

In November 2001, the former Governors asked Governor Hoeven for a Commission to review the needs of the State Historical Society.

### Commission Established by Governor Hoeven:

In September 2002, the State Historical Society of North Dakota Commission, was established by Governor Hoeven. After a number of meetings by the 18-member Commission, an Interim Report was delivered to Governor Hoeven and presented to the Legislature.

### Commission Recommends Seven Investments:

The Commission's Interim Report to Governor Hoeven provided seven recommendations for the expansion of the resources of the Historical Society. By the end of the 2005 Legislative Session, four of the seven recommendations had been funded with a combination of state and federal resources.

### Phase I Expansion – Funded and Completed

- Invest in legally mandated State Archives
- Invest in regional historic sites
- Invest in county and tribal historical resources
- Invest in Lewis and Clark as a "once-in-a-lifetime opportunity"

### Phase II Expansion – Next on the Agenda

- Invest in the North Dakota Heritage Center as the "Hub for History" in our state
- Invest in additional history professionals
- Invest in state-of-the-art technologies

*“By recording the history of our state, we are honoring the memory of our parents, we are demonstrating our confidence in the professional integrity of our State Historical Society of North Dakota and its Foundation, and we are demonstrating to our children, grandchildren and great-grandchildren a gift of timeless value.”*

— Governor Arthur Link, at the ground breaking of the State Archives  
September 2005. Honorary Trustee, SHSND Foundation

# The North Dakota Heritage Center "Hub of History"

**"The North Dakota Heritage Center is not only in the center of the state, but it is also the state of North Dakota all in one center."**

— Cordell Dick, Consultant - Bismarck, North Dakota

## Technology and Professional Staff Lead the Way:

As people travel to North Dakota, either in person or online, looking for the answer to the question as to what to do, where to go and how to get there, the North Dakota Heritage Center will function as the state's premier visitor center making it easy for travelers to choose from a variety of travel and entertainment options.

**High-Tech Access Critical:** With the aid of technology, visitors could be treated to the full wall of filmed images of the Badlands or Pembina Gorge or Fort Abraham Lincoln or Bagg Bonanza Farm or the Missouri River beckoning travelers to their next adventure in North Dakota. Custom computer generated travel maps and tours could be printed for visitors based on their desire to experience military history and birding outings and ethnic restaurants or Lewis and Clark adventures and golfing and fine food.

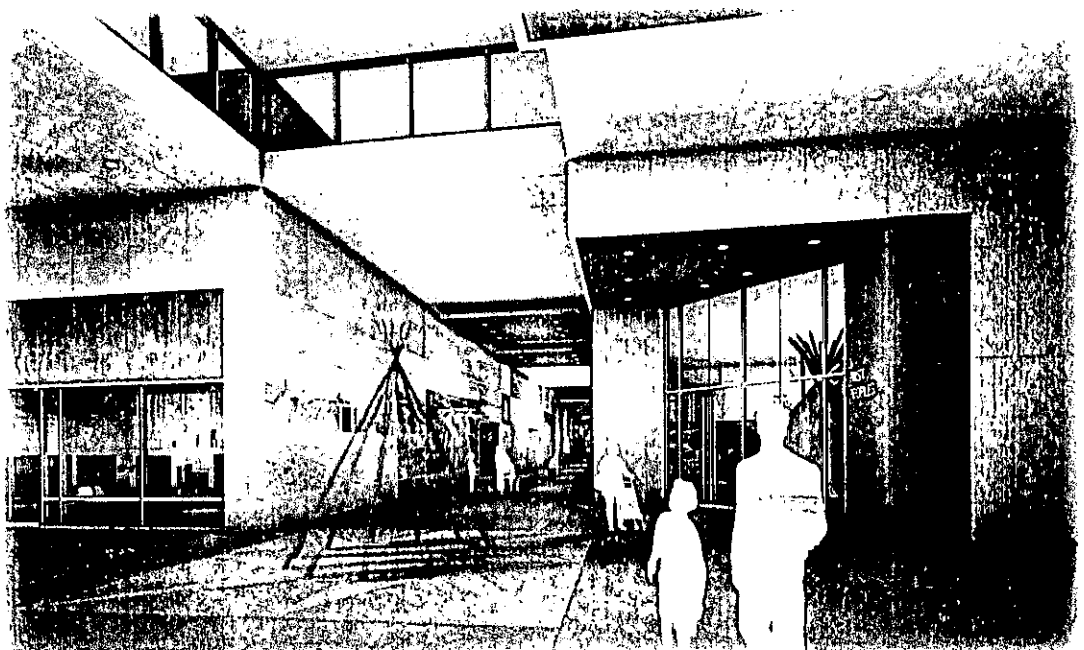
The goals of course would be to identify enjoyable adventures that would keep people in North Dakota another day or two.

A professional and friendly staff and volunteers using the best of technology – offering:

- Computer generated maps and tours by interest or by region
- Ticketing and events schedules for the statewide events and programs
- Full wall DVD images of historic sites and beautiful vistas of North Dakota
- Connections for special events, educational seminars, tours and bus trips
- Facilities for conventions and meetings
- Catering kitchen, small cafe, gathering space, patio, conference and meeting rooms
- Business friendly technology hookups

Studies show that historical museums and cultural heritage sites are attractions that encourage people to stay an extra day. Historic attractions anchor tourism, providing a focal point for other interests to build around and grow.

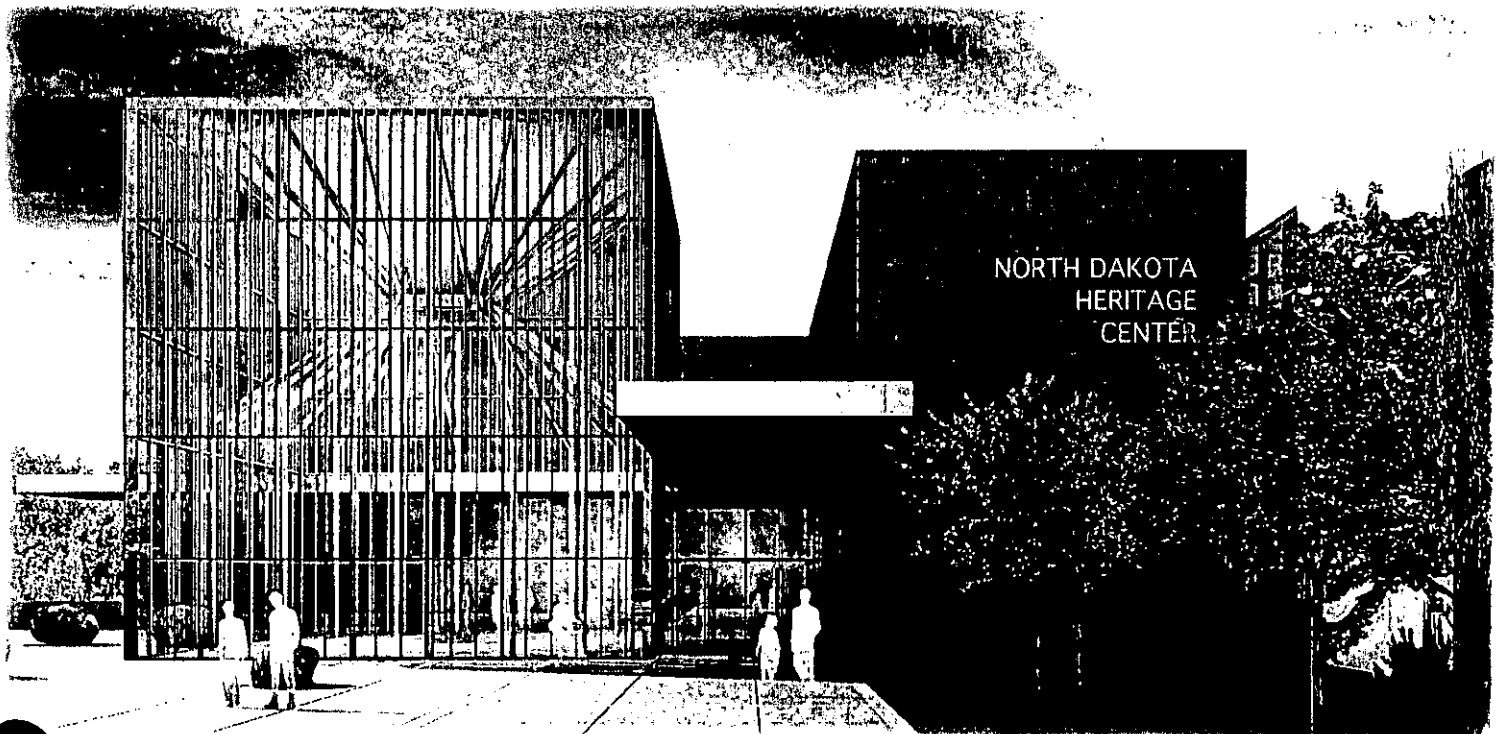
*This Legendary Place: North Dakota, DVD, State Historical Society 10-Year Investment Strategy*



**Interior view looking west, North Dakota Heritage Center State Museum Expansion, Bismarck, North Dakota.** Image wall in North Dakota Corridor of History, Museum Store entrance on left, entrance to First Peoples Gallery on the right and with floor exhibits, wall murals and visitor seating. This space also providing a gathering space and events and convention space for the public.

# *Exciting and Must See* Expanded North Dakota Heritage Center

- Architecturally engaging building that will draw in visitors
- Beautiful new entrance, visitors' services for the state's largest accredited museum
- New temporary Governors Gallery for high profile traveling exhibits and collections
- Geological Time Gallery—the great Ice Age – sabre tooth tigers - dinosaurs
- First Peoples Gallery – a 13,000-year story of developing culture
- State history including the last 70 years of industry innovations and expanding technologies
- Children's galleries and learning labs – high-tech interactive exhibits
- Café and outdoor patio – conference and special events spaces – great hall
- 60 Seat Digital Great Plains Theater and wall murals featuring sites and attractions from across the state
- High-tech visible signage to announce programs and attractions
- Access for the challenged and ample parking for cars, RVs and buses



Day View of East Entrance

*“We have the opportunity to do great things.”*

— Chester E. Nelson, Jr., Bismarck, Member, SHSND Commission  
SHSND Board, Trustee, SHSND Foundation





- KEY SYMBOLS
1. VISITOR RELATIONSHIP ROOM
  2. LOWER LEVEL VISITOR LOBBY
  3. ADMINISTRATION OFFICES
  4. ADMINISTRATION OFFICES
  5. MUSEUM STORE STORAGE
  6. ARCHIVES/RECORDS
  7. ARCHIVES/RECORDS
  8. ARCHIVES/RECORDS
  9. NEW STAFF TOILETS
  10. PALEONTOLOGY COLLECTIONS STORAGE
  11. PALEONTOLOGY COLLECTIONS STORAGE
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**NORTH DAKOTA HERITAGE CENTER STATE MUSEUM EXPANSION** | **HA.**  
Bismarck, North Dakota

**Lightowler Johnson**  
ARCHITECTS  
BISMARCK, NORTH DAKOTA

**LOWER LEVEL (STAFF) PLAN**

- MUSEUM DIVISION
- HISTORIC PRESERVATION DIVISION
- PALEONTOLOGY DIVISION
- FOUNDATION
- SUPPORT SERVICES
- COMMUNICATION AND EDUCATION
- BUILDING SUPPORT
- MUSEUM STORE STORAGE



“The state’s history agency holds the collective memory of Native ancestors and immigrant forefathers.”

This Legendary North Dakota: DVD, State Historical Society 10-Year Expansion Strategy



View From East  
 Night, North Dakota Heritage Center  
 State Museum Expansion, Bismarck, North Dakota.  
 This dramatic view highlights the amazing architecture of  
 this building, a beacon of light on the state capitol grounds  
 to visitors, travelers, and community members. This dia-  
 mond will attract the curious and will provide them a never  
 ending and ever changing tale of life on the plains.



**NORTH DAKOTA HERITAGE CENTER STATE MUSEUM EXPANSION**  
 Bismarck, North Dakota



**Lightowler Johnson**  
 ARCHITECTS

**NIGHT VIEW OF LOBBY FROM EAST**

*In history we learn that there are milestones that mark important points in the lives of our people and their times. North Dakota is approaching one of those milestones, the 125th anniversary of our statehood that will take place in 2014. This will be an opportunity to give a meaningful gift to the people of North Dakota that will highlight the challenges of 125 years of statehood. The expansion of the North Dakota Heritage Center will not only be an investment in our people and in this great state, but it will be a gift that honors and celebrates what we have done and prepares us as we move forward in the future. The North Dakota Heritage Center belongs to all of us. It is a place of beauty, history and learning that we and our children can be very proud of.*

—Merlan E. Paaverud, Jr., Director, State Historical Society of North Dakota, Trustee, SHSND Foundation, September 2008

*attachment #1  
January 27, 2009*

House Bill 1481  
House Appropriations Education and Environment Division  
January 27, 2009

Testimony by Merlan E. Paaverud, Jr., Director  
State Historical Society of North Dakota

Chairman Skarphol and members of the Committee, my name is Merl Paaverud and I am the director of the State Historical Society of North Dakota. I am her today to provide testimony related to House Bill 1481 which involves the expansion of the North Dakota Heritage Center.

We have provided information during the regular budget hearing for the Society and so will keep my comments short and answer your questions as best I can. I would like to emphasize several points that I think are important in your consideration for this project.

**This project will:**

**Provide** a facility with space sufficient for the next 25 years .

**Provides** collections, office and work space for the official state museum, the state archeological collection and the State Fossil Collection that is administered by the North Dakota Geological Survey and for the federal repository for cultural resources from North Dakota.

**Provide** high technology for exhibits, programs, information access.

will greatly improve access for people who visit the existing and new Heritage Center areas.

**Promote** and support North Dakota's Cultural and Heritage Tourism promotion efforts.

**Provide** high tech access to information about tourism related resources around the state.

**Serve** as a multiple use facility for programs, conventions, special events and serve as North Dakota's "history campus".

I would be happy to answer your questions.

I would like to introduce Mr. Dave Skalsky, assistant director, who will review the North Dakota Heritage Center Expansion budget with you. He will be followed by Claudia Berg who serves as the Coordinator for the project.

Thank you.



History's

*Foundation*

State Historical Society  
of North Dakota Foundation

HB 1481  
January 27, 2009  
Attachment #3

Date: January 27, 2009

From: State Historical Society of North Dakota and its Foundation

Merlan E. Paaverud, Jr., Director, Society

Virginia Nelsen, Executive Director, Foundation

To: House Appropriations Education and Environment Committee

**Subject: HB 1481 – Expansion of the North Dakota Heritage Center**

**Moved from HB 1018 – Historical Society Budget**

**Copies of Testimony Provided, January 12, 2009**

In order to give you copies of the testimony provided on behalf of the expansion of the North Dakota Heritage Center on January 12, 2009 – under HB 1018 - we have reprinted and collated sets of the testimony from that hearing for your records.

We have also noted at the top of each testimony the new bill number – HB 1481. If you should need anything further from the Society or Foundation please let us know.

*See  
letter of support*

2

House Bill 1481  
Senate Appropriations  
March 5, 2009

Testimony by Merlan E. Paaverud, Jr., Director  
State Historical Society of North Dakota

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**Serve** as a multiple use facility for programs, conventions, special events and serve as North Dakota's "history campus".

There are options for how the project could be completed including doing the entire project at one time. If partial funding is provided, I request that you consider setting this amount aside in a special fund so that it can be saved until funding is raised or the rest of the funding can

be raised. I also ask that authorization be granted for the entire project to be completed.

I would like to introduce Claudia Berg who serves as the Coordinator for the project. She will be followed by Mr. Dave Skalsky, Assistant Director, who will review the North Dakota Heritage Center Expansion budget with you.

Thank you.

House Appropriations Education and Environment Committee  
Monday, January 12, 2009, 9:30 to 11:00 a.m., Sakakawea Room  
State Historical Society of North Dakota Appropriations Hearing  
HB1018

Claudia Berg  
Museum Director and Expansion Coordinator  
State Historical Society of North Dakota  
[cberg@nd.gov](mailto:cberg@nd.gov)  
701-328-2666

Chairman Skarpohl and Committee Members,

As the Expansion Coordinator for the North Dakota Heritage Center, I would like to provide some additional information about this project. The colored booklet has several images of the exterior and interior of the building and the exhibit galleries. The planning money provided over the 2007-2009 biennium has allowed us to analyze the functions and needs of this agency and partner agencies, for the next 25 years. Some of the partner agencies utilizing collections storage include the North Dakota Geological Survey, North Dakota National Guard, North Dakota Council on the Arts, Standing Rock Sioux Tribe, Three Affiliated Tribes, Bureau of Land Management and Bureau of Reclamation. The current public designs address internal needs but also those of educators, families, tourism partners and visitors. After reviewing the project we welcome and encourage your ideas and input on the design and content of this project.

A few specific points of information include:

- The opening of this facility could be the gift to the people of North Dakota, as North Dakota celebrates the 125th anniversary of statehood in 2014.
- The Northern Lights Atrium is surrounded by the North Dakota Legislative Hall of Honors. The renovated Russell Reid Auditorium could provide a 248-seat legislative hearing room.

- The expanded North Dakota Heritage Center is a destination-- a Smithsonian on the Plains. We have the collections and the stories to fill the new galleries. The temporary/traveling exhibit gallery will provide a national stage for large traveling exhibits and North Dakota-based exhibits that travel across the continent and beyond.
- The Hub of History is a generator for heritage tourism and economic development across the state. We can conservatively estimate that the North Dakota Heritage Center currently contributes \$3.5M to \$5M of new dollars annually towards the state's economy. Working with economic development people, this number could double as we move to the future with this expansion.
- A 25-year collections storage need for the State Fossil Collection, archaeology and artifact collections determined the footprint of the building.
- The new entrance and parking area will alleviate congestion in the center of the Capitol complex. The site provides an opportunity to build a two-level parking ramp for a smaller footprint, protecting more green space on the Capitol grounds.
- The quality of the building design and materials speaks to the expectations of a building on the Capitol complex. Our intent is to also incorporate "green" technology, utilizing new methods and materials wherever possible. Examples of projects already completed include three of our historic sites interpretive centers that operate on geothermal systems; there are several state buildings in Bismarck that have also used geothermal systems and new construction materials.
- Gary Reetz, one of the project architects from Hammel, Green and Abrahamson (HGA), is available today to address questions you may have about the expansion project.



Senate Appropriations Committee  
Thursday, March 5, 2009, 11:00 a.m., Harvest Room  
State Historical Society of North Dakota  
North Dakota Heritage Center Expansion Hearing  
**HB1481**

Claudia Berg  
Museum Director and Expansion Coordinator  
State Historical Society of North Dakota  
[cberg@nd.gov](mailto:cberg@nd.gov)  
701-328-2666

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- A 25-year collections storage need for the Geological Survey's State Fossil Collection, and the Historical Society's archaeology and artifact collections determined the footprint of the building.
- The new entrance and parking area will alleviate congestion in the center of the Capitol complex. The site provides an opportunity to build a two-level parking ramp for a smaller footprint, protecting more green space on the Capitol grounds.
- The quality of the building design and materials speaks to the expectations of a building on the Capitol complex. Our intent is to also incorporate "green" technology, utilizing new methods and materials wherever possible. Going green is not a new concept for the Society; we currently operate three historic site interpretive centers using geothermal systems.

January 12, 2008- 9:30

House Appropriations Committee. Education and Environment Division

Sakakawea Room

Representative Bob Skarphol, Chairman

Mr. Chairman and Members of the committee, I am Sara Otte Coleman, Director of the Tourism Division in the North Dakota Department of Commerce. I am here today asking you to support HB 1018 and specifically the expansion of the North Dakota Heritage Center – our State's Museum.

Our tourism marketing team works directly with media, tour operators, international tourism trade and travel planners throughout the year to sell North Dakota as a great vacation destination. Most often, the North Dakota Heritage Center is our first stop when hosting these groups. The center is used to set the stage for the tour and give an orientation of our state's history, landscape and people. The expanded center would allow us to impress our clients while offering more information on our unique place in history, our leading industries and a look to our future. The galleries will allow us to tell more stories about North Dakota – unique stories that people from all over the world are interested in hearing. The impressive design of the space will provide a lasting first impression. This space would also be used as a showpiece during regional and national legislative conferences and official state ceremonies and receptions.

The stories of our First People and the First Inhabitants of our land are stories unique to North Dakota. These exhibits along with the Inspiration and Innovation Gallery will provide a more comprehensive overview of our state and the many opportunities it provides. The center will act as a hub and encourage further exploration of our state's rich history and authentic attractions and festivals statewide. Tourism continues as North Dakota's second largest industry, according to NDSU. Our emphasis on Culture and Heritage Tourism will continue as we package travel opportunities around our five major themes: Farms, Ranches and Gardens, Arts and Entertainment, Wildlife and Wonders, Lewis and Clark Trail and Heritage and Heroes. We know visitors spent between 2.4 and 3.8 billion dollars in North Dakota in 2006, we know we are increasing visitation while other states are declining and we know culture and heritage travelers have more time, more money and more interest than general travelers. This addition to the North Dakota Heritage Center will allow us to showcase our state even better while providing details to encourage statewide travel and longer stays in our great state.



HB 1481



January 8, 2009

House Appropriations Education and Environmental Committee  
North Dakota State Capitol  
Bismarck, ND 58505

Chairman Skarpohl and Committee Members:

In my absence I write this letter in support of HB 1018 which contains the Historical Society budget as well as the Governor's budget recommendation to authorize \$30 M (\$18 M State funding) for the proposed expansion of the Heritage Center.

Heritage and Cultural Tourism is one of the most popular and fastest growing segments of the travel industry today both domestically and internationally. The State Historical Society must have the means to maintain our rich historic attractions so that together we can market them to our visitor audience.

The ND Heritage Center is the focal point of our State's history, heritage and culture. When we host national and international media, I always start them off at the Heritage Center before sending them on their way to other attractions and points of interest around the state. This gives them an overall background of our state and our people and helps to make their experience here more meaningful and more educational.

The full expansion of the ND Heritage Center will make that facility a destination attraction for the State of North Dakota. The expanded Heritage Center will be a significant draw for visitors, and at the same time, will increase the length of stay of those visitors. In our business, we want to not only attract more visitors, but figure out how to keep them here longer.

I would appreciate your support and favorable consideration of HB 1018 which will contribute to the growth of our Tourism Industry, an economic generator for all of us.

Best regards,

Terry Harzinski  
Executive Director  
Bismarck-Mandan Convention & Visitors Bureau

**HOUSE APPROPRIATIONS EDUCATION AND ENVIRONMENT COMMITTEE**

**Monday, January 12, 2009**

**9:30 am to 11:00 am**

**Sakakawea Room---State Capitol Building---Bismarck, ND**

**House Bill: 1018---State Historical Society Budget with North Dakota Heritage  
Center Expansion Funding**

**Purpose: For the Expansion of the North Dakota Heritage Center**

**Presenter: Bruce Schwartz**

**Past International Director of Lions Clubs International**

**701-258-1189**

**[nmbruce@bis.midco.net](mailto:nmbruce@bis.midco.net)**

**Testimony:**

**I come before this committee today to speak in support of HB 1018.**

**I represent the Lions clubs and Lions members of the state of North Dakota. There are approximately 3,200 Lions members and 110 Lions clubs in the state.**

**At the state convention of the Lions of North Dakota last October, delegates from all Lions clubs voted unanimously to support the expansion of the ND Heritage Center, not only in spirit but also with financial contributions. Every Lions club is being encouraged to donate \$500 over a five year period to the project. Not all clubs will participate but the vast majority will. Lions members have also been encouraged to contact their representatives during this legislative session.**

**In 2002, I was elected to a two year term as international director for Lions Clubs International which required my wife and me to travel extensively, especially in North America. When people would ask where I was from I, of course, said North Dakota and they would invariably say they had never been to North Dakota. When I asked why, the response many times was, "There isn't anything there is there?" In many ways they were right.**

As a rule, visitors to our state are traveling through, not to, North Dakota. Visitors need more than fields of waving grain and clean air to come here. Theodore Roosevelt National Memorial Park gets people's attention but we need more than that.

We need a world class historical center in our state, not only for travelers but for North Dakotans as well. People who have the means to travel are people who would be interested in northern plains history, ancient artifacts, fossils and all the rest. We need more reasons for travelers to stop in North Dakota. Impressive as our North Dakota Heritage Center is currently, we need to expand and grow.

I, along with the 3,200 Lions members in their 110 clubs around the state strongly encourage passage of HB 1018.

**SENATE APPROPRIATIONS COMMITTEE**

**Thursday, March 5, 2009**

**11:00 AM**

**Harvest Room---State Capitol Building---Bismarck, ND**

**House Bill: 1481---Heritage Center Expansion and Funding**

**Purpose: For the Expansion of the North Dakota Heritage Center**

**Presenter: Bruce Schwartz**

**Past International Director of Lions Clubs International**

**701-258-1189**

**[nmbruce@bis.midco.net](mailto:nmbruce@bis.midco.net)**

**Testimony:**

**I come before this committee today to speak in support of HB 1481.**

**I represent the Lions clubs and Lions members of the state of North Dakota. There are approximately 3,200 Lions members and 110 Lions clubs in the state.**

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**As a rule, visitors to our state are traveling through, not to, North Dakota. Visitors need more than fields of waving grain and clean air to come here. Theodore Roosevelt National Memorial Park gets people's attention but we need more than that.**

**We need a world class historical center in our state, not only for travelers but for North Dakotans as well. People who have the means to travel are people who would be interested in northern plains history, ancient artifacts, fossils and all the rest. We need more reasons for travelers to stop in North Dakota. Impressive as our North Dakota Heritage Center is currently, we need to expand it and grow it and turn it into the pride of the northern great plains of the United States of America.**

**We should also fund the entire Master Plan for this project now. The state has the money and by doing it now huge amounts of money will be saved.**

**I, along with the 3,200 Lions members in their 110 clubs around the state strongly encourage passage of HB 1481.**



**To: North Dakota Legislature – January 12, 2009**

House Appropriations Education and Environment Committee

House Bill 1018 State Historical Society Budget

With ND Heritage Center Expansion Funding

From: Don Walz, Bismarck, Sertoman

**Service Clubs of North Dakota**

I am Don Walz from Bismarck, a Sertoma member for 40 years. I am here to speak as a member of one of the hundreds of Service Clubs of North Dakota. Many Service Clubs of North Dakota are giving our support for this bill. This fall, Lions Club of North Dakota voted to support the Heritage Center expansion. Some of the Lions Clubs around the state are already financially committed. Many other Service Clubs are in the process of supporting the Heritage Center by giving towards the expansion through the Historical Foundation. It is our goal to get most of the Service Clubs and or their members to donate to the expansion.

Service Clubs have been leaders helping shape the quality of life in communities for over 100 years, providing services that make our neighborhoods a better place. Education, health, youth and senior programs of need are part of the story of Service Clubs of North Dakota

**Support of Heritage Center Expansion**

Collecting the past is insight to future. I believe it is desired by the people.

Our "Smithsonian on the Prairie" will speak for itself, how we live our faith and care for the resources and habitat on the land. What is treasured by its people should be saved for its children and the world.

## **Benefits – Economic development will flow**

We are young state with much history to share, telling about Natives, Pioneers, and Creative Ventures that have shaped our state. How we adapt using our resources of Coal, Oil, Wind and Land.

Museums around the world draw millions of people to them. Having traveled to many parts of United States and the world, I have seen civilizations in many forms recorded. It takes commitment to make it happen Egyptian GNP from tourism is 28%. What impact it can be for our great state.

## **Closing Remarks:**

The North Dakota Heritage Center is a Hub of Life for youth and adults to learn and discover as they visit. Dinosaurs, Energy resources, people and its history showing values of life as it happened in North Dakota.

Service Clubs of North Dakota believe in the Heritage Center and support the addition Words I leave with you are from a seven year old granddaughter from Grand Forks after visiting the Heritage Center – “Best time ever.” How often to you hear that?

Thank you, Don Walz

July 15, 2008

Honorable Governor John Hoeven  
State Capitol  
600 E Boulevard  
Bismarck, ND 58505

Dear Governor Hoeven:

During my eight years as Governor of North Dakota it became my opportunity to give full support for the construction of the North Dakota Heritage Center.

Funds were scarce but perseverance prevailed and today it stands as our most visited educational and tourist attraction.

Grace and I are donating \$100,000 to the expansion of the North Dakota Heritage Center. We are pleased to share our good fortune with the people of North Dakota. We know that this legacy will live on after us teaching, engaging, encouraging and inspiring our young people and our visitors.

Thank you Governor Hoeven for the support you have provided for the expansion of the historic sites and now the expansion of the North Dakota Heritage Center. It will truly be a "legacy project" for your term as Governor.

Sincerely,

*Arthur A. Link*

Governor Arthur A. Link  
2500 Valleyview Ave #261  
Bismarck, ND 58501-3014



**BORDER STATES**  
*Supply Chain Solutions™*

105 25th Street North  
Fargo, ND 58102-4002  
701.293.5833 phone  
701.232.7673 fax

April 8, 2008

Governor John Hoeven  
North Dakota Capitol Building  
600 East Boulevard Avenue  
Bismarck, ND 58505-0001

Dear Governor John Hoeven:

I am writing to you to express my support for completing the expansion of the North Dakota Heritage Center and providing the professional staff and technology to enhance programs.

As a citizen of this state, I am excited about making an investment in the further expansion of the resources of the State Historical Society. An expanded Heritage Center is central to the marketing of the extensive network of heritage tourism attractions all across the state. The Smithsonian quality facility and staff will showcase North Dakota as the modern and forward thinking state that it is. With more space for interpretation and preservation, this "hub of history," will draw visitors into the magnificent "front door to North Dakota."

**Border States Electric Supply is proud to have pledged \$25,000 to the expansion of the North Dakota Heritage Center, and Governor Hoeven, I encourage you to include funding for this in your 2009-2011 Executive Budget.**

Your support for this will attract more private support from organizations like ours (or people like me).

Again, I urge you to support the Master Plan for the expansion of the North Dakota Heritage Center.

Sincerely,

Brian Becker  
Vice President of Finance  
Border States Electric Supply



PO Box 2136 • 1415 12th Ave SE  
Jamestown, ND 58401  
800-366-8331 • 701-252-2341  
ndfu.org

April 9, 2008

Governor John Hoeven  
North Dakota Capitol Building  
600 East Boulevard Avenue  
Bismarck, ND 58505-0001

Dear Governor Hoeven,

North Dakota Farmers Union is supporting the expansion project at the North Dakota Heritage Center and is proud to have pledged \$100,000 toward this worthwhile endeavor. We hope you will be an advocate for funding the project, as well as a leader and supporter of expanding and preserving North Dakota's rich heritage.

The expanded galleries outlined in the master remodeling plan are certain to draw more tourists to the Heritage Center and better showcase North Dakota. This project also blends strong support and funding from the public and private sectors, which is refreshing and indicative of its all-encompassing appeal.

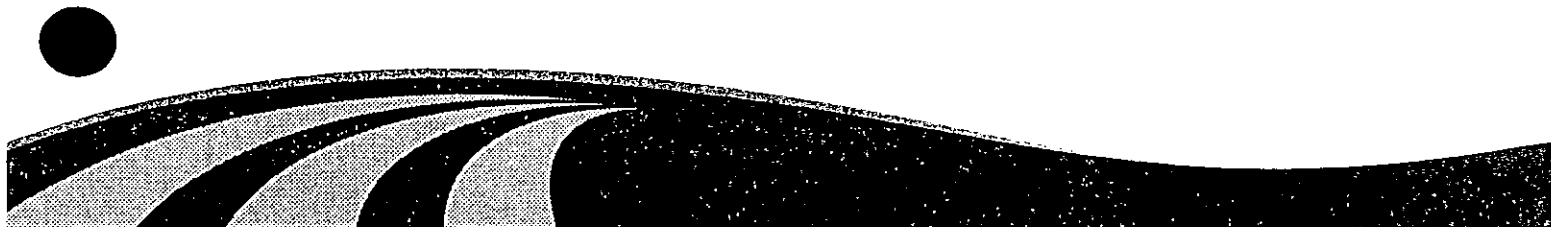
We encourage you to extend your leadership in completing this project.

Sincerely,

NORTH DAKOTA FARMERS UNION

A handwritten signature in cursive script, reading "Robert L. Carlson".

Robert L. Carlson  
President



 MICHAEL J. HUMMEL  
President & General Manager




PHONE (701) 222-8828  
FAX (701) 222-1547

22 April 2008

The Honorable Governor John Hoeven  
North Dakota Capitol Building  
600 East Boulevard Avenue  
Bismarck, ND 58505-0001

Dear Governor Hoeven;

 BNI Coal, Ltd. is honored to have pledged \$25,000 to the expansion of the North Dakota Heritage Center. Our commitment, along with so many others across the state and region, demonstrates the strong support for completing the expansion of the North Dakota Heritage Center and for the enhanced programs and staffing that will result. I encourage you to include funding for this in your 2009-2011 Executive Budget. Your public support and commitment for this will attract more private support from organizations across this great state and region.

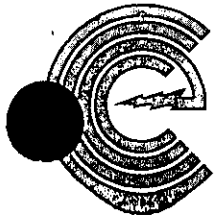
As a life long North Dakota citizen who is proud of this states heritage, I believe it is extremely critical for us to embrace our heritage and continue to grow our legacy. Expanding the Heritage Center is central to that theme by providing more space for interpretation and preservation. Additionally, an expanded Heritage Center is central to the marketing of all the heritage tourism attractions across the state.

Again, I urge you to support the Master Plan for the expansion of the North Dakota Heritage Center.


Sincerely,

A handwritten signature in black ink, appearing to read "MJ Hummel", with a large, stylized loop at the end.

MJ Hummel



# Cass County Electric Cooperative

Your Touchstone Energy® Partner 

April 30, 2008

Governor John Hoeven  
North Dakota Capitol Building  
600 East Boulevard Avenue  
Bismarck, ND 58505-0001

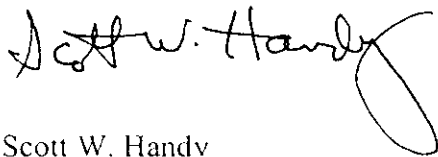
Dear Governor Hoeven,

Cass County Electric Cooperative and its 32,000 members enthusiastically support the completion and expansion of the North Dakota Heritage Center. We also support provision for additional professional staff and related technology to expand and continue the excellent programs for which the Heritage Center is well-known.

Electric cooperatives are truly grass-roots organizations, and we're excited about investing in plans for expanding the State Historical Society's resources. The planned Heritage Center expansion is a logical and much-needed next step in continuing the impressive gains our State has made in promoting heritage-related tourism. North Dakota has many native sons and daughters in prominent positions all across the world – this project will put our cultural resources at a level for which our people are already recognized. Let's grab hold of this opportunity to provide a state-of-the art front door to our great State's rich heritage.

Cass County Electric is proud of its pledge of nearly \$27,000 towards this project, and of similar pledges made by our statewide association and all its members. Together, we strongly urge you to provide funding for the Heritage Center expansion project in your 2009-2011 Executive Budget. Your support for the project will lead to even more private sector support and together we'll make this happen.

Sincerely,



Scott W. Handy  
President/CEO

# MDU RESOURCES FOUNDATION

1200 West Century Avenue

Mailing Address:

P.O. Box 5650

Bismarck, ND 58506-5650

**Cynthia Norland**  
President and Director

May 7, 2008

The Honorable John Hoeven  
North Dakota Governor's Office  
600 East Boulevard Avenue  
Bismarck, ND 58505-0001

Dear Governor Hoeven,

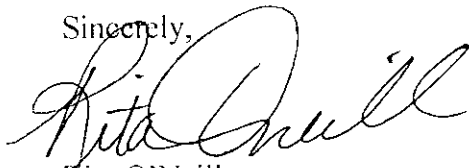
I am writing to you to express my support for completing the expansion of the North Dakota Heritage Center and providing the professional staff and technology to enhance the programs.

An expanded Heritage Center is central to the marketing of the extensive network of heritage tourism all across the state. This Smithsonian-quality facility and staff will showcase North Dakota as the modern and forward-thinking state that it is. With more space for interpretation and preservation, this "hub of history" will draw visitors into the magnificent "front door to North Dakota."

MDU Resources Foundation is proud to have pledged \$150,000 to the expansion of the North Dakota Heritage Center. I urge you to support the master plan for the expansion of the Heritage Center and encourage you to include funding for this in your 2009-2011 Executive Budget.

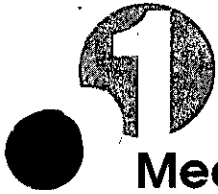
Your support will attract more private support from individuals and organizations across the state.

Sincerely,



Rita O'Neill  
Foundation Manager





**Medcenter One**

*medcenterone.com*

*Office of the President*

May 12, 2008

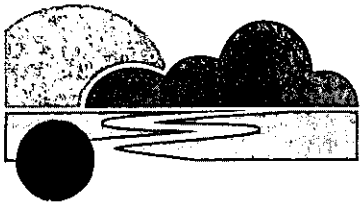
Dear Governor John Hoeven,

It is with great pleasure that I urge you to support the expansion plan for the North Dakota Heritage Center. The Heritage Center is a vital resource for our state. We frequently utilize the Heritage Center when recruiting key personnel such as new physicians to consider relocating to North Dakota.

For all visitors and residents of North Dakota the Heritage Center gives us a vital display of culturally significant information. It is an important element that helps us to understand what a very special place North Dakota is.

Sincerely,

James C. Cooper  
President/CEO



# DAKOTA VALLEY ELECTRIC COOPERATIVE, INC.

May 27, 2008

Governor John Hoeven  
North Dakota Capitol Building  
600 East Boulevard Avenue  
Bismarck, ND 58505-0001

Dear Governor John Hoeven:

On behalf of Dakota Valley Electric Cooperative, I am writing to express support for further funding of the North Dakota Heritage Center expansion project.

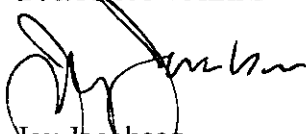
Two years ago as this project was being discussed across the state, Dakota Valley joined with other ND electric cooperatives to support this project. We continue to recognize the need to have a quality facility to showcase recent as well as past history of the state, and a facility with space for staff and research.

Dakota Valley has pledged \$5,363 towards this expansion project, and we encourage you to include funding for this project in your 2009-2011 Executive Budget.

Thank you for your consideration.


Sincerely,

DAKOTA VALLEY ELECTRIC COOPERATIVE



Jay Jacobson  
Alliance Manager

7296 Highway 281 • Edgeley, ND 58433-9503 • (701) 493-2281 • Fax: (701) 493-2454  
14051 Highway 13 • Milnor, ND 58060-9700 • (701) 427-5242 • Fax: (701) 427-5244  
Toll Free: 1-800-342-4671 • E-Mail: [dvec@dakotavalley.com](mailto:dvec@dakotavalley.com) • Web Site: [www.dakotavalley.com](http://www.dakotavalley.com)

A Touchstone Energy\* Cooperative 

September 8, 2008

Governor John Hoeven  
North Dakota Capitol Building  
600 East Boulevard Avenue  
Bismarck, ND 58505

Dear Governor Hoeven:

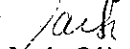
Some years ago the six North Dakota's living governors played a leading role by supporting the expansion dreams of the state's history agency. I thought that was a great idea and I still support it today.

I know you have many requests for dollars and now that the reserves in the general fund are what they are, I am sure you get many requests daily for those funds. If it is at all possible, I hope that you could see fit to include funds in your budget for the expansion of the North Dakota Heritage Center. I don't believe anything will be able to continue to tell the history of North Dakota like education and our Heritage Center. I have pledged \$10,000 to this fine project as I am sure many North Dakotans have also done the same. I encourage you to include funding for this project in your 2009-2011 Executive Budget if at all possible.

Your support would help stimulate more support from people around this Great State of North Dakota, and help get this great dream of those six governors to come true.

Thank you.

Sincerely,

  
Jack Olin



615 Highway 52 W. ▪ Velva, ND 58790-7417 701-338-2855  
1225 Highway 2 Bypass E. ▪ Minot, ND 58701-7927 701-852-0406  
Fax 701-624-0353 ▪ WATS 1-800-472-2141  
E-mail: [rec@verendrye.com](mailto:rec@verendrye.com) ▪ Website: [www.verendrye.com](http://www.verendrye.com)

September 9, 2008

Governor John Hoeven  
North Dakota Capital Building  
600 East Boulevard Avenue  
Bismarck, ND 58505-0001

RE: North Dakota Heritage Center expansion funding

Dear Governor Hoeven,

It is my pleasure as a cooperative manager to express support for the North Dakota Heritage Center. The electric cooperative family is committed to preserving the heritage and history of North Dakota. After all it is this rich history that makes this State a great place to live and work.

The cooperative family has made a strong financial commitment to the expansion of the North Dakota Heritage Center through our statewide organization and is supported by the majority of the electric cooperatives in North Dakota. It is our sincere hope that the State will provide additional funding for completion of this project in the 2009-2011 Executive Budget.

Support from the Governor will help garner additional private funds through individuals and businesses alike. Again we sincerely urge your support through Master Plan funding for the expansion of the North Dakota Heritage Center.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bruce R. Carlson'.

Bruce R. Carlson

General Manager, Verendrye Electric Cooperative

CC: VEC Board of Directors  
Dennis Hill, NDAREC General Manager



North Dakota Association of Rural Electric Cooperatives  
3201 Nygren Drive NW • P.O. Box 727 • Mandan, ND 58554-0727

Phone: 701.663.6501 or 800.234.0518  
Fax: 701.663.3745 • [www.ndarec.com](http://www.ndarec.com)

September 11, 2008

Governor John Hoeven  
600 East Boulevard Avenue  
Bismarck, ND 58505-0001

Gov. Hoeven,

I'm writing to express the support of North Dakota's rural electric cooperatives for the expansion of the North Dakota Heritage Center. Our rural electric cooperatives are proud of our state's heritage, and look forward to the day when this rich heritage can be showcased in an even more impressive center.

Prior to the 2007 legislative session, our Association's board of directors voted to support a \$250,000 contribution for the expansion of the Heritage Center. Of this amount, \$125,000 will come directly from our Association and the remainder is pledged by individual electric cooperatives. This REC contribution is contingent on major state funding for the project. Because the legislature did not fund its share of the expansion during the last session, our financial support for the expansion remains in reserve.

We strongly support your inclusion of full funding for the state's share of the Heritage Center expansion in the budget you present to the 2009 legislative assembly. In our view, this expansion would be a legacy investment for our state. The expanded Heritage Center would showcase our state's rich heritage and the people and businesses who have built our great state.

Again, we sincerely urge support for major state funding of the Heritage Center expansion. Thanks in advance for your consideration of this request, and I would be happy to answer any questions you might have about our support for this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Dennis Hill", is written over the word "Sincerely,".

Dennis Hill,  
Executive vice president  
and general manager

cc: Robert Grant, president, NDAREC





September 24, 2008

Governor John Hoeven  
North Dakota Capitol Building  
600 East Boulevard Avenue  
Bismarck, ND 58505-0001

Dear Governor Hoeven:

I am writing to express SRT Communications support for completing the expansion of the North Dakota Heritage Center and providing the professional staff and technology to enhance the programs.

In January of 2007, SRT pledged \$15,000 to the expansion project; our Board of Directors felt it was important to contribute to a Center that will promote North Dakota's incredible history.

On behalf of the SRT Board of Directors I urge you to support the master plan for the expansion of the North Dakota Heritage Center by including the necessary funding in your 2009-2011 Executive Budget. Your support is greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven D. Lysne".

Steven D. Lysne  
CEO/General Manager



Highway 5 West  
Columbus, ND 58727  
Phone: 701-939-6671  
Toll Free: 1-800-472-2983  
www.bdec.coop  
E-mail: bdec@bdec.coop

September 25, 2008

Governor John Hoeven  
North Dakota Capitol Building  
600 East Boulevard Avenue  
Bismarck, ND 58505-0001

Dear Governor John Hoeven:

As General Manager of Burke-Divide Electric Cooperative, and on behalf of its board of directors, we are pleased to be making an investment to expand the North Dakota Heritage Center. This project is a vital element to the network of our state's heritage tourist attractions. The expanded facility will be sought out not only by tourists but will re-introduce the history of our state to North Dakota natives. It will be a much improved educational resource for our children.

**Burke-Divide Electric Cooperative is happy to announce that we have pledged \$2,258.00 to the expansion of the North Dakota Heritage Center. We encourage you include funding for this project in your 2009-2011 Executive Budget.**

We believe your support will more than likely encourage others to do the same.

Sincerely,

Jason Brothen  
General Manager  
Burke-Divide Electric Cooperative



**CAPITAL ELECTRIC COOPERATIVE, INC.**

4111 STATE STREET • P.O. BOX 730 • BISMARCK, ND 58502-0730 • PHONE: 701.223.1513 • FAX: 701.223.1557 • WEB SITE: [www.capitalelec.com](http://www.capitalelec.com)

November 12, 2008

Governor John Hoeven  
North Dakota Capitol Building  
600 East Boulevard Avenue  
Bismarck, ND 58505-0001

Dear Governor John Hoeven:

I am writing to you to express my support for completing the expansion of the North Dakota Heritage Center and providing the professional staff and technology to enhance programs.

As a citizen of this state, I am excited about making an investment in the further expansion of the resources of the State Historical Society. An expanded Heritage Center is central to the marketing of the extensive network of heritage tourism attractions all across the state. The Smithsonian quality facility and staff will showcase North Dakota as the modern and forward thinking state that it is. With more space for interpretation and preservation, this "hub of history," will draw visitors into the magnificent "front door to North Dakota."

**Capital Electric Cooperative is proud to have pledged \$11,783 to the expansion of the North Dakota Heritage Center, and Governor Hoeven, I encourage you to include funding for this in your 2009-2011 Executive Budget.**

Your support for this will attract more private support from organizations like ours (or people like me).

Again, I urge you to support the Master Plan for the expansion of the North Dakota Heritage Center.

Sincerely,

Ordean "Lars" Nygren  
General Manager



**House Appropriations Education and Environment Committee**

Hearing Monday, January 12, 2009. 9:30 – 11:00 a.m. Sakakawea Room, State Capitol

**H. B. 1018 State Historical Society Budget with ND Heritage Center Expansion Funding**

Barbara Handy-Marchello, Ph.D., Associate Professor Emerita, University of North Dakota  
3801 Signal Street, Bismarck, ND, 255-7639, handymar@extendwireless.net

I have had the opportunity to work with the State Historical Society of North Dakota over the past twenty years as a researcher, speaker, and volunteer. I am currently employed by the Center for Distance Education to prepare primary source documents to accompany the new *North Dakota History* textbook. These documents and explanatory materials will be available through the Society's web page, <http://history.nd.gov/textbook/index.html>.

My recent work has given me the opportunity to explore the archival and museum collections beyond the requirements of my own research. I have found that the collections have a tremendous range and depth, surprising and enlightening even to researchers who have studied North Dakota history for years. The documents housed in the state archives, manuscript collections, and photo collections richly document the history of this place and the peoples of many cultures who live or have lived here. These documents give our young people a sense of how they can participate in shaping their own future by understanding the people who created our present institutions and industries. The collections of artifacts in the Museum Division provide a tangible dimension to the Heritage Center's explanation of North Dakota's past, and demonstrate the development of the territory and the state, as well as our political, economic, and social order.

The documents and artifacts housed in the Heritage Center also connect the state historically to national and world events. Lakota Winter Counts include reference to meteor showers seen around the country; a farm wife in Bottineau County commented on the testing of atomic bombs in the 1950s; North Dakota soldiers brought back photographic evidence of

World War I to their home towns; a Japanese fisherman from California recorded his experience during World War II and his internment at Fort Lincoln; and North Dakota's oil patch has drawn both national and international attention. All of these pieces of our past tell us who we are and how we are connected to the world beyond the state's borders.

The expert and knowledgeable Heritage Center staff face a tremendous challenge in caring for the collections and making them available for public use or display. Space in the Museum is quite limited and though visitors are impressed by the quality of the museum and the range of North Dakota history, there is room to display only a small portion of this state's amazing history.

The need for the new building and expanded staff is quite clear. I offer full support for House Bill 1018 funding the State Historical Society Budget and the North Dakota Heritage Center expansion.

**House Appropriations Education and Environment Committee**

**Hearing - Monday, January 12, 2009 – 9:30-11:00 am – Sakakawea Room – State Capitol**

**HB 1018 – State Historical Society Budget with ND Heritage Center Expansion**

Mr. Chairman and members of the Committee, my name is Gerald Skogley. I am in favor of approval of HB 1018.

I live in Bismarck. I grew up in Mott, graduated from high school there. I am a graduate of Bismarck Junior College and received two degrees from the University of North Dakota. Upon graduation at UND I was employed as a financial officer for that institution. I was there 27 years, leaving in 1983 as their Vice-President for Business and Finance.

Upon leaving UND, I was employed as Chief Financial Officer for the Bush Foundation in St. Paul, Minnesota. I worked there for 14 years until retirement in 1997. In addition to the financial work, I also was involved with grant making.

In 2002, my wife and I returned to North Dakota, living in Bismarck, her hometown. We are happy to be back.

Shortly after our return, we were invited to become Trustees of the State Historical Society of North Dakota Foundation. Because of my foundation background, Virginia Nelsen asked if I would help the Historical Foundation identify foundations in the region which might be approached for support of the addition to the North Dakota Heritage Center. I provided a list of about a dozen foundations which I thought could possibly be approached for funding, and agreed to make myself available to assist in any way in the effort to get their support. I continue to consult with staff of the Foundation in this regard.

I cautioned staff that it would be nearly impossible to get foundation support until the State of North Dakota made a substantial commitment for funding the addition or fully authorized the project. It is particularly important because most foundations do not fund state projects, however, many of them do assist in historic preservation.

I thank you for allowing me to speak in support of this bill and I would be happy to respond to any questions you may have.

**House Appropriations Education and Environment Committee  
January 12, 2009, 9:30-11:00 am, Sakakawea Room, Capitol, Bismarck**

**Chuck and Janet Esser, Mandan, North Dakota**

HB 1018 - State Historical Society of North Dakota Budget and Funding for  
North Dakota Heritage Center Expansion

Legislators and Fellow North Dakotans,

I am speaking on behalf of both, my wife Janet, and myself in urging you to address the need for further funding to continue the serious business of the final phase of the expansion for the Heritage Center.

I use the term serious business, because, indeed, it is just that. It is a project fully as relevant to the needs of our citizens as any you address during this legislative session.

We have come to think of North Dakota as the "last frontier." And maybe we are just that. Being the "last frontier" has a good ring to it for most of us. It means we are hard workers, dollar conscious, and mindful of our people. But the time is at hand to take a leap of faith and make sure that when this country discovers North Dakota we have big surprises for them.

The time is at hand like never before to make sure the story of our state and the story of our people is presented in the finest way possible. We have been gifted with a dedicated and extremely talented team of visionaries who can see this project through.

It is time to finish the job of our Heritage Center. Let's give our people something to show off with pride. Take this step and then step back and look at what you have done for our state. Our heritage is at the root of who we are and what we are. We can do more and we have the team in place to make it all happen.

We are a state rooted in the true grit history relevant to the expansion of our nation. Let's put ourselves in a position to send people home from a visit to North Dakota in awe of what we have done to be preservationists. Don't drop the ball now. Let's do it!!

House Bill: 1018 – Historical Society Budget and Expansion for Heritage Center  
House Appropriations Education and Environment Committee  
Jan. 12 2009 – Jack Olin, Dickinson, ND, retired business owner, former Legislator

Mr. Chairmen and members of the committee, for the record my name is Jack Olin. I am from Dickinson, N. D. and have lived there for fifty plus years. Before that I lived in Sims, N.D. By the way Bismarck is about 35 miles east of Sims. Now just maybe some of you missed class, when you were in school and the teacher talked about Sims, if you did I am sure if you can go up to the Heritage Center and get the complete history of this town.

I have spent forty plus years in the ready mix concrete business. I had the honor and the privilege of serving four sessions in the North Dakota Legislature. I am now retired so I guess that means I am unemployed.

I am here today in support of House Bill 1018.

I have said many times because I heard it said many times, “yesterday is history and tomorrow is a mystery.” What about today? Well, as each today goes by, it is our responsibility to record and preserve the history of yesterday. It is also our responsibility to plan and prepare for the mysteries of tomorrow. In order to do so we need room to store, to preserve and to display our history.

House Bill 1018 will help those needs for many years to come. About eight years ago our present Governor, John Hoeven, and the five living past Governors played an important leadership role in supporting the expansion of our dreams of our history agency and now is the time to build on those dreams with funding for the bricks and mortar to complete this building. Back in the late 1800's when the territorial capitol was built for the Dakota's, they were able to get brick from Sims but now for this project they will have to go to Hebron.

I believe this is the time to move forward with this great project. The opportunity is here and with your help we can get this accomplished. Former Governor Art Link said some years ago and I quote, "By recording the history of our state we are honoring the memory of our parents, we are demonstrating our confidence in the professional integrity of our State Historical Society of North Dakota and its Foundation, and we are demonstrating to our children, grandchildren and our great-grandchildren a gift of timeless value." End of quote.

What an opportunity we have, what a responsibility before us to record those yesterdays and prepare for those mysteries that lie ahead of us in those tomorrows

Thank you very much for your time and we would appreciate your support on House Bill 1018.

**House Appropriations Education and Environment Committee**  
**January 12, 2009 - 9:30am - Bismarck, ND, State Capitol Building, Sakakawa Room**

**House Bill 1018 – State Historical Society Budget with ND Heritage Center Expansion Funding**

Stevan G. Dewald, P.E. – President/Principal Civil Engineer, Lightowler Johnson Associates Inc.  
Phone: 701.293.1350 Cell: 701.238.6867  
Email: sdewald@lja-1.com  
700 Main Avenue . Fargo, ND 58103

Chairman Skarpohl, Vice Chairman Wald and other distinguished committee members, I want to thank you for the opportunity to address the State Historical Society Budget with ND Heritage Center Expansion Funding.

As a contributor to the State Historical Society of North Dakota Foundation I am sincerely passionate about the proceeding of this bill. This bill would provide many positive effects both intrinsically and economically. To invest in our history and culture is paramount – to teach our past is necessary to ensure generations understand our faults and our progression. It is important to continue procuring both information and materials from our past, as our past grows larger every day and we need to ensure these items are preserved properly.

A project of this size will bring a number of positive short-term and long-term economic impacts to the area. Designers, as myself, contractors, and several other industries will be given sustenance, in a time when greatly needed, by the North Dakota Heritage Center State Museum Expansion. The new expansion will, in-turn, act as an economic catalyst promoting travel and additional corresponding spending. The effect of this investment will generate a fascinating attraction not only for North Dakota residence, but individuals nationwide. Funding for the State Historical Society will allow the creation of an attraction that will continue to generate long-term spending in our region.

Thank you for your attention to this issue and your commitment to our future's past.



Mr. Chairman and members of the committee, my name is Amy Guthrie Sakariassen. I live in Bismarck and appear before you in support of <sup>1481</sup> HB 1018.

I am by profession an archaeologist and have worked for a number of years as a freelance cultural resource specialist. Many of the people who are here to show support for the maximum possible funding of the Heritage Center Expansion as addressed in this bill have or will speak to the inescapable need for more room to showcase and interpret the increasingly complex history of North Dakota to an audience that is also both increasingly complex and increasingly demanding.

I would like to address a slightly different aspect which I feel should be recognized as a component of the need for additional space within the Heritage Center. As a freelance researcher, I am frequently in the offices of Archaeology and Historic Preservation. The materials which I must consult are housed in this area. When I started this type of work twenty years ago there was actually room for several researchers to move about and access the necessary records. Now, in 2009, there are thousands more site forms, project reports and maps, and more researchers using a space which was not generous two decades ago. This leads to inefficient expenditure of my time and my clients' money.

The existing demands of the field of archaeology and the importance of the business of contract archaeology in the development of the energy resources of North Dakota have surpassed the decades old expectations. The bill before you is about space and about insightful planning, and about understanding that future expectations for our public facilities must be anticipated. It is not just the major public exhibit areas and auditorium spaces which must be expanded, but also those spaces for the inner workings of such a facility. I ask you to think of collection maintenance, development and storage locations, laboratory areas for fossil preparation and archaeological artifact analysis. And, yes room for the researchers. The future we are asking you to support now is one that must be funded and planned to anticipate and accommodate a growth and demand that is inescapable.

Thank you for your service and your time.

HB 1481



House Appropriations Committee:

January 12<sup>th</sup>-9:30-Sakakawea Room

House Bill -1018- State Historic Budget

Heritage Expansion Funding

Enoch Thorsgard

*same  
given to  
Senate approps*

To: Members of the Appropriations Committee

North Dakota has in the past often been referred to as state of lesser significance, but in recent years that has been drastically reversed.

The characters of our people, are ambitious government, are clean and open environment and our prosperous economy all have an inviting influence.

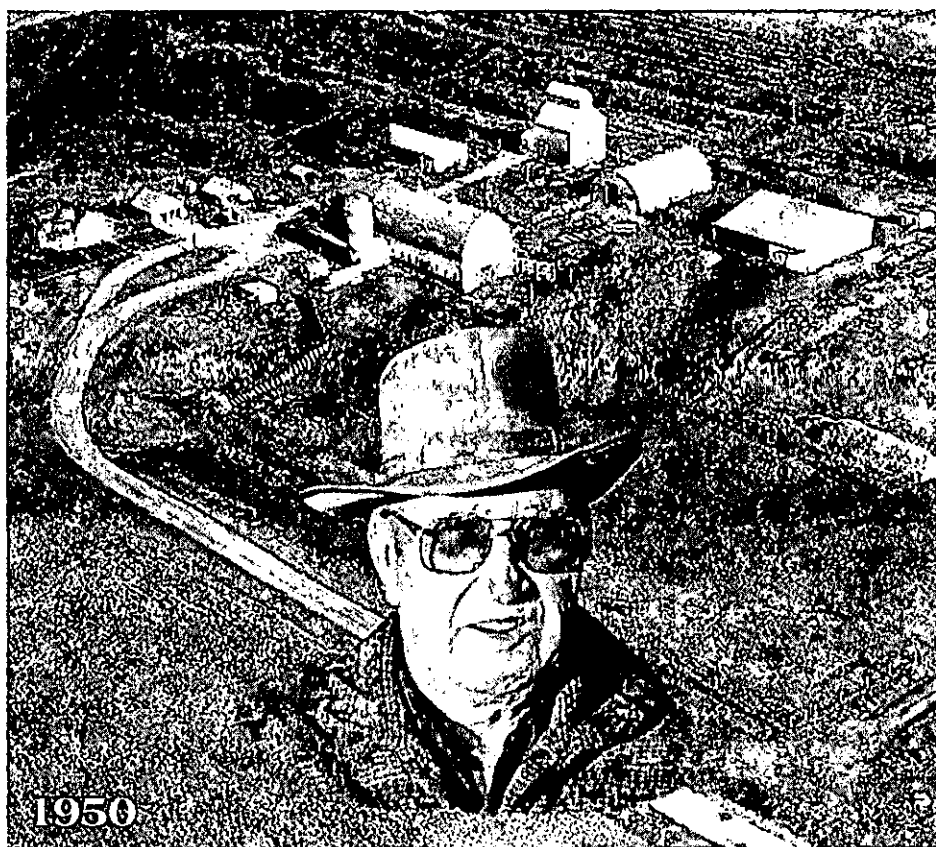
"A Smithsonian on the Prairie" may be the added fringe benefit that will keep us excelling and put us on a level above much of our country.

Little did we realize 25 years ago the significance of our investment our present Heritage Center and this expansion may secure our future.

I would appreciate your support on House Bill 1018.



# ENOCH'S SAGA



## Horsepower to Satellite In a Single Lifetime

by  
Enoch Thorsgard  
Northwood, North Dakota

a bill weighs heavily on legislators. It is great to live in a state where one person with a great idea, ability, and determination can change a law which will affect a whole state. Much of the time legislators are not fully aware of the significance of their actions, or of the opportunities and responsibilities they have to help or hurt their fellow citizens. Just one word, such as "may" or "shall," will completely alter the structure of the law. Ignorance of the facts will make for bad legislation.

### **North Dakota Heritage Center**

One of my projects while serving in the North Dakota legislature and being on the appropriation committee was getting a new Heritage Center. I remember after much selling, a member of the policy committee said, "You get your first \$40,000." For every session thereafter I carried the budget for the new Heritage Center and the museum budget. It wasn't a popular issue at that time. I do not remember anyone giving me an encouraging statement. I also usually had the park and recreational budget. They sometimes made fun of me working hard for these unimportant programs. They gave me a teddy bear at a party.

Little did they realize that tourism in very few years would be our second largest industry. We are in a very favorable location. People can leave the crowded city and still find a place where they can be alone and get lost. Whatever we can do to help them have a good vacation will be profitable to us.

We do have the legendary Lewis and Clark Park and Interpretive Center, Theodore Roosevelt and Sitting Bull sites, the Medora State Park and Recreation Grounds complete with the Medora Musical, and many unique and interesting outdoor vacation possibilities. Some could be stopping en route to the lakes and wilderness of Canada.

Free people are proud of their history and heritage. The leadership in countries like Russia and China are not like that. They destroy buildings that remind people of the past. On a trip to Japan and Australia and other countries, in Taiwan we visited the largest museum I have ever had the opportunity to visit. They had with much effort carried souvenirs and memorabilia from China as they escaped from Communism during the war. They planned someday to return to China and restore their heritage.

I also toured a very large museum, the Pioneer Museum, in Mindin, Nebraska. A wealthy businessman had spent a considerable amount of money to keep and exhibit every kind of machinery and equipment and furniture ever used in our country. He emphasized again and again his purpose is to always remind our people what can be accomplished in a free society with a free enterprise system. There are no limits to our achievements.

A well-known public figure recently stated that life on a farm has changed more in his lifetime than it did the previous 2,000 years. It would indeed be a great loss, if this is a true fact, to lose for posterity a few of the stories and happenings of this period. Certainly generations to come will be inspired and proud of our heritage and our history.

The stories of the struggles and hurts and accomplishments of those, our forefathers, have lessened the struggles of my generation.

Senate Appropriations Committee  
Senator Ray Holmberg, Chairman  
HB 1481 - Expansion of the North Dakota Heritage Center  
Thursday, March 5, 11:00 a.m. - Harvest Room - Capitol

Owen Walter Piehl, 260 119<sup>th</sup> St. NE, Menoken, ND 58558

- Owen was eight years old on January 24, 2009
- Owen is in the second grade at Apple Creek Country School
- His parents are Marnie and Shadd Piehl of Menoken
- His grandparents are Becky and Walter Piehl of Minot and

Dina and Bill Butcher of Bismarck

Mr. Chairman and Committee members, my name is Owen Piehl. I think the Heritage Center is pretty cool. What I like best about the Heritage Center is all the things that have to do with dinosaurs.

Last summer, I took a class and we got to go behind the scenes. I saw the body of Dakota that is not on display yet. They were trying to find Dakota's head. They think that when Dakota died, he laid down with his head on the body and when he got fossilized, the head went into the body. I think they should let kids go behind the scenes more often. Maybe if there was more space that could happen.

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Last time I was at the Heritage Center, during Christmas break, I took notes on the dinosaur exhibit. I learned that a T-rex could tear off as much as 500 pounds of flesh at one time and that T-rex weighed 8 tons.

I really like dinosaurs and I try to learn about them whenever I can. If the Heritage Center were bigger then I could see more of the stuff that lived here more than a million years ago. So I hope that you decide to make the Heritage Center bigger so I can see more and so can my brothers and friends.

Thank you for allowing me to talk to you today.

**Senate Appropriations Committee  
Senator Ray Holmberg, Chairman  
Thursday, March 5, 2009, Harvest Room, State Capitol**

**Janet and Chuck Esser, Mandan, North Dakota**

**HB 1481 – Expansion for the North Dakota Heritage Center**

Legislators and Fellow North Dakotans:

I am speaking on behalf of both my husband Chuck and myself when I urge you to take the final step necessary to complete the funding needed to finish the final phase – the Master Plan - for the expansion of the Heritage Center.

I would like to take this opportunity to acknowledge the private sector of our state who have and will make significant donations to this project. We need to recognize the initiative of the North Dakota Lions Clubs in coming forth with a plan to bring together dollars from all the clubs in the state over a five year period to help make this happen—a grass roots movement. And we do need to acknowledge that we have in place an outstanding team of professionals in our Heritage Center who have the vision and the skills to bring this project to fruition. These are facts and facts count! The rest of this story is one of the heart and soul, ours, the



descendents of the settlers of the Northern Plains. And that is where you come in.

This funding is as important to the state of North Dakota as any need you may address this year. It is important for altogether different reasons than you apply to the other funding decisions you may make. This is one that speaks to the heart and soul of our people, their dreams and maybe more importantly, to their individual legacies as children of ancestors who made their way to the northern plains with a dream in their heart of a better life.

They came, they planted, they suffered setbacks, but they persevered and in time their conservative nature and frugality in the face of necessity paid off. The North Dakota of the great depression was one of anguish. The money dried up and the land dried up. And out of that pain came a state whose memory is long.

And because of those hard years and the careful nature of our people, we are in a position to finish the job of completing a world class showcase to tell this wonderful story with pride.

Our ancestors had dreams of a greater state and a better life for their offspring. There have been setbacks over the years, but here is our chance to honor those dreams.

Please do as those who came before us would do. Think long and hard about lending your approval to the project of completing this Heritage Center, and then do the right thing. Let it happen.



# North Dakota Geological Survey

Edward C. Murphy - State Geologist

Department of Mineral Resources

Lynn D. Helms - Director

North Dakota Industrial Commission

<https://www.dmr.nd.gov/ndgs/>

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## House Bill No. 1481

### TESTIMONY BEFORE THE SENATE APPROPRIATIONS COMMITTEE

Ed Murphy  
March 5, 2009

Good Morning Chairman Holmberg and members of the Senate Appropriations Committee. My name is Ed Murphy and I am the State Geologist with the North Dakota Geological Survey, Department of Mineral Resources, Industrial Commission. I appear before you to testify in favor of House Bill 1481.

The North Dakota Geological Survey and the State Historical Society of North Dakota have a very strong and unique partnership. Our paleontology program is housed in the Clarence Johnsrud Laboratory in the Heritage Center. The Johnsrud Laboratory occupies 3,300 square feet in the basement of the Heritage Center. While we are very appreciative of the space, our offices, laboratory, and fossil storage area are crowded into an area under the auditorium that was originally intended only for storage. As a result, we have issues controlling dust and noise in the laboratory and there is insufficient headroom in one office and along the east wall of the room that houses the State Fossil Collection. We do not have sufficient space in the fossil preparation area for large fossils and have been forced to work on the "mummified" duckbilled dinosaur known as *Dakota* in an area that was not designed for that function. In addition, at the rate that we are collecting fossils, we estimate the State Fossil Collection area will be full in two to three years.

We recently completed the Corridor of Time exhibit in the main gallery of the Heritage Center. This exhibit focuses on the geologic past in North Dakota 10,000 to 70,000,000 years ago, with an oil and gas display that highlights rocks that are hundreds of millions of years old. Because of space limitations in the gallery, the exhibit was squeezed into a 1,900 square-foot area. Ideally, the exhibit would have occupied an area twice that size. In addition, we are currently finalizing an agreement with the owner of *Dakota* to display it until at least July 1, 2015. While this is a fossil that any museum in the world would be excited to display, there is not enough available space in the Main Gallery of the ND Heritage Center to adequately display this fossil. As a result, it will likely be displayed against a wall in the gallery entry area where viewing will be limited.



A crowded space in the Johnsrud Paleontology Laboratory that serves as a hallway, office, microscope laboratory, and library



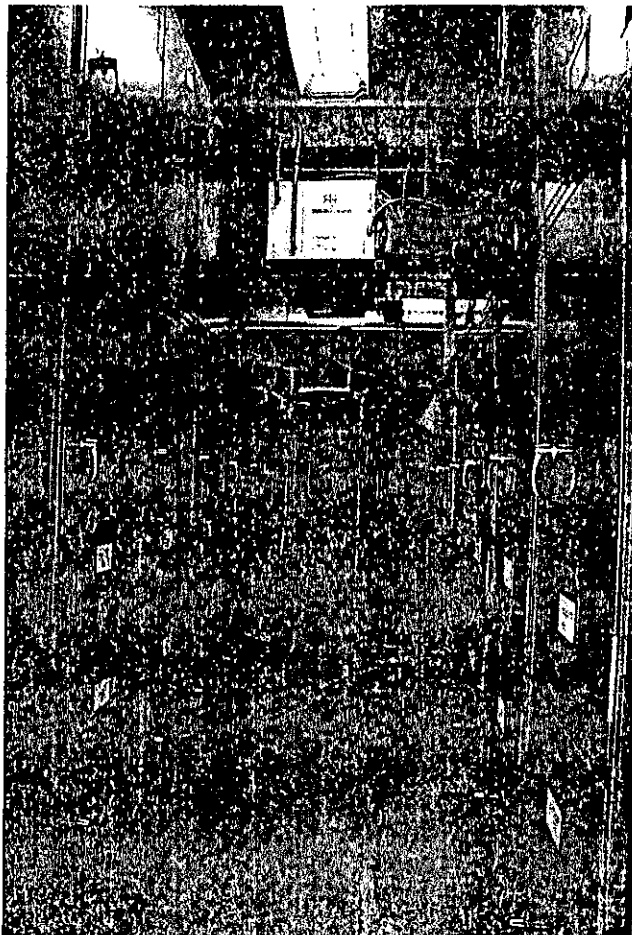
Because the Johnsrud Laboratory is located under the auditorium of the ND Heritage Center, there is limited headroom along the east wall of the State Fossil Collection area.



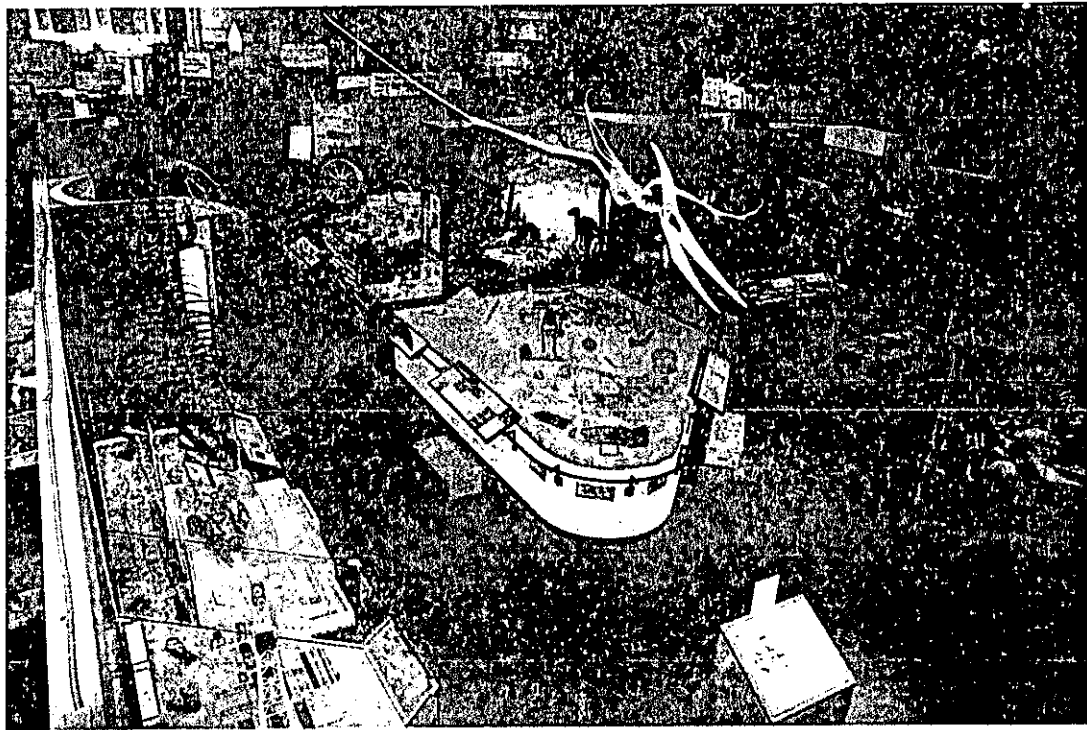
The pipe for the fire sprinkler system creates limited headroom in an office of one of the paleontologists.



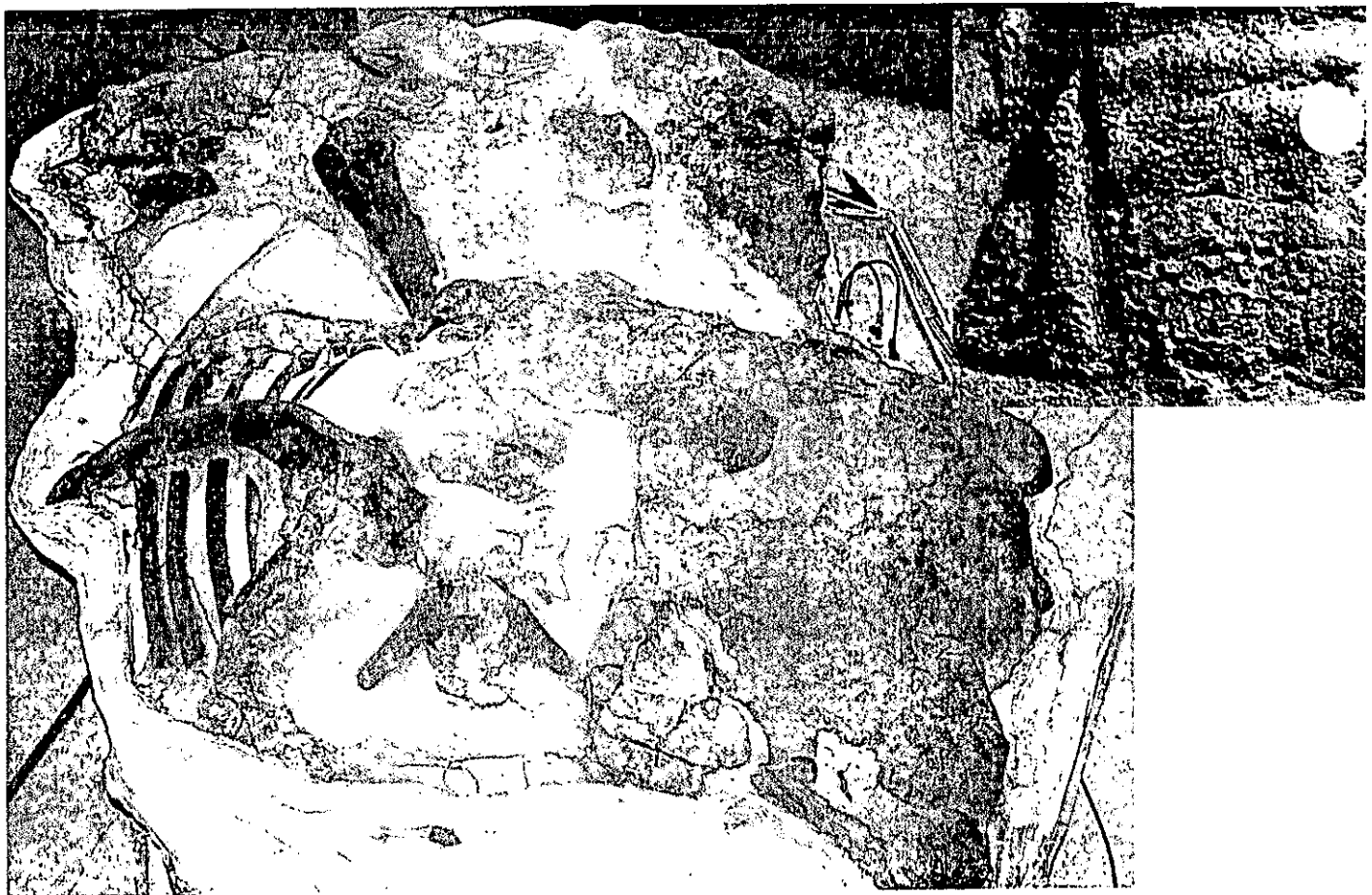
Geological Survey paleontology technicians painstakingly removing layers of rock from the bone and skin of the “mummified” duckbilled dinosaur named Dakota. The specimen was too large for the fossil preparation area (double doors in the background) so it was placed in the research room. The black hose overhanging part of the specimen is a portable air-filtration system.



Paleontologist Jeff Person pulling a fossil specimen from one of the 150 storage cabinets that house the State Fossil Collection. The cabinets contain tens of thousands of fossil specimens. We estimate this space will be completely filled in two to three years.



The Corridor of Time exhibit in the Main Gallery of the North Dakota Heritage Center. This exhibit is constrained by the wall on the lefthand side of the photograph.



The partially prepared skeleton and skin of *Dakota* in its field jacket. Inset photo is closeup of scales and folds preserved in the fossilized skin of *Dakota*.

# State Historical Society of North Dakota

House Appropriations—Education and Environment

January 12, 2009

Representative Skarphol and members of the Committee, my name is Neil Howe and I am the Coordinator of the North Dakota Studies Project at the North Dakota Center for Distance Education.

I am here today to support the tremendous work done by the staff at the State Historical Society of North Dakota (SHSND) and the many resources they provide to our citizens.

The North Dakota Studies Project was first initiated and funded beginning in 2005. Since that time, we have developed and published:

- 5 curriculum units for 4<sup>th</sup> Grade North Dakota Studies,
- 5 curriculum units on the *Habitats of North Dakota* for elementary students,
- *North Dakota Legendary*, a textbook for 8<sup>th</sup> Grade students,
- *North Dakota History*, a textbook for high school students.

In 2007, the North Dakota Studies Project and the SHSND began collaborating on the development and publishing of a high school textbook, *North Dakota History*, to assist the schools of the state in meeting NDCC 15.1-21-02 as adopted by the 2007 Legislative Assembly.

*North Dakota History* was first made available to schools beginning in July 2008 and the textbook has been received well by the schools. The content from the *North Dakota History* textbook was collected from more than 100 years of articles published by the SHSND. *North Dakota History* received the North Dakota Library Association's **2008 Notable Document Award** and this nomination has been forwarded to the National Library Association.

The North Dakota Studies Project and the SHSND continue to collaborate on this North Dakota History initiative. In addition to the development of the print-based textbook, we have developed 24 online, supplemental "document sets" to accompany the textbook. These primary documents, from the Archives of the SHSND, have been chosen to tell the story about particular historic events through the eyes of those who lived the past. They are also intended to provide further research, inquiry, and understanding for students and teachers investigating the fascinating history of North Dakota.

In just a few days, these *North Dakota History* “document sets” can be viewed and used by North Dakota students, teachers, and others at the following websites:

[www.history.nd.gov/educators.html](http://www.history.nd.gov/educators.html) OR  
[www.NDstudies.org](http://www.NDstudies.org)

By July 1, the North Dakota Studies Project and the SHSND will develop an additional 12 “document sets” of primary research material to directly accompany the seven units of the high school *North Dakota History* textbook. Primary research “document sets” will include the following topics: “The Civilian Conservation Corps in North Dakota”, “The Flood of 1997”, “North Dakota Capitol Burning/Reconstruction”, “Maps—The Changing Face of North Dakota”, “Modern Indian Life”, “Sitting Bull’s Guns”, “North Dakota Water Resources”, “Early Fur Traders”, “The Nonpartisan League”, “World War I and II Posters”, and “Modernizing North Dakota’s Farms after World War II.”

The development and publishing of North Dakota History demonstrates the excellent results that can be accomplished with this type of inter-agency collaboration. The staff at both agencies that have been involved with this North Dakota History initiative have provided thousands of hours of expertise and dedication to make it a success.

The North Dakota Studies Project continues to develop modern and up-to-date curriculum for the students of North Dakota. By collaborating with the SHSND, these resources are now current and easily accessible in both print and online for the first time in more than a generation.

