

NORTH DAKOTA STATE PARKS COST OF OWNERSHIP

The North Dakota Parks and Recreation Department's capital investments combined with the operation, maintenance and lifecycle replacement costs amounts to the total cost of ownership.

CAPITAL PROJECTS

Capital projects are investments or divestitures of infrastructure that adds or decreases the agency's level of service. The executive budget recommendation includes a proposed \$9.88 million bonding package. The following list comprises the recommended capital projects in HB 1019 for the 2021-2023 biennium. Recommendations focus on projects that support a 21st century workforce, modernize our services to enhance the public's experience and increase return on investment.

\$2,200,000	Seasonal and park ranger housing
\$500,000	Marina Repairs: Garrison Bay Marina breakwater repairs and engineering study of marinas
\$1,660,000	Electrical service upgrades at park properties
\$1,500,000	Fiber upgrades to park properties
\$350,000	Road and camping pad repairs
\$500,000	Stream bank stabilization engineering and construction at sites with river or lake shorelines
\$1,100,000	Water service upgrades
\$1,300,000	Sanitary sewer compliance engineering studies and compliance repairs/expansions
\$775,000	Construction to the Boy Scout Dining Hall at Lake Metigoshe State Park

EXTRAORDINARY REPAIRS

Extraordinary repairs are repairs over \$5,000 in value that extend the lifespan of existing infrastructure. These projects sustain the agency's level of service. The executive budget recommendation provides a \$10 million appropriation for park deferred maintenance from Legacy Fund earnings.

Statewide Deferred Maintenance

Buildings \$6.5M	Paved Roads \$52.4M
Shorelines \$6.5M	Gravel Roads \$4.3M

PLUMBING FLOORING
SHINGLING PAINTING
 LIGHTING **STAINING**
 PLAYGROUNDS **WINDOWS INSULATION**
ELECTRICAL CAULKING
 HVAC **ROADS SANDING**

EXEMPTIONS

The Department is requesting an exemption for any funds remaining for park enhancements in Section 1 of Chapter 53 of the 2015 Session Laws and in subdivision 1 section 1 of Chapter 18 of the 2017 Session Laws, relating to the cancellation of unexpended appropriations.

Fort Stevenson State Park

- DeTrobiand Lodge reconstruction
- Campground
- Breakwater repair

Fort Abraham Lincoln State Park

- On-A-Slant Village

Balance as of December 31, 2020*

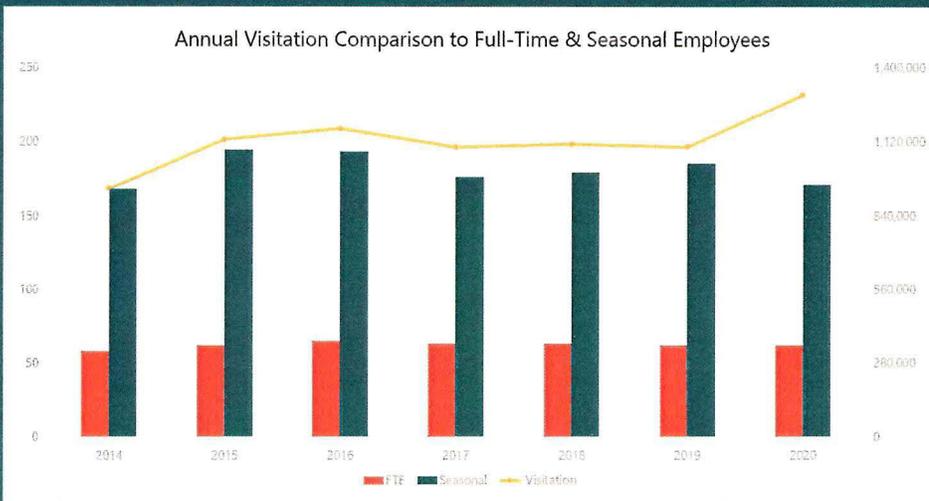
15-17
Biennium

\$302,211

17-19
Biennium

\$674,582

* Actual amount will be less due to construction in progress.



Increased visitation and facility use cause assets to naturally deteriorate faster, coupled with a decrease in staffing and unexpected damages, creating a situation where ordinary repairs may not get completed regularly, creating backlog and increased costs for repair projects.

Lifecycle replacement schedules will continue to be important as investments are made into the state parks.



UNEXPECTED DAMAGES

The North Dakota Parks and Recreation Department faces a wide range of unexpected damages from natural, environmental and human interference. These challenges take funding and staff time to repair that was not previously budgeted.

HB 1019 ADDITIONAL REQUESTS

As described in the North Dakota Parks and Recreation Department's written testimony, these are the additional requests for the Department for the 2021-2023 biennium. Included are Sections associated with Game and Fish, federal funds, International Peace Gardens, park enhancements, Lewis and Clark Interpretive Center and a State Parks Matching program. In addition, an inclusion of \$190,652 for a 5-year period ending in 2026 for leases at Little Missouri State Park is requested and a one-time \$20.6 million appropriation for park district infrastructure grant through bonding.

SECTION 3



GAME AND FISH OPERATING FUND - TRANSFER - BOAT RAMP OPERATION AND MAINTENANCE. The sum of \$122,000 or so much of the sum as may be necessary, included in the park operations and maintenance line item in subdivision 1 of section 1 of this Act, is from the game and fish operating fund, or federal or other funds available to the Game and Fish Department, and must be transferred to the North Dakota Parks and Recreation Department for maintenance, operating, and extraordinary repairs expenses relating to boat ramps at state parks for the biennium beginning July 1, 2021 and ending June 30, 2023.

SECTION 4



ADDITIONAL INCOME - APPROPRIATION. In addition to the amounts appropriated in section 1 of this Act, any additional federal or other funds that become available are appropriated to the parks and recreation department for the biennium beginning July 1, 2021 and ending June 30, 2023.

SECTION 5



EXEMPTION. Any funds remaining in the International Peace Garden line for repair of the peace tower at the International Peace Garden, in subdivision 2 of section 30 of chapter 15 of the 2013 Session Laws is not subject to section 54-44.1-11 and any unexpended funds are available for capital projects during the biennium beginning July 1, 2021 and ending June 30, 2023. Funding available for use by the International Peace Garden in this section will be subject to the International Peace Garden raising one to one matching funds from non-state of North Dakota sources consistent with the 2013 North Dakota legislative language. The North Dakota Parks and Recreation Department shall review and accept engineering proposals and specifications before committing additional funds to the project and shall assist with bidding and construction of any work associated with this section.

On December 30, 2020, the Bank of North Dakota approved the \$3,000,000 loan plus interest for the International Peace Garden per Section 12 of the 2019-2021 budget appropriation. We need an appropriation to pay the principal and interest on this loan.

SECTION 6



EXEMPTION. Any funds remaining for parks enhancements in subdivision 1 of section 1 of chapter 53 of the 2015 Session Laws is not subject to section 54-44.1-11 and any unexpended funds are available for park enhancement projects during the biennium beginning July 1, 2021 and ending June 30, 2023.

The Department would like to request an amendment to the executive budget recommendation in Section 6 "Exemptions" to the following: "Any funds remaining for parks enhancements in subdivision 1 of section 1 of chapter 53 of the 2015 Session Laws and in subdivision 1 section 1 of chapter 18 of the 2017 Session Laws is not subject to section 54-44.1-11, and any unexpended funds are available for park enhancement projects during the biennium beginning July 1, 2021, and ending June 30, 2023."

SECTION 7



CONVEYANCE OF LAND AND BUILDINGS – LEWIS AND CLARK INTERPRETIVE CENTER – EXEMPTION. The State of North Dakota, by and through the North Dakota parks and recreation department shall convey ownership of the Lewis and Clark interpretive center and surrounding real property to the state historical society. Sections 54-01-05.2 and 54-01-05.5 do not apply to this conveyance.

DOT Grant - The estimated income line item in subdivision 3 of section 1 of this Act, includes \$100,000 of grant funding from the Department of Transportation for the purpose of defraying expenses for the Lewis and Clark Interpretive Center.

SECTION 8



Section 55-08-20 of the North Dakota Century Code is created and enacted as follows: Section 55-08-20 Parks Matching Grant Program – Continuing Appropriation. Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, North Dakota Parks and Recreation shall utilize one dollar in matching funds for every one dollar raised by a non-state entity for the purpose of capital projects dedicated to the improvement of North Dakota Parks and Recreation managed properties. Any funds utilized pursuant to this section are appropriated on a continuing basis to the North Dakota Parks and Recreation Department for capital projects.

SECTION 9



STATE PARKS MATCHING GRANT PROGRAM. The department of parks and recreation is authorized to use up to \$10,000,000, or however much is available, of the amount transferred to the park gift fund from Legacy fund earnings at the end of the 2019-21 biennium, pursuant to 2021 House Bill 1015 to establish a state parks matching grant program as provided in section 8 of this Act.

ADDITIONAL ADJUSTMENTS

Little Missouri State Park encompasses 45 miles of equine and walking trails across state land and leased private properties. These leases encompass 4,333 acres and expire November 1, 2021. Total costs of leased lands would be \$190,652 for a 5-year period ending 2026.

Park District Infrastructure Grant: The \$20.6 million appropriation would be utilized to revive a program similar to the Outdoor Recreation Grant Program, also known as the Community Grants Program, that was last funded in the 2013-2015 biennium.

Below are some payment examples. Please let me know if you would like any other scenarios.

\$3 million line of credit, fully advanced 1/20/21

	1.75%	2.75%	3.75%	4.75%
6/30/2021	\$ 3,023,301.37	\$ 3,036,616.44	\$ 3,049,931.51	\$ 3,063,246.58
6/30/2023	\$ 3,128,301.37	\$ 3,201,616.44	\$ 3,274,931.51	\$ 3,348,246.58

Annual Payment for \$3 million term loan

	1.75%	2.75%	3.75%	4.75%
4 year	\$ 783,115.24	\$ 802,290.37	\$ 821,645.42	\$ 841,177.61
6 year	\$ 531,521.97	\$ 549,937.57	\$ 568,640.34	\$ 587,625.45

Kylee Merkel, CPA

Business Banker

Economic Development and Government Programs

Bank of North Dakota

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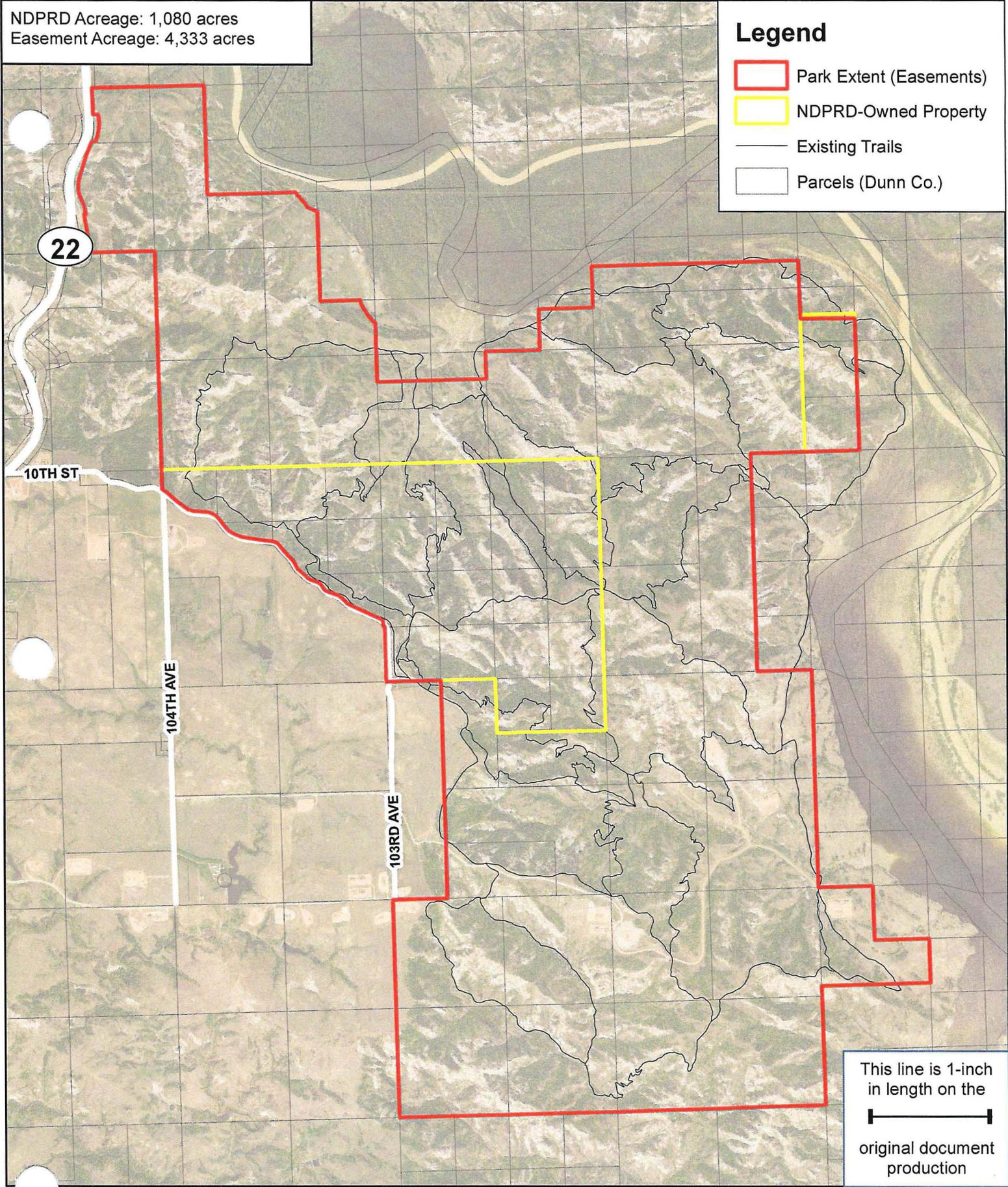
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NDPRD Acreage: 1,080 acres
Easement Acreage: 4,333 acres

Legend

-  Park Extent (Easements)
-  NDPRD-Owned Property
-  Existing Trails
-  Parcels (Dunn Co.)



This line is 1-inch
in length on the

original document
production

Little Missouri State Park - Existing Conditions

FOR INTERNAL USE ONLY

SCALE: 1 inch = 3,000 feet

