

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2341

2007 SENATE APPROPRIATIONS

SB 2341

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2341

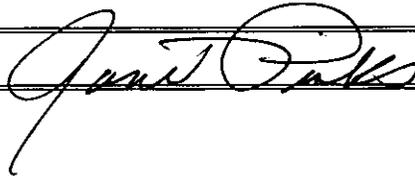
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 01/24/07

Recorder Job Number: 1764

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing for SB 2341 with roll call.

Senator John Andrist, District 2, Crosby, presented written testimony (1) and discussed the importance of SB 2341.

Representative Robert Horne, District 3, Minot, presented written testimony (2) in support of SB 2341 stressing the importance of the Heritage Center to North Dakota.

Governor Arthur A. Link, presented written testimony (3) testifying in support of SB 2341 identifying how important the Heritage Center is to North Dakota and how committee he is toward this project.

Merl Paaverud, Director, State Historical Society of North Dakota, presented written testimony (4) and testified on the expansion project of the ND Heritage Center Museum. He described the project and discussed the budget overview. In addition a brochure Plains Talk (6) and This Legendary Place, North Dakota, were distributed.

Senator Wardner has how much the museum has been able to raise for the project. The response was that some of the fund raisers would be talking.

Marvin Kaiser, President, State Historical Board, State Historical Society of ND, Williston, presented written testimony (5) urging support of SB 2341.

Representative Ole Aarsvold, District 20, Blanchard, testified in support of SB 2341

indicating now is the opportune time to support this bill as construction costs are going nowhere but up.

Governor George Sinner presented written testimony (8) for Virginia Nelson to read in support of SB 2341.

Virginia Nelson, Executive Director, State Historical Society of ND Foundation, presented written testimony (9) in support of SB 2341 indicating how all five former governor's are in support of the Historical Society projects. She presented a past history of the projects and the necessary expansion projects and today's needs.

Cordell Dick, Cordell Dick Consulting, presented written testimony (10) testifying in support of SB 2341 indicating he works with Foundation on the planning and fund raising campaign, author of the feasibility study and directly with contributor prospects.

Senator Grindberg asked if the plan for the campaign will be done in 2008 and if he would expand on the commitment. The response was the fundraising would continue on and the contributions are a five year commitment broken into yearly increments.

Michael Gustafson, Kindred, presented written testimony (11) testifying in support of SB 2341. He discussed his involvement with the Heritage Center, the importance of this expansion project and the importance of the Heritage Center to North Dakota.

Senator Holmberg closed the hearing on SB 2341.

The subcommittee will include Senators Grindberg, Krebsback, and Seymour.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2341

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02-08-07

Recorder Job Number: 3228

Committee Clerk Signature

Alice Delzer

Minutes:

Chairman Holmberg opened the hearing on SB 2341 On February 8, 2007 regarding Heritage Center Expansion.

Senator Grindberg presented the proposed amendment and explained the amendment to the committee.

Senator Seymour had questions regarding the federal dollar amount and fund raising issue.

Senator Robinson inquired about fund raising and the language usage as a trigger mechanism.

Senator Holmberg commented about the last session and their involvement regarding this project. He stated there was hope that the construction would be further along by this time.

Joe Morrsette OMB gave information regarding the governor's budget concerning this bill.

Senator Grindberg moved to pass the amendment. Senator Wardner seconded. Motion carried.

Senator Grindberg moved a DO PASS AS AMENDED, seconded by Senator Krebsbach.

A roll call vote was taken resulting in 12 yeas, 0 nays, 2 absent. The motion carried.

Senator Grindberg will carry the bill.

The hearing on SB 2341 closed.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2341

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02-13-07

Recorder Job Number: 3463

Committee Clerk Signature



Minutes:

Chairman Holmberg opened the hearing on SB 2341.

Senator Grindberg stated amendments are coming down. I felt we needed to look this bill over as a group. Some of the discussion involved the Heritage expansion.

Chairman Holmberg had questions regarding the language in the bill. There was no more discussion. The discussion of SB 2341 closed.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2341

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02-14-07

Recorder Job Number: 3485

Committee Clerk Signature

Alice Delzer

Minutes:

Chairman Holmberg opened the hearing on SB 2341 in reference to the Heritage Center at 9:15 am on February 14, 2007. This bill had been passed out on 02-08-07 as amended and referred back to the Committee as Senator Grindberg had new amendments drafted up.

Senator Grindberg presented Amendment and made the motion to accept the amendment. Senator Krebsbach seconded. Amendment passed.

Senator Grindberg moved a DO PASS AS AMENDED, Senator Christmann seconded. A roll call was taken resulting in 14 yeas, 0 nays, 0 absent. The motion carried. Senator Grindberg will carry the bill.

The hearing on SB 2341 closed.

Handwritten signature
2-9-07

PROPOSED AMENDMENTS TO SENATE BILL NO. 2341

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide a statement of legislative intent.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE INTENT - FUTURE FUNDING FOR HERITAGE CENTER EXPANSION. It is the intent of the legislative assembly that the office of management and budget favorably consider providing funding to the state historical society for the heritage center expansion project in the 2009-11 executive budget recommendation if the state historical society is able to demonstrate progress toward fundraising goals and federal funding is secured for the project. The sixty-first legislative assembly shall favorably consider appropriating funding to the state historical society for the heritage center expansion project if the state historical society is able to demonstrate progress toward fundraising goals and federal funding is secured for the project."

Renumber accordingly

Date: 2/8/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2341

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number 20846.0102 Title # .200

Action Taken Amendments

Motion Made By Grunberg Seconded By Wardner

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm			Senator Aaron Krauter		
Senator Bill Bowman, V Chrm			Senator Elroy N. Lindaas		
Senator Tony Grindberg, V Chrm			Senator Tim Mathern		
Senator Randel Christmann			Senator Larry J. Robinson		
Senator Tom Fischer			Senator Tom Seymour		
Senator Ralph L. Kilzer			Senator Harvey Tallackson		
Senator Karen K. Krebsbach					
Senator Rich Wardner					

Total (Yes) ~~0~~ 1 No 1

Absent _____

Floor Assignment _____

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

Date: 2/8/07
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2341

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken cle pass as amendmend.

Motion Made By Grindberg Seconded By Krebsbach

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm	✓		Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson		
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 12 No _____

Absent 2

Floor Assignment Sen Grindberg

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

REPORT OF STANDING COMMITTEE

SB 2341: Appropriations Committee (Sen. Holmberg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2341 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide a statement of legislative intent.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE INTENT - FUTURE FUNDING FOR HERITAGE CENTER EXPANSION. It is the intent of the legislative assembly that the office of management and budget favorably consider providing funding to the state historical society for the heritage center expansion project in the 2009-11 executive budget recommendation if the state historical society is able to demonstrate progress toward fundraising goals and federal funding is secured for the project. The sixty-first legislative assembly shall favorably consider appropriating funding to the state historical society for the heritage center expansion project if the state historical society is able to demonstrate progress toward fundraising goals and federal funding is secured for the project."

Renumber accordingly

PROPOSED AMENDMENTS TO SENATE BILL NO. 2341

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide a statement of legislative intent, legislative support, and legislative participation in the heritage center expansion project.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE INTENT - FUTURE FUNDING FOR HERITAGE CENTER EXPANSION. It is the intent of the legislative assembly that the office of management and budget favorably consider providing funding to the state historical society for the heritage center expansion project in the 2009-11 executive budget recommendation if the state historical society is able to demonstrate progress toward fundraising goals and federal funding is secured for the project. The sixty-first legislative assembly shall favorably consider appropriating funding to the state historical society for the heritage center expansion project if the state historical society is able to demonstrate progress toward fundraising goals and federal funding is secured for the project.

SECTION 2. HERITAGE CENTER EXPANSION - LEGISLATIVE SUPPORT. The sixtieth legislative assembly supports the efforts of the state historical society in fundraising and securing federal funding for the heritage center expansion during the 2007-09 biennium.

SECTION 3. LEGISLATIVE PARTICIPATION - BUDGET SECTION REPORTS. The chairman of the legislative council may appoint up to four legislators to a North Dakota heritage center planning and fundraising committee formed to assist in securing federal and private funding. The committee shall provide information to the budget section on the status of the project's planning and fundraising at budget section meetings in the fall of 2007 and 2008."

Renumber accordingly

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2341

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide a statement of legislative intent, legislative support, and legislative participation in the heritage center expansion project.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE INTENT - FUTURE FUNDING FOR HERITAGE CENTER EXPANSION. It is the intent of the legislative assembly that the office of management and budget favorably consider providing funding to the state historical society for the heritage center expansion project in the 2009-11 executive budget recommendation if the state historical society is able to demonstrate progress toward fundraising goals and federal funding is secured for the project. The sixty-first legislative assembly shall favorably consider appropriating funding to the state historical society for the heritage center expansion project if the state historical society is able to demonstrate progress toward fundraising goals and federal funding is secured for the project.

SECTION 2. HERITAGE CENTER EXPANSION - LEGISLATIVE SUPPORT. The sixtieth legislative assembly supports the efforts of the state historical society in fundraising and securing federal funding for the heritage center expansion during the 2007-09 biennium.

SECTION 3. LEGISLATIVE PARTICIPATION - BUDGET SECTION REPORTS. The chairman of the legislative council may appoint up to four legislators to a North Dakota heritage center planning and fundraising committee formed to assist in securing federal and private funding. The committee shall provide information to the budget section on the status of the project's planning and fundraising at budget section meetings in the fall of 2007 and 2008."

Renumber accordingly

Date: 2/14/07
Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2341

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number 20846.020 #1

Action Taken do pass Amendment

Motion Made By Grindberg Seconded By Krebsbach

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm			Senator Aaron Krauter		
Senator Bill Bowman, V Chrm			Senator Elroy N. Lindaas		
Senator Tony Grindberg, V Chrm			Senator Tim Mathern		
Senator Randel Christmann			Senator Larry J. Robinson		
Senator Tom Fischer			Senator Tom Seymour		
Senator Ralph L. Kilzer			Senator Harvey Tallackson		
Senator Karen K. Krebsbach					
Senator Rich Wardner					

Total (Yes) ✓ No _____

Absent _____

Floor Assignment _____

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

Date: 2/14/07
Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2341

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do pass as amended

Motion Made By G. Grindberg Seconded By Christmann

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm	✓		Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Grindberg

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

REPORT OF STANDING COMMITTEE

SB 2341, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2341 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide a statement of legislative intent, legislative support, and legislative participation in the heritage center expansion project.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE INTENT - FUTURE FUNDING FOR HERITAGE CENTER EXPANSION. It is the intent of the legislative assembly that the office of management and budget favorably consider providing funding to the state historical society for the heritage center expansion project in the 2009-11 executive budget recommendation if the state historical society is able to demonstrate progress toward fundraising goals and federal funding is secured for the project. The sixty-first legislative assembly shall favorably consider appropriating funding to the state historical society for the heritage center expansion project if the state historical society is able to demonstrate progress toward fundraising goals and federal funding is secured for the project.

SECTION 2. HERITAGE CENTER EXPANSION - LEGISLATIVE SUPPORT. The sixtieth legislative assembly supports the efforts of the state historical society in fundraising and securing federal funding for the heritage center expansion during the 2007-09 biennium.

SECTION 3. LEGISLATIVE PARTICIPATION - BUDGET SECTION REPORTS. The chairman of the legislative council may appoint up to four legislators to a North Dakota heritage center planning and fundraising committee formed to assist in securing federal and private funding. The committee shall provide information to the budget section on the status of the project's planning and fundraising at budget section meetings in the fall of 2007 and 2008."

Renumber accordingly

2007 HOUSE APPROPRIATIONS

SB 2341

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2341

House Appropriations Committee

Check here for Conference Committee

Hearing Date: February 26, 2007

Recorder Job Number: 3817

Committee Clerk Signature

Shelly N. Aard

Minutes:

Chm. Svedjan opened the hearing on SB 2341.

Sen. John Andrist provided testimony in support of SB 2341 (Attachment A).

Chm. Svedjan: You indicate that this as non-binding. I don't read it that way.

Sen. Andrist: Perhaps it is binding. I was gone the last day it was passed and I ran through it quickly. It appeared to be non-binding, but I may be mistaken.

Chm. Svedjan: The way I read it, it would bind OMB to include it in the budget request for 09-11, but it would also bind the next legislature – which is a concern.

Sen. Andrist: My apologies. If that would be true I would like it even better. When we are in such a successful budget position, this would be an ideal time to put our stamp of approval on this vision.

Sen. Robert Horne spoke in support of SB 2341 (Attachment B).

Rep. Aarsvold: I am a cosponsor of SB 2341. It is a worthwhile project. Now is the time to act.

Merl Paavarud, Director, State Historical Society of North Dakota, spoke in support of SB 2341 (Attachment C). Mr. Paavarud also distributed testimony from Marvin Kaiser, President,

State Historical Board, State Historical Society of North Dakota (Attachment D) and a booklet, "Expansion of the North Dakota Heritage Center" (Attachment E).

Chm. Svedjan: I think you're aware that we're not able to bind future legislatures. I would be interested to know your feelings as it relates to how SB 2341 is written at this time (Ref. 10:40).

Mr. Paavarud: The intent was to send a message to the fundraisers that the state has interest if we can show the fundraising prowess that we are looking forward to. That the state is interested in seeing this and depending on how it comes back to the state, and then there will be decisions made after that. I don't think it was the intent to bind anybody. If that is a concern, then it should be discussed.

Chm. Svedjan: Line 5 of the bill says "it is the intent of the legislative assembly that the office of management and budget favorably consider..." and "The sixty-first legislative assembly shall favorably consider appropriating funding..."

Mr. Paavarud: I hope they would, but I see that directly tied to what the fundraising success would be.

Rep. Carlisle: I agree. I am wondering why you even need this bill. The advocates are going to be there anyway.

Mr. Paavarud: The advantage would be to have first-hand information going to the legislature as this develops.

Rep. Carlson: Mr. Chairman, do we need to give authorization for fundraising?

Chm. Svedjan: Typically there is language placed in the bill that provides for the acceptance of gifts, grants and other things. This bill is a little different than that.

Rep. Carlson: Does this bill just give them the authority to raise money?

Chm. Svedjan: My understanding is that you are looking for more than the authority to raise money. You want this bill to help you raise more money because you could tell your prospects that the state is behind it.

Mr. Paavarud: The message would be that the state is interested in this.

Rep. Carlson: Would it not make sense then to put in some benchmarks? What number represents "demonstrating progress?" "Demonstrating progress" could mean \$5. It could mean \$25 million. I don't know. I also have trouble with the "shall favorably consider" language.

Rep. Carlisle proposed adding language to the bill to alleviate some issues (Ref. 16:43).

Chm. Svedjan: We will take testimony, but we have a real issue with the language of bill.

Rep. Skarphol: Is your foundation a 501(c)(3)? (Ref. 17:40)

Mr. Paavarud: Yes.

Rep. Skarphol: So the contributions to the foundation are tax-deductible.

Mr. Paavarud: Yes.

Rep. Skarphol: Is there a required level of dollars that needs to be available to get a federal match?

Mr. Paavarud: Not yet. We have asked for federal support, but there is no connection.

Rep. Skarphol: Is there anything in law to prevent you from doing exactly what you want to do – solicit funds and create a fund to expand the heritage center without this piece of legislation?

Mr. Paavarud: I don't think so.

Rep. Glassheim: What kind of federal money are you talking about and what is the source? When do you expect construction to begin?

Mr. Paavarud: Hoping for \$12 million in federal money from various entities. We would proceed with a goal of raising a similar amount from private sources. The hope is to have the funds in two years.

Rep. Glassheim: It's not likely you could start construction for another three or four years?
When?

Mr. Paavarud: We are thinking two years at the earliest.

Rep. Williams: Lines 6 and 9 of the bill, the word "favorably" slants toward passing in the next legislative session in some minds. Would it make a difference to the Committee if we dropped "favorably" and used "consider?"

Chm. Svedjan: My bottom line concern is that the bill as it is written obligates the next legislative session.

Arthur A. Link, Former Governor, State of North Dakota, spoke in support of SB 2341 (Attachment F).

Virginia A. Nelsen, Executive Director, State Historical Society of North Dakota Foundation, spoke in support of SB 2341 (Attachment G). Mr. Nelsen also distributed written testimony in support of the bill from other Foundation members including Former Governor George Sinner (Attachment H), Enoch Thorsgard (Attachment I), and Michael Gustafson (Attachment J).

Cordell Dick, Cordell Dick Consulting testified in support of SB 2341 (Attachment K). Mr. Dick explained that many private sector commitments are contingent upon state support.

Rep. Carlson: What is your total fundraising goal? (Ref. 39:38)

Mr. Dick: The goal is \$12 million federal, \$12 million from the private sector, and \$30.7 million from the state.

Rep. Carlson: What is the timeframe for donations?

Mr. Dick: We are asking for a five-year commitment starting in 2007.

Rep. Carlson: Your assumption would be then, if you have it on a five-year plan, the state would bond for that amount of money then your contributions would be used to pay down those bonds?

Mr. Dick: I'm not sure how the money from the state or private sector would be used whether for bond payments or initial payments – that would have to be worked out based on timing.

Rep. Carlson: The building will have to be paid for if it's started.

Chm. Svedjan: Sen. Andrist's testimony indicates that given the reserves that the state has going into this session, that it might be paid in cash. But the bill as it stands now has no appropriation in it.

Rep. Skarphol: I suspect that most of the people involved in this project are doing so on a volunteer basis? Are you operating on a volunteer basis?

Mr. Dick: No. I'm hired by the Foundation.

Rep. Skarphol: That being said, if the state were to appropriate money, would you get a percentage of that money appropriated?

Mr. Dick: I'm being paid by the Foundation. As I understand it, the money would come from the private fundraising sector, but how that specifically happens I guess that's up to the Foundation to decide.

Rep. Skarphol: Are you on a contingency basis?

Mr. Dick: I am paid on an hourly basis.

Don Walz distributed testimony in support of SB 2341 (Attachment L).

Page 6

House Appropriations Committee

Bill/Resolution No. SB 2341

Hearing Date: February 26, 2007

Chm. Svedjan: We will not take final action on this bill today. I will assign it to one of our sections to get it to a point that alleviates our concerns and still provides something close to what you are looking for.

Testimony from William Schott was distributed (Attachment M).

Chm. Svedjan assigned SB 2341 to Government Operations and closed the hearing.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2341

House Appropriations Committee
Government Operations Division

Check here for Conference Committee

Hearing Date: 3/5/07

Recorder Job Number: 4303

Committee Clerk Signature *Kanya A. Voegelé*

Minutes:

Chairman Carlson opened the hearing on Senate Bill 2341.

Senator Andrist spoke in support of the bill.

Chairman Carlson: Are we working off of the second engrossment?

Senator Andrist: Yes.

Chairman Carlson: Can we get a break down of the money expected to be raised by the private sector?

Senator Andrist: The plan is to raise \$24million from the private and federal sources.

Chairman Carlson: The total cost is \$54.7 million?

Senator Andrist: Correct.

Representative Glassheim: What was the Senate's feel for this?

Senator Andrist: At first they thought we should wait two years and see how the fundraising goes. Some of us wanted a stronger commitment because as I said having some kind of commitment from the state would assist in the private fundraising. I think that the Senate Appropriations Committee felt that it was a strong sense in the Senate that they had to do

more so they called the bill back and worked on it further to put some kind of language in and this is what they came up with.

Chairman Carlson: How do we address the language?

Senator Andrist: I would address the language so we can save the out of state corporations that will buy in to this by saying that the state will be a part of this too. At the same time not iron clad binding the state.

Chairman Carlson: How about if it said that if you raise "x" amount of dollars we will pledge "x" amount of dollars?

Senator Andrist: We would welcome that.

Representative Williams: If you remember from the Full Committee when we had this hearing. The money is basically gone from the bill. In amendment three, what they are basically looking for is some type of commitment, however innocent, so that they can use it in their fundraising. I want to come back to it. If you take a look at line nine of the bill. It says "The sixty-first legislative assembly shall favorably consider appropriating". There will be a bill next time. The thing that skews it is that word favorably. I think they would have basically what they want out of this amended bill if we removed the word favorably. Because I know there is some kind of need because it will be considered next time. There will be a bill coming forward next session. I think if the word is removed we will be in pretty good shape on that.

Senator Andrist: Speaking for myself, beggars can't be choosers. I think it does, however, weaken our position.

Chairman Carlson: Sheila, did they submit the request for the \$30million to the Governor?

Sheila Peterson: Yes.

Chairman Carlson: Why was it not included?

Sheila Peterson: The Governor's position was that some of the fundraising should be done first and also there has not been any contact with the federal level or any commitments from the federal money.

Chairman Carlson: What would have been OMB's reaction if this bill would have said if they raise "x" amount of dollars from the private sector and if they get so much money in federal commitments that the Governor will include it in his next budget?

Senator Andrist: The Governor was very supportive; he just thought they needed the two years to do the fundraising. I don't think any of us were quite aware of the importance of the state commitment of the private fundraising. I think that if the Governor would have known this there would have been some kind of language in the executive budget.

Gerald Skogley spoke in support of the bill. See testimony 2341. 35.07 A

Chairman Carlson: What do you mean by trigger? Tell me how you envision a trigger mechanism to work.

Gerald Skogley: If they raise \$1million the state would match \$3million.

Chairman Carlson: At what point in time do you assume the state would match it?

Gerald Skogley: I think that the state could match it biennium by biennium.

Chairman Carlson: Like Senator Andrist said there is one way we could do it and that is by bond. Then we will have to make the bond payments so you could look at bonding.

Merl Paaverud, Director of the State Historical Society, spoke in support of the bill.

Chairman Carlson: Who has covered the costs for the planning so far?

Merl Paaverud: We received \$50,000 from the state last biennium for concept costs.

Vice Chairman Carlisle: This is kind of tough for me to say being from Bismarck, the facts are on appropriations the Governor had a shot at it and he put in a budget that was 24% plus 10% one time. It didn't make it. The Senate had a shot at it and they didn't put any money in. When the House and Senate between the entire Governor's budget plus all of our side and the senate side we have another couple hundred million in spending. This is down in the mix someplace. There is our dilemma because we have to balance the budget someplace.

Merl Paaverud: I think we have learned from that and the issue is that there is support. It was my understanding that it was looked at very hard by the Governor. The end result is that we needed to look at more fundraising. What we have found out as we went out and talked to people about this is that they said they support the project but they want to see something from the state.

Chairman Carlson: Here is where I am confused. If someone came to my office and said that I want you to pledge \$10,000 a year for the next five years towards the Heritage Center, I don't write them a check until it takes place. It is not like anybody is transferring in most cases, any money. They are making a future pledge if the building gets built.

Merl Paaverud: Many of the folks are saying that it is contingent on the state.

Representative Glassheim: There was a mention of \$5million for planning what will that be needed for?

Merl Paaverud: The \$5million is basically a chunk of that whole budget breakdown that covers the planning of the project. About 80% was used for the blueprint specifications and getting the bids together. That would get us to the point of getting ready to go to bid. What we are concerned about is the two years without doing that planning is that it would have to be done next session.

Chairman Carlson: I am not following the \$5million?

Merl Paaverud: We handed out a budget sheet during the hearing.

Vice Chairman Carlisle: There are some of us, I am sure that you have heard that don't want more buildings on the capital grounds. We support it but you got that expansion, how do you respond to them?

Merl Paaverud: This has been in the planning for 25 years. One of our missions is to collect North Dakota materials. To do that, we need space. I have to really complement the folks who did the planning and the building of the first one. They said that it would take 25 years to fill it up and that is where we are. Now we have to put things offsite in less than adequate storage areas until we can get some space that is adequate for the materials. Plus we have seventy years of history that we really have not talked about. Our story ends over there about 1941.

We have all of the things that have happened between 1941 and now that we should exhibit and show in order to tell a good story.

Vice Chairman Carlisle: What are you going to do about parking?

Merl Paaverud: There is a parking lot associated with the plans for this building on the east side. The building would go to the east along State Street and there would be a parking lot and drop off area right in front of there. There will be about 60 spots there.

Chairman Carlson: What would you request from us? In a perfect world what would you want?

Merl Paaverud: The perfect solution would be to get the \$30.7million.

Chairman Carlson: That's not going to happen so what is the next solution?

Merl Paaverud: What I would suggest then is a trigger mechanism that you heard about.

Chairman Carlson: Tell me how it is going to work.

Merl Paaverud: If we went in \$5million increments.

Chairman Carlson: So you are saying that if we had \$5million set aside somewhere it would help your fundraising?

Merl Paaverud: Yes.

Chairman Carlson: The money would be accessed when?

Merl Paaverud: We could match that or whatever you want.

Chairman Carlson: The language is just not what I can live with.

Merl Paaverud: There is language for legislative involvement in the planning.

Chairman Carlson: You would rather have some planning money this point. Your request is more centered on the planning money and that allows you to assist in fundraising.

Merl Paaverud: Yes.

Vice Chairman Carlisle: If we got budget section reports you wouldn't need another committee.

Merl Paaverud: We would really welcome that involvement.

Representative Glasheim: I can't get around the fact that everyone has already agreed that there is no bonding. It makes sense to me to build buildings with bonding. That is the kind of commitment where you don't spend a lot of money up front.

Cordell Dick spoke in support of the bill.

Chairman Carlson: What do you have for commitments?

Cordell Dick: We have \$1.8million signed, \$700,000 verbal and \$2million in outstanding requests.

Chairman Carlson: Who chases the federal dollars?

Cordell Dick: Joint effort between the state, private sector and the foundation. The federal delegation said come back to us when you see what the state does.

Chairman Carlson: As the bill was originally introduced, I can tell you that many of the legislators would not have voted on it for bonding or cash for \$30million unless they knew there was a certain amount of that \$24million that was for sure coming from the federal government.

Representative Glassheim: Any expenditure that large should be contingent upon getting those funds.

Representative Glassheim: Another possibility is to authorize a line of credit at the bank for an amount contingent upon the match of funds. That would be a commitment.

Chairman Carlson: We did that with the Centers of Excellence.

Representative Glassheim: I am just looking for a way that the donors know that we are interested in this.

Chairman Carlson: Where does the Governor's Budget sit for next biennium?

Sheila Peterson: As you know, the budget that the Governor put in does have a healthy reserve, so far. We are optimistic that should the budget pass somewhat close to that, that there is still one time money available two years from now that can be considered into the budget.

Chairman Carlson: We want to get positive feedback from the Governor's office. Were you asked for any planning money?

Sheila Peterson: We got the same breakdown that you have.

Representative Skarphol: Are we on budget with the current project and did you have to make any changes?

Merl Paaverud: Yes we are on budget. We did have to shave off about six feet. That was early on in the project.

Representative Skarphol: You have a firm fixed price on construction costs?

Merl Paaverud: Yes

Representative Skarphol: I have a problem with the thinking that the private sector will not make contributions without state support. I as a legislator am thinking the opposite; I want to see the private donation before committing state money.

Virginia Nelson spoke in support of the bill. Virginia handed out two articles. See testimony 2341.3-5.07 B and 2341.3.5.07 C.

Representative Skarphol: Merl, the Chairman asked you to bring a plan. Can you summarize for me what you are going to bring?

Merl Paaverud: I am going to take the language that is in the bill and continue with that. I will also put in a bit of language for some funding for the planning.

Representative Skarphol: What would the dollar amount be?

Merl Paaverud: \$5million or at least 80% of that.

Representative Kempenich: Would you be objective to any benchmarks?

Merl Paaverud: We are just working on a way to do it.

Closed the hearing.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2341

House Appropriations Committee
Government Operations Division

Check here for Conference Committee

Hearing Date: 3/8/07

Recorder Job Number: 4652

Committee Clerk Signature *Konya Q. Voegels*

Minutes:

Chairman Carlson opened discussion on Senate Bill 2341.

Amendment 78046.0304 was distributed.

Representative Glassheim explained his amendment.

Vice Chairman Carlisle: So you are saying that they have to have the cash not pledges?

Representative Glassheim: Yes it has to be certified cash and that cash has to be spent first.

A motion was made by Representative Glassheim, seconded by Representative Kempenich to adopt amendment 78046.0304. Motion carried by voice vote.

Chairman Carlson: What is your rational here?

Representative Glassheim: My rational is that we must send a signal to private sector and federal people that the state has some investment in this project. We need to step up and make some money available. This is the least amount of money that makes sense it is not from the general fund. It gets them in two years to come back to us with almost complete

drawings and plans for us to review to see if we want to go ahead and it gets them to go out and talk to prospective donors in foundations and private sector to say the state is on board.

Representative Williams: And by removing that word "favorably" we are not binding future legislators.

Representative Skarphol: I don't think as things stand today that Facilities Management is involved in this process at all, is that a correct assumption?

Sheila Peterson: They are not involved in the archive building because the appropriation went directly to the Historical Society. That is why we would like to see this money come to OMB.

Representative Skarphol: So then would Facilities Management be involved in the planning and design of this facility?

Sheila Peterson: Yes, OMB would actually issue the RFP.

Representative Skarphol: So why would they do it this time but not last time.

Sheila Peterson: This appropriation is to OMB. The last one was directly to the Historical Society.

A motion was made by Representative Carlisle, seconded by Representative Glassheim for a DO PASS AS AMENDED recommendation to the full committee. The committee vote was 6 Yeas, 2 Nays and 0 Absent and Not Voting. The bill will be carried by Representative Carlisle.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2341

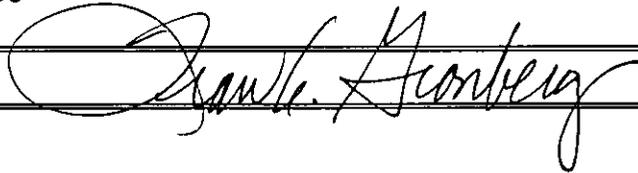
House Appropriations Committee

Check here for Conference Committee

Hearing Date: 3-16-07

Recorder Job Number: 5185

Committee Clerk Signature



Minutes:

Chairman Svedjan opened the hearing on SB 2341.

Rep Carlisle: (distributed amendment 0304)

Rep Carlisle moved the Amendment 0304

Rep Hawken seconded the motion

Rep Carlisle: This came from the Senate on the Heritage Center. We had about 4 runs at this, we had Dr. Glassheim involved. Go to section 3, we are trying to give them an option. They have to come up with the first \$1.5Mn (and deposit it with OMB) and they have to spend it before they get any money out of the land and minerals trust fund.

Chairman Svedjan: Their fundraising is being done by a 501C3 foundation. Is it usual and customary that they would deposit their money with OMB?

Rep Skarphol: That was intended to be that way so that facilities management division of OMB would be involved in this process. With regard to the expansion of the Heritage Center, the money was deposited with the foundation, I believe, and it circumvented facilities management being involved in the design of the addition of the Heritage Center this last time.

That mechanism is proper if we want the state architect and facilities management to be involved in this.

Chairman Svedjan: Would you tell us again your logic for going to the land and minerals trust fund.

Rep Carlisle: We didn't think the general fund would fly and we thought there was a remote correlation between heritage center and land and minerals trust. It's a semi stretch.

Rep Kempenich: The Land and Minerals is the people's land and minerals and that was the logic about going in this direction. This is really just the beginning.

Rep Skarphol; It should be noted that the vote out of our committee was not unanimous. It also should be noted that the amendment does take out the word favorably in two different places.

Rep Nelson: It doesn't look like the land and minerals trust fund can sustain that \$1.5M expenditure without holding back some of the transfer to the general fund. Is that a fair statement?

Rep Kempenich: The transfer, and we haven't put that back in yet, will go in. There is \$20M in the land and minerals and 5M holding over so this 1.5M would not impact the fund.

Rep Kroeber: At crossover, the Senate removed the 15M from the general fund and at the same time at crossover there is a balance of 20,911,000. So even if we were to decide to put the 15M back, there would still be adequate funding for the 1.5M that was put into this bill.

Rep Carlisle: What came over from the Senate was not workable so we're trying to get something reasonable to vote on.

Rep Monson: What has the money in the Land and Minerals Trust fund been used for in the past?k

Rep Kroeber: Industrial Commission got some, common school trust fund, developmentally disabled loans, transfer to the general fund - those were some of the things from before.

Rep Kempenich: The history of that fund is that it comes from land that were not school lands, but acquired through closing or trading actions. Minerals are something that are outside of the common schools trust fund resources.

Rep Glassheim: The purpose of putting some money in is to encourage them to go out and raise additional money from federal sources, foundations and private sources. It will not impede their fundraising significantly because people will ask is the state going to be there at some point. It is a signal that we have interest in the project.

Chairman Svedjan: Tell me again - 12M from federal, 12M from private and foundations, and 30.7 ultimately from the state.

Rep Monson: On line 8, define "progress" - what is that?

Rep Glassheim: Original language from the Senate tied to "favorably" which was taken out.

On the motion to adopt amendment 0304 of SB 2341 a Voice Vote

Voice Vote Carried

Rep Carlisle moved a Do Pass as Amended on SB 2341

Rep Ekstrom seconded the Motion

Rep Skarphol: Our committee discussed several different buildings. One of them is the state laboratory. The state laboratory cost per square foot to build a sophisticated lab with an air exchange system with all the amenities that need to go with it is \$330 sq ft. The numbers they are talking about for the expansion of the Heritage Center \$423 a sq ft. I think this is a very ill

conceived project. We tried very hard last time to put in a mechanism that would have them do a very sophisticated study of their needs, and we lost that battle. I'm all for displaying our heritage, but think there is an appropriate way to do it. I don't think that this one has been sufficiently planned, designed, and thought through. I hope we will oppose the motion.

Rep Glassheim: The money is for architectural and more precise renderings and determination of costs and that will come back to us next time. And if the costs are not justified we can make a determination at that time.

Rep Skarphol: My point is that I don't think that they have sufficiently designed the building. I think what this cost is going to do is move forward with the design that has been suggested. The suggested design should be questioned to begin with and they should look at a facility that even more state of the art. Then maybe they should be doing with an equivalent or even lesser amount of money. You can get a consultant to tell you whatever you want to hear.

Rep Aarsvold: I would disagree. This group has been meeting for at least three years and have explored a lot of options.

Rep Ekstrom: A number of years ago my firm designed the White House visitor's entrance in Washington. That building came in at \$600+ at that time. I'm not suggesting what for here, but it will be near the capital and will have to fit into the overall design and scheme of the capital grounds. It will be a museum and as such will be expected to last many hundreds of years. I don't see that \$400 being that far out of line.

Chairman Svedjan: A concern of mine on this, and this comes from 33 years of running a foundation, the language in this bill which would trigger \$1.5M would provide significant assistance in terms of generating contributions from the private sector. It may also have an impact on attracting the federal dollars. But it is an insufficient amount to even cover the architectural design. Are donors going to be thinking that they are contributing to the

construction of this project or are they going to be thinking that they are contributing to the plan design? And that becomes quite a different issue in terms of people's willingness to give.

Most people are not going to want to give to the development of a plan - they're going to want to see a building. So if there is any logic to that part of it then I wonder to what extent does this commit us to the project in future years. I think that this is going to commit us. I needed to express that concern

Rep Ekstrom: It will commit us but we'll have a much better idea of what we're buying once we get there.

Roll Call Vote on Do Pass as Amended to 2341

(yes) 14 (no) 9 (absent) 1

Carrier: Rep Carlisle

Chairman recessed the meeting.

Date: 3/16/07
 Roll Call Vote #: _____

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2341

House Appropriations Full Committee _____

Check here for Conference Committee

Legislative Council Amendment Number 70846. 0304

Action Taken Adopt Amend. 0304

Motion Made By Carlisle Seconded By Hawken

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Representative Wald			Representative Aarsvold		
Representative Monson			Representative Gulleson		
Representative Hawken					
Representative Klein					
Representative Martinson					
Representative Carlson			Representative Glassheim		
Representative Carlisle			Representative Kroeber		
Representative Skarphol			Representative Williams		
Representative Thoreson					
Representative Pollert			Representative Ekstrom		
Representative Bellew			Representative Kerzman		
Representative Kreidt			Representative Metcalf		
Representative Nelson					
Representative Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Voice Vote carries

Date: 3/16/07
 Roll Call Vote #: 2

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 2341

House Appropriations Full Committee

Check here for Conference Committee

Legislative Council Amendment Number 78046.0304

Action Taken Do Pass As Amended

Motion Made By Carlisle Seconded By Ekstrom

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan		✓			
Vice Chairman Kempenich	←				
Representative Wald		✓	Representative Aarsvold	✓	
Representative Monson		✓	Representative Gulleson	✓	
Representative Hawken	✓				
Representative Klein	✓				
Representative Martinson	✓				
Representative Carlson		✓	Representative Glassheim	✓	
Representative Carlisle	✓		Representative Kroeber	✓	
Representative Skarphol		✓	Representative Williams	✓	
Representative Thoreson		✓			
Representative Pollert		✓	Representative Ekstrom	✓	
Representative Bellew		✓	Representative Kerzman	✓	
Representative Kreidt		✓	Representative Metcalf	✓	
Representative Nelson	✓				
Representative Wieland	✓				

Total (Yes) 14 No ~~10~~ 9

Absent 1

Floor Assignment Carlisle

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

REPORT OF STANDING COMMITTEE

SB 2341, as reengrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 9 NAYS, 1 ABSENT AND NOT VOTING). Reengrossed SB 2341 was placed on the Sixth order on the calendar.

Page 1, line 1, replace the first comma with "and" and replace ", and legislative" with "; and to provide a contingent appropriation to the office of management and budget for the heritage center expansion project."

Page 1, remove line 2

Page 1, line 6, remove "favorably"

Page 1, line 9, remove "favorably"

Page 1, replace lines 16 through 20 with:

"SECTION 3. CONTINGENT APPROPRIATION - LANDS AND MINERALS TRUST FUND. There is appropriated out of any moneys in the lands and minerals trust fund the sum of \$1,500,000 on a contingency basis to the office of management and budget for the planning and design costs of the heritage center expansion project, for the biennium beginning July 1, 2007, and ending June 30, 2009. The appropriation is only available when the state historical society certifies to the office of management and budget that \$1,500,000 of private funds has been received and is available for the project. The private funds must be spent before the funds from the lands and minerals trust fund."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides a contingent appropriation of \$1,500,000 from the lands and minerals trust fund to the office of management and budget for the Heritage Center expansion project planning and design costs, if private funds of \$1,500,000 are received. The section providing for legislative participation on the Heritage Center planning and fundraising committee and providing for Budget Section reports is removed.

2007 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2341

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2341

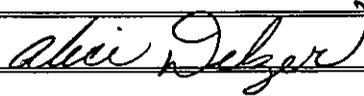
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 04-09-07

Recorder Job Number: 5828

Committee Clerk Signature



Minutes:

Chairman Grindberg opened the Conference Committee hearing on SB 2341 at 10:10 am on April 9, 2007 and let the record show that all conferees are present. They include Senators Krebsbach and Seymour; Representatives Carlisle, Thoreson, and Glassheim. Becky Keller, Legislative Council, and Joe Morissette, OMB were also present.

Representative Carlisle explained the changes in the bill. He stated Section 3 basically states the appropriation is only available when the State Historical Society certifies to the Office of Management and Budget that \$1,500,000 of private funds has been received and is available for the project. If the Heritage Center raises the funds the Land and Mineral Trust Fund will match. The amendment states the private funds must be spent before the funds from the Lands and Minerals Trust fund. (01.20)

Senator Grindberg had questions regarding the last sentence in the amendment regarding the private funds issue. He stated he is not comfortable with this portion because why expend the funds if you don't get the federal and private money.

More discussion followed regarding this matter. The Representatives had concerns about it passing again in the House. The committee was told the vote was 56 and the supporters of the bill were satisfied with that (08.24) They stated that some action now will also be reasons it could be included in the governor's budget for next session. Further discussion followed.

Senator Grindberg stated we can do two things: 1. accept the amendment. 2. schedule another meeting.

Senator Krebsbach asked if there was some reason they did not care for the way we sent it over to the House.

Representative Carlisle said they just didn't think they needed another committee. Those that want to be involved are going to be involved. He stated the two hearings they had the rooms were full. The people are very passionate about this. (12.24)

Chairman Grindberg asked Becky as far as official conference committee action we could just dissolve and go up on the floor and concur and we'd be done. That was confirmed. The House wouldn't vote on it again.

Senator Krebsbach moved that the **SENATE ACCEDE TO THE HOUSE AMENDMENTS ON SB 2341. Seconded by Representative Thoreson. A roll call vote was taken to have the Senate Accede to the House Amendments on SB 2341 resulting in 6 yeas. The motion carried.**

The hearing was closed on SB 2341.

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

Bill Number 2341 (, as (re)engrossed):

Date: 4/9/07

Your Conference Committee Sen app.

For the Senate:

For the House:

ch	<u>Brundberg</u>	<u>4/9</u>	<u>yes</u>	<u>Carlisle</u>	<u>4/9</u>	<u>yes</u>
	<u>Krebsbach</u>		<u>yes</u>	<u>Thoreson</u>		<u>yes</u>
	<u>Seymour</u>		<u>yes</u>	<u>Glassheim</u>		<u>yes</u>

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: _____

HOUSE CARRIER: _____

SENATE CARRIER: _____

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

MOTION MADE BY: Krebs

SECONDED BY: Thoreson

VOTE COUNT: 6 YES ___ NO ___ ABSENT

REPORT OF CONFERENCE COMMITTEE

SB 2341, as reengrossed: Your conference committee (Sens. Grindberg, Krebsbach, Seymour and Reps. Carlisle, Thoreson, Glassheim) recommends that the **SENATE ACCEDE** to the House amendments on SJ page 1119 and place SB 2341 on the Seventh order.

Reengrossed SB 2341 was placed on the Seventh order of business on the calendar.

2007 TESTIMONY

SB 2341

ND Legislative Assembly

John M. Andrist
State Senator - District 2
P.O. Box E
Crosby, ND 58730

Phone: 701-965-6798
Office: 701-965-6088
Fax: 701-965-6089

January 23, 2007

RE: SB 2341
TO: Members Senate Appropriations Committee
FROM: Sen. John Andrist, District 2

As a fiscal conservative I should be uncomfortable asking for a \$30 million appropriation. But after five sessions working so closely with all of you, I can only say that there is no place I would rather testify on such an important bill, because I know how deeply you care about this concept.

There probably is no more diverse group in North Dakota than the some 150 of us who serve in the legislature. We come from every corner, we represent conservative and liberal districts and constituencies, and there seemingly is little in common between a Fargo and a Crosby, a Bowman and a Grand Forks.

And yet it is our love for North Dakota -- exemplified by this capitol building and our Heritage Center -- that makes us as one. The common denominator for all of us is located right here on this hillside.

I realize the Heritage Center Expansion is not a part of the executive budget, and I know how difficult the task is to take on an extra of this magnitude. And when push comes to shove at the end of this session if we can't find this money so be it.

But I know at the same time that you share with me the feeling that this project needs to be at the table. And I thank you for permitting us to do so.

We North Dakotans do have a rich heritage, one that is steeped in the can-do tradition that has always made us a people who always triumph over adversity.

How often have we talked about the folks who first sat at our desks in these chambers, men (and possibly women) who had to have extraordinary courage and foresight to build this magnificent capitol building in the heart of the great depression. In some respects their vision dwarfs our own.

I'm hoping that this Heritage Center expansion project can be a part of our own legacy, the one thing that will define us in generations to come.

May I suggest that if you can't find this money in the final shakedown, that you will at least authorize it through some kind of trigger mechanism in the event we experience a continuing robust revenue expansion like the one we have seen in the last two years. This is the best opportunity we will ever have.

Testimony of Senator Robert Horne
In support of SB 2341
January 24, 2007

Chairman Holmberg and members of the committee.

For the record, my name is Robert Horne, Senator representing District 3, which includes the east side of Minot and several rural townships in Ward County.

I appear in support of SB 2341, the proposal to expand the North Dakota Heritage Center.

To save time for others to testify, I will not go into the details of this project. Others will do that better than can I.

I will urge you to keep your collective minds open to the potential this project offers.

It will be a stunning "best foot forward" showing visitors from across the nation and beyond that we have a rich past, a vibrant present and that we look boldly into our future.

The expansion will make all North Dakotans proud of who we are, how we got here and where we will go.

You will learn that dedicated, private citizens, members of the North Dakota State Historical Society Foundation (like me) have already begun the private fundraising effort. Their enthusiasm and dedication to this project has secured almost one million dollars in cash and pledges to date. More will come once the state signals its support.

The current Heritage Center has served us well these 25 years since Governors Link, Olson, Davis and Guy dedicated the building in 1981.

You will learn that once again we have strong support from all of our distinguished Governors.

2) Horne testimony on SB 2341 1-24-07

You will learn of the bold, eye catching design being proposed, of the futuristic technology and how it will not only give visitors a “wow” impression of our state but how it will advance the mission of the North Dakota Heritage Society.

With this in mind, I urge you and all of us in the 60th Legislative Assembly to be open to the possibilities. Let’s be creative in how we get this done.

If the cost is too much for one bite, let’s put together a plan to make this expansion happen.

It seems each generation has an opportunity to leave its mark. This is our opportunity. Conditions are right, the need is here and there are enthusiastic citizens ready to lead the way. Let’s seize the moment to display our people’s heritage with pride. Let’s look to our future with optimism. Future generations will thank us.

Senate Bill No. 2341

January 24, 2007

Honorable members of the North Dakota Senate appropriations Committee

My name is Arthur A. Link. My wife Grace and I are members of the State Historical Society of North Dakota Foundation and we support Senate Bill No. 2341.

From 1973 to 1980 our State Legislature together with private and corporate subscriptions and some Federal aid built the present Heritage Center. It is visitor friendly to our State Capitol and is equal to the National Smithsonian Museum in environmental protection and display of valuable artifacts! It is the single most visited attraction in North Dakota's rapidly expanding tourism industry. We must prepare ourselves for the future. Each passing decade leaves that much more history to record. We have considerable catchup to avoid permanent loss of some of our history. As our population ages our ability to record history fades. Valuable historic artifacts are stored in inappropriate metal buildings and not being displayed. This expansion project would alleviate this problem.

From the State Historical Board, to the paid staff, to the many volunteers, our people are dedicated, loyal, and committed to the expansion project.

Favorable consideration of Senate Bill No. 2341 will be deeply appreciated.

Arthur A. Link

Arthur A. Link

Same given to ~~State~~ Appropriations

SB 2341
Senate Appropriations Committee
January 24, 2007

Testimony by Merl Paaverud, Director
State Historical Society of North Dakota

Introduction

Chairman Holmberg and members of the Committee, my name is Merl Paaverud. I am the director of the State Historical Society of North Dakota. Thank you for the opportunity to testify about a very important project that will have a profound effect on the historic collections which are so important to understanding North Dakota and its people. This project is the North Dakota Heritage Center Museum Expansion Project.

Project Description

The State Historical Society's responsibilities are outlined under North Dakota Century Code, section 55-02-01.2. In particular, I refer to the following items listed in that section:

1. Collect artifacts, books, maps, charts, and other papers and materials illustrative of the history of this state in particular and of the west generally.
2. Procure facts and statements relative to the history of the state so as to exhibit faithfully the antiquities and the past and present resources and conditions of this state.
3. Catalog, index, and duplicate all of the collections of the society for the more convenient references of all persons who have occasion to consult the same and
4. Organize, develop and present education materials and programs concerning the history of North Dakota for the use, information, and benefit of the public.

We have fulfilled these requirements since the North Dakota Heritage Center opened in 1981 and the responsibility continues. The original space was intended to serve this purpose for 25 years. It has now been 26 years and the prime space in the North Dakota Heritage Center has been used up and we are now space challenged. We have had to resort to storing precious collections in off-site locations that do not have the environmental controls necessary to keep them from deteriorating. We are also challenged to add new technology to provide better access to collections, produce interactive exhibits and improve educational programs that link our past with the present and our future.

Two positive projects have been completed the past year and a half. We needed funding to add compact storage in the museum storage to help us maximize our existing space usage. The second was to begin the planning process for expansion. The 2005-07 North Dakota Legislature provided funding for these two projects and we have completed both at this time.

I have handed out the pamphlet which shows the concept design for the new Heritage Center addition. If you look at pages 11 through 14 of the booklet, you will see the concepts for the 95,526 square foot addition. The main level includes 3 exhibit halls, 3 new exhibit galleries, a theater, new museum store, a main hallway that can be used for special events, and a café with outdoor plaza. The lower level contains much needed space for the museum staff and North Dakota's precious collections. We have also provided space for our partners from the North Dakota Geological Survey to house the state's paleontology collections.

The preliminary cost estimate as prepared by HGA is attached (Attachment I). The total cost for the project with inflation figured in is \$54.7 million. The construction cost per square foot before inflation is \$349.50. Please keep in mind that this cost includes changes needed in the existing building and for completing site work such as sidewalks, outdoor exhibit space and the new parking lot. Attachment II shows the projected costs and proposed time line for the project.

A very important part of this expansion project is the exhibits. It is estimated that they will take \$8.8 million to design and create. This amount is included in the projected soft cost amount of \$13.9 million. Again, keep in mind that this amount also includes changes that will be made to current main gallery which contains approximately 20,450 square feet.

The building will provide room for additional collections, have high technology, and will provide world class exhibits and improved services. The original Center was constructed 25 years ago and plans were made at that time to increase the building's exhibits and collections spaces at this time. We are on time and are following this plan.

Budget Overview

Program Cost Estimate Forecast - See Attachment I
Projected Costs and Time line - See Attachment II

Conclusion

We are asking for your support so that we can fulfill our mission and continue to collect important material that defines the history of North Dakota and its people. The Heritage Center serves as the central place for providing overview of our state history. We have a very important and outstanding Great Plains European Settlement collection and Native American collection that are among the best in the United States and the World. We must work to keep our collections current, accessible and well preserved for the future. We will continue to offer the best care that we can to keep our precious museum, archeological and paleontology collections for perpetuity.

This is a big project, but it is a great project for North Dakota. Thank you for your interest and support. I would be glad to answer any questions that you may have.

State Historical Society of North Dakota

Bismarck, ND



Architecture | Engineering | Planning

State Museum Expansion**Preliminary Program Cost Estimate Forecast**

HGA Comm # : 0883-004-00

Date: 12-Jan-06

(Rev. Escal. On 5/19/06)

***North Dakota State
Museum Expansion***

<u>Construction Costs</u>	\$/SF	(95,526 GSF)
<i>Site Work</i>	\$10.24	\$978,225
<i>Demolition</i>	\$5.02	\$479,674
<i>Foundations</i>	\$18.40	\$1,757,678
<i>Structure</i>	\$33.29	\$3,180,265
<i>Enclosure</i>	\$27.38	\$2,615,520
<i>Roof</i>	\$5.63	\$538,281
<i>Interiors</i>	\$107.75	\$10,292,672
<i>Furnishings & Equipment</i>	\$18.20	\$1,739,035
<i>Conveying</i>	\$0.00	\$0
<i>Mechanical</i>	\$47.73	\$4,558,978
<i>Electrical</i>	\$34.50	\$3,295,647
<i>General Contractors General Cond., Fees, & Insurances</i>	\$41.35	\$3,950,308
<u>Construction Cost Total Sub Total</u>	\$349.50	\$33,386,283
<i>Construction Cost Escalation to May 2010- 22%</i>		\$7,344,982
<u>Construction Cost Total</u>	\$426.39	\$40,731,265
<i>Project Soft Costs to May 2010 @ 22%</i>		\$13,968,142
<u>Project Cost Total</u>	\$572.61	\$54,699,406

ATTACHMENT II

**State Historical Society
Heritage Center Museum Expansion Project**

<u>Museum Expansion- Projected Costs</u>	<u>Projected Costs</u>
Construction Cost's	\$33,386,283
Construction Cost Escalation 22% (May 2010)	\$7,344,982
Construction Cost Total	<u>\$40,731,265</u>
Architectural 9.5%	\$3,869,470
Soft Costs (Includes Exhibit Design and Exhibits)	\$7,579,827
Soft Cost Escalation 22% (May 2010)	\$2,518,845
Total Soft Costs	<u>\$13,968,142</u>
	<u>54,699,407</u>
	<u>54,699,407</u>
State Funds	30,699,407
Other Funds	24,000,000
	<u>54,699,407</u>

Projected Expenditures - Based on Timeline Indicated Below

	<u>Biennium 2007-2009</u>	<u>Biennium 2009-2011</u>	<u>Total</u>
<u>Construction Costs</u>			
Site Survey, Soil Borings, etc...	\$100,000		\$100,000
Remaining Construction		\$40,631,265	\$40,631,265
<u>Soft Costs</u>			
Architectural 9.5%	\$3,869,470		\$3,869,470
Remaining Soft Costs (Includes Exhibits)	\$1,000,000	\$9,098,672	\$10,098,672
	<u>\$4,969,470</u>	<u>\$49,729,937</u>	<u>\$54,699,407</u>

<u>Timeline</u>	<u>Completion Date</u>
Architectural Design Start Date **	October 1, 2007
Architectural Design Completion Date (15 Months)	January 1, 2009
Bid Release Date	February 1, 2009
Bid Due Date	March 15, 2009
Contracts Approved	May 1, 2009
Construction Starts	July 1, 2009
Project Completion Date	June 30, 2011

** The architectural design start date was based a 15 month design period with an optimal bid release date of February 1, 2009. While the architectural design could be started earlier, the bids would not be released until January or February 2009.

A greeting to those gathered for the Historical Society reception on Jan 4th, 2007

Dear Merle and Virginia and Friends:

I had hoped that it would work out for me to join you tonight. And that may yet work out, but, in the meantime, I decided that, while I had a few minutes, I would write down my thoughts about the project that you are undertaking....and about the critical importance of history for all of us.

Each session of the legislature faces some historic and unique challenges. Certainly the current session is no exception. And each successive group of elected and appointed officials also faces historic and unique challenges. For either of these groups the failure to be aware of history, is to be condemned to repeat the mistakes of history. That, of course, is why it is so important for history to be recorded. The critical issues of the affairs of the state's people must be recorded as they pass by or the danger is great that they never will be recorded.

The working press has a huge share of the responsibility of doing that....but the careful preservation of official records and the thoughtful analysis of them by good historians is an even greater responsibility.

Supplementing that work with the work of preserving the visual reminders of our forebearers' lives....both Native American forebearers and immigrated forebearers....and having the space to do it is, of course, the only way that our children and our children's children will understand the struggles that have taken place before them to provide a place and a culture and a government with the commitment 'to secure all of the people's rights to life, liberty and the pursuit of happiness'.

To this effort I wish you all Godspeed.

Governor George Pinner

SB 2341 – Expansion of the North Dakota Heritage Center
Senate Appropriations Committee – January 24, 2007
9:00 am – Harvest Room – State Capitol Grounds

*Same seven
to
House
appears*

Testimony by:
Virginia A. Nelsen, Executive Director
State Historical Society of North Dakota Foundation
Registered Lobbyist - #490 for the SNSND Foundation

Good morning Chairman Holmberg and Appropriations Committee Members. My name is Virginia Nelsen, Executive Director of the State Historical Society of North Dakota Foundation and a registered lobbyist for the Foundation.

The Historical Foundation has been preparing for this day for more than six years. In 2001 when we celebrated the 20th Anniversary of the completion of the current North Dakota Heritage Center, the Foundation and its board were painfully aware of the needs of the state's history agency.

The State Archives were full. The collections spaces were full. The exhibit spaces were full. The temporary galleries were inadequate for world-class traveling shows. The temporary storage spaces were in poor condition. The agency staff was stretched with growing responsibilities. Technology was emerging as more significant each and every day, but funds for advances in these areas were slim. Major historic sites lacked interpretive centers. Regional county and tribal historic groups wanted more training and funds to present their history stories. The needs were dramatic and necessary.

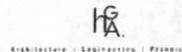
On the flip side of the coin, the opportunities were large. Tourism was growing, the state was seeing the value of its landscape and its history—the “legendary” Lewis and Clark were on the way to North Dakota. The Foundation had made a decision to grow the organization and begin to position itself to be a strong support arm for the needs of the agency.

The governors proposed the Historical Society Commission to identify the resources that the Society possessed which could be used for economic development. The stage was set for change and for growth.

In the fall of 2003 the seven recommended investments of the Historical Commission defined the work ahead for the agency and its supporters. A 10 Year Investment Strategy was proposed in 2004. The work ahead was laid out in a clear plan.

Attachment E
2/24/07

This Legendary Place: North Dakota



Expansion of the North Dakota Heritage Center

On the Capitol Grounds, Bismarck, North Dakota

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

*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 already secured legislative 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 funded by \$325,000 from the legislature and a funding mechanism for a Preservation Emergency Fund to help with regional historic preservation projects. We also secured funding to build the expansion of 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. This DRAFT Case Statement puts before you, our trusted friends and associates, the opportunity to review this plan and give us direction as we move forward.

Thank you in advance for your creative and valuable input. We look forward to hearing your comments on our vision and our direction.

Most Sincerely,

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 northeast, 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

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).

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.

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.

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

Governor Guy urges Commission to "Think Big"

OUR ACCOMPLISHMENTS

The seven investments recommended by the SHSND Commission were developed into a 10-year investment strategy to enhance heritage tourism and increase programs and services to our citizens.

To help build support for the 10-year expansion strategy proposed by the Commission, the Society and Foundation held luncheons and meetings statewide visiting with business leaders and legislators. The Foundation also established the History's Trustee Committee to provide a network of citizen leadership for the expansion strategy lead by the six living governors serving as Honorary History's Trustees.

By the end of the 2005 Legislative Session, four of the seven recommendations of the SHSND Commission had been funded through a combination of state and federal resources:

Four of Seven SHSND Commission Recommendations Funded by 2005

Invest in legally mandated State Archives

- \$5.7 M State Archives expansion

Invest in regional historic sites

- \$400,000 Fort Abercrombie Interpretive Center
- \$1.78 M Chateau de Mores Interpretive Center

Invest in county and tribal historical resources

- \$325,000 Re-grant Program for regional historic projects
- \$250,000 Preservation Emergency Fund for community preservation needs

Invest in Lewis and Clark as a "once-in-a-lifetime opportunity"

- \$4.3 M in completed projects



This view of the state capitol ground in Bismarck includes the North Dakota Heritage Center in the lower portion of the photograph. An architect's drawing showing the \$5.7 million State Archives addition is highlighted.



A commission appointed in August 2002 by Governor John Hoeven to study the services, operations, staffing and space needs of the State Historical Society met December 3, 2002, at the North Dakota Heritage Center. Among those on hand was former Governor William Guy, who urged SHSND Commission members to "think big" about the ongoing importance of how to best preserve and promote North Dakota's history and heritage. Guy is one of the state's five former governors who signed a resolution in November 2001 urging Hoeven to appoint the commission.



The expansion of the Chateau de Mores State Historic Site's Interpretive Center will nearly triple the size of the current facility. These architect's drawings show how the front will look when completed in early 2007.

Participating in the September 7, 2005 ceremony for the State Archives addition on the state capitol grounds are (l to r) SHSND Foundation Executive Director Virginia Nelsen, State Representative Eliot Glassheim (D-Grand Forks), State Senators Aaron Krauter (D-Regent), Tony



Grindberg (R-Fargo), and Ed Kringstad (R-Bismarck), former Governor Arthur Link, Lt. Governor Jack Dalrymple, Governor John Hoeven, and State Historical Board President Marvin Kaiser.

CONTINUE INVESTMENTS

As the Society moves forward to complete its 10-year investment strategy, the final three recommendations of the SHSND Commission will be proposed to the 2007 Legislative Assembly, as well as to federal and private funding sources.

SHSND Commission Remaining Three Recommendations:

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

These key investments will allow for services to the 225,000 annual visitors to the North Dakota Heritage Center and regional historic sites, as well as services to our communities and citizens, to continue to grow.

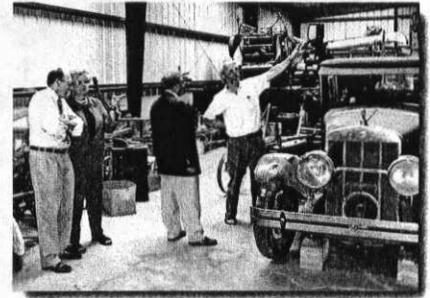
Expansion Projected 25 Years Ago: Planners projected the current need for expansion of the North Dakota Heritage Center facilities 25 years ago.

Collections spaces and staff spaces are full to capacity, hampering services and collection activities.

Staff Needs Critical: It was also projected that professional staff would grow to 93 full time positions over this 25-year period. Currently the agency operates with 57 full time employees. The agency is requesting 30 full time positions be added over the next 10 years. This will gradually increase the Society operating budget by \$3 million per biennium.

State-of-the-Art Technology a Must: No one could have projected the explosion of technology and the new services being demanded by the high-tech world. The Society must keep up with technology advancements to service its clients.

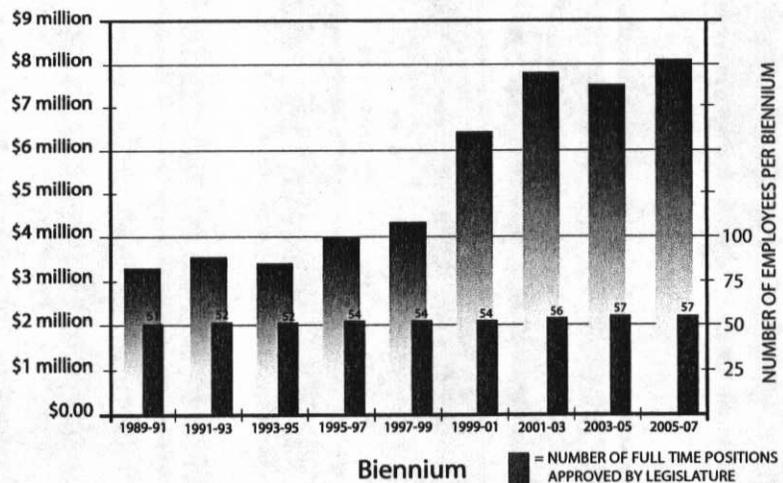
2007 Legislative Commitment: The next step will be to present the expansion plans to the 2007 Legislature to secure the commitment to begin the North Dakota Heritage Center expansion over the next one or two biennia. Strong federal and private funding will be key to balancing the Legislative investments and initiating the project.



Members of the SHSND Commission and State Historical Board received a firsthand view of the critical space needs facing the State Historical Society when they toured the agency's two temporary storage facilities used to handle its overflow of artifacts in July 2003. Here (l to r), SHSND Commission members State Representative Ole Aarsvold (D-Blanchard), Dina Butcher, and Donald Haugen visit the facility at Fort Abraham Lincoln State Park in Mandan. SHSND Curator of Collections Mark Halvorson explains the history of this 1928 Franklin automobile.

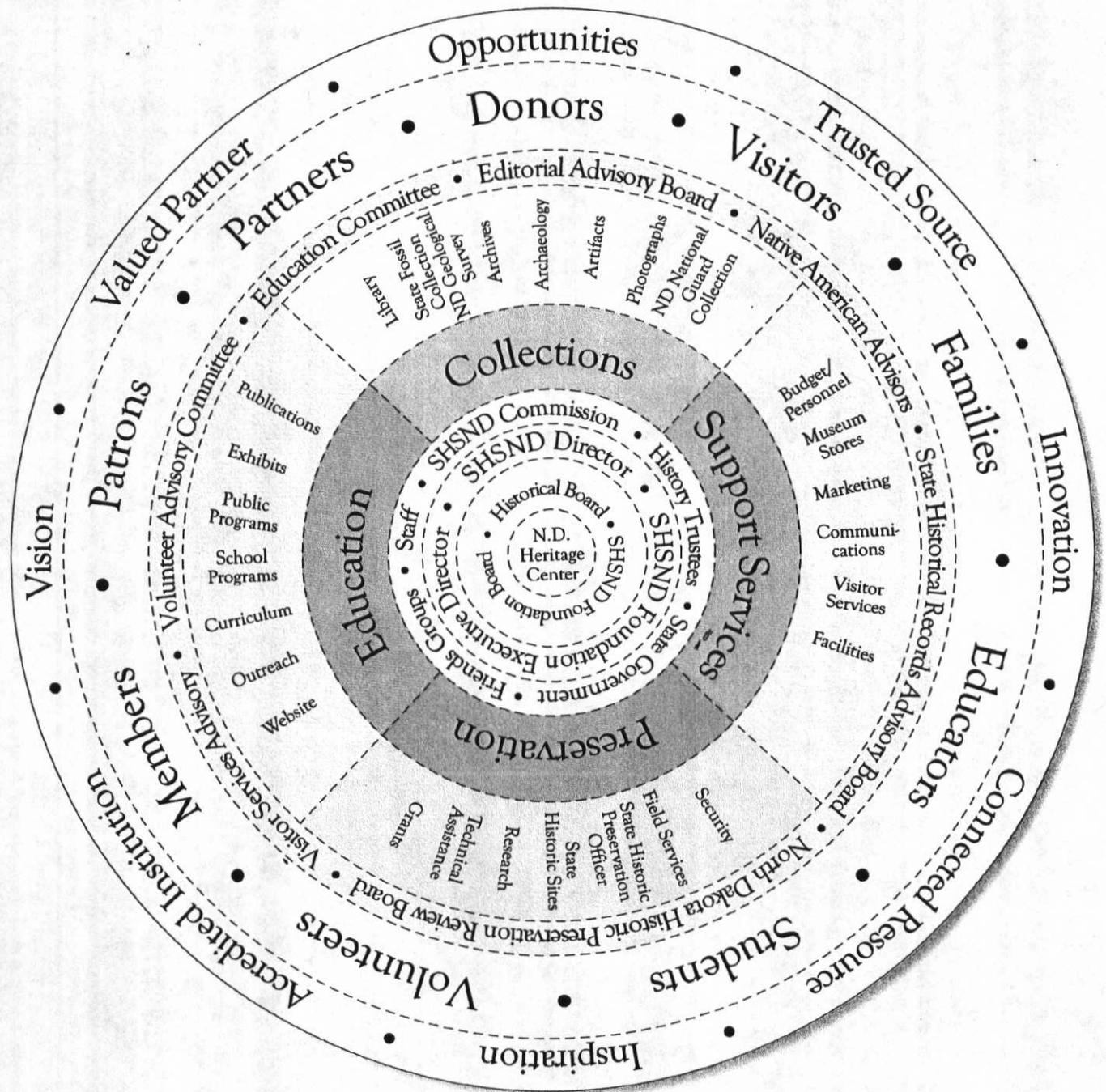
State Historical Society of ND

General Funds Appropriated by Legislative Assembly



Staff levels have not kept pace with the expansion of sites and facilities, new programs offered, increasing collection numbers and additional requests for services from the public. It is estimated that demands on staff have increased by 40-50%, however staff positions have only increased by 10% in the last 18 years.

What is the Work of the State's History Agency?



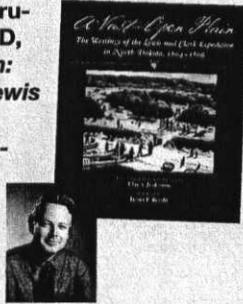
Mission, Vision , Philosophy for North Dakota

The **mission** of the State Historical Society of North Dakota (SHSND) is to identify, preserve, interpret, and promote the heritage of North Dakota and its people. Its **vision** is to inspire and serve the public as the leading historical institution in North Dakota by connecting the past with the future, based on the **philosophy** that the identification, preservation, interpretation and promotion of North Dakota's history is socially, culturally, and economically valuable. The lessons of history provide direction to the future and contribute to quality of life, scholarship, and a better appreciation of society and culture.

A "Hub for History" with History Professionals and State-of-the-Art Technology

Agency Specialists Serve Researchers, Writers, Historians

First published in February 2004 by the SHSND, *A Vast and Open Plain: The Writings of the Lewis and Clark Expedition in North Dakota, 1804-1806*, already is in its second printing. It was edited by North Dakota native Clay Jenkinson (right).



Educators Serve Children, Schools, Teachers



Some 2,300 children and adults swarmed the grounds of the North Dakota Heritage Center June 1, 2005, as part of *Discover Dinosaurs and Dragons*, the kickoff event for the Bismarck/Mandan summer reading program. Here, one young participant tries on some chain mail.

Historic Sites Staff Serve Tourists



Children try their hand at "roping cattle" at the popular Roundup at the Chateau de Mores State Historic Site in Medora. This annual event brings visitors into the world of the de Mores family with stories, historic portrayals, and fun hands-on activities.

“ Today’s tourist wants more information and wants it easily. The North Dakota Heritage Center, the home of the state’s history agency, and the state’s largest accredited museum, is the best place to be that resource for the tourist, for the economic developer, for the local preservationist, for the community planner, for individuals, and for government agencies. And now, with the right tools and resources, such as Internet access, the State Historical Society can be a leading partner in a team of professionals in the development of heritage tourism for our state. ”

From The State Historical Society of North Dakota Commission – Interim Report to Governor John Hoeven – January 2003

Staff, Volunteers and Interns Care for Collections and Exhibits



The Great Gallery Gala, otherwise known as a careful exhibit cleaning, was held the evening of November 22, 2004, after the North Dakota Heritage Center closed to the public. Attending this exclusive event were some of the SHSND’s dedicated volunteers, as well as many agency staff who volunteered their own time to assist in this effort.

Historic Preservation Serves Economic Development

The Missouri-Yellowstone Confluence Interpretive Center opened August 2003 to much fanfare and celebration.



Here, Williston Mayor Ward Koeser speaks at opening ceremonies to some of the nearly 3,000 visitors who helped celebrate the weekend. Travelers from more than 30 states, Canada, and Europe have since visited, many of them following the Lewis and Clark National Historic Trail. The Center’s exhibits explore the geography and geology of the area, its prehistoric life, and history to the present day. The facility, part of the Fort Buford State Historic Site, is located 1/2 mile east of the fort site.

Historic Preservation Specialists Serve Local Preservation Efforts

The Grand Forks Mercantile Company 1898 building was listed in the National Register of Historic Places in June 2004 because of its association with businesses that helped Grand Forks achieve early economic success and flourish in the 1890s and early 1900s.



Archaeologists Serve Tribal Governments and State and Federal Agencies



The SHSND’s archaeological fieldwork at the Double Ditch and Menoken Indian Village State Historic Sites in recent years is featured in a recent issue of *American Archaeology*. The magazine is published by the Archaeological Conservancy, a national non-profit organization that identifies, acquires, and preserves the most significant archaeological sites in the United States. It has preserved more than 300 sites nationwide since its launch in

8 *Let's* Tell the Story of the Past Centuries of North Dakota Life...

Telling Emerging Stories of North Dakota... to Generate a Legacy of Success



North Dakotans bid a fond and colorful farewell to the replica of the Sakakawea statue in September 29, 2003 ceremonies on the state capitol grounds in Bismarck, two days before her departure for final placement in the U.S. Capitol's National Statuary Hall in Washington, D.C. October 16, 2003.

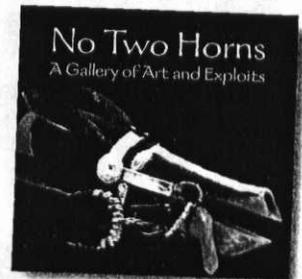


Former Governor William Guy speaks at the March 30, 2005 reception at the North Dakota Heritage Center marking the release of his oral history interviews featured in the agency's quarterly journal, *North Dakota History*. The photograph on the journal cover was taken in Memorial Hall of the State Capitol Building in 1961.

Telling Stories of Native Ancestors... to Change Prevailing Attitudes



Students visit with hoop dancer Kevin Locke of the Standing Rock Sioux Nation at the 13th Annual Living History Field Day September 19, 2005 at Fort Totten State Historic Site near Devils Lake. The event attracted more than 600 area seventh grade students and teachers, who learned about frontier military activities and American Indian culture.



The award-winning *No Two Horns* CD includes 43 ledger drawings by the Hunkpapa Dakota warrior.

Telling the Story of Innovators... to Create Vision

Telling Stories with Precious Collections... to Enhance Understanding



This oil painting by George Catlin shows the artist dining with Mandan chief Four Bears at the chief's Mandan village in July 1832. Done circa 1865-70, this is the only original oil painting by Catlin in the collections of the State Historical Society of North Dakota.

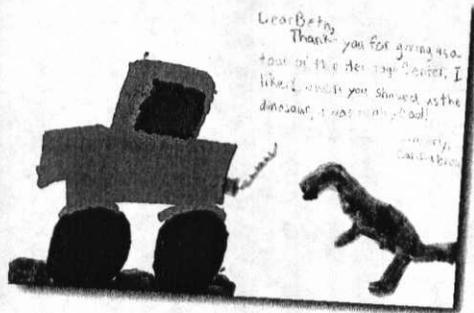
The SHSND is partnering with the state Department of Transportation to create a *Truss Bridges in North Dakota* SEND trunk and a TIES bridge exhibit. They will commemorate historic bridges being replaced as well as include educational materials about



bridges in North Dakota. The SEND (Suitcase Exhibits for North Dakota) program is popular with educators as a way to give students a "hands-on" approach to history through artifacts, photographs, and documents. TIES (Traveling Interpretive Exhibits Service) is a series of traveling exhibits available to libraries, schools, museums, and other nonprofit educational institutions.

Telling Stories in an Inspiring Space... to Foster New Dreams

Each year the State Historical Society staff enjoys receiving many letters of thanks from children who have visited the North Dakota Heritage Center and the history agency's other sites throughout the state. Many are addressed to Beth Campbell, the SHSND's Visitor Services Coordinator.



History Haunt
North Dakota Heritage Center



These three little Supermen were among the children who joined Society staff and volunteers for the History Haunt! at the North Dakota Heritage Center on Halloween night 2003. Hundreds of costumed children of all ages enjoyed tours through the gallery, meeting "ghosts" along the way, and other fun activities such as face painting, necklace beading, and a beanbag toss game.

Telling Stories of Preservation... to Resolve Challenges



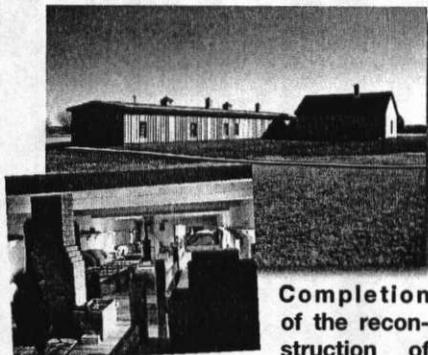
Our Savior's Scandinavian Lutheran Church is significant for its role in the development of the social and ethnic culture of the area near Coulee, North Dakota. It was listed in the National Register in February 2005.



A series of "high teas" hosted by former North Dakota First Lady Grace Link was held at the Former Governors' Mansion State Historic Site in Bismarck. During these Summer 2003 events, Mrs. Link talked about those who once lived in this home to the state's chief executives from 1893 to 1960. Here, Mrs. Link (right) poses with State Historical Society volunteer docent Doris Hansen of Bismarck.

Telling Stories of World Class Accomplishments... to Promote Inspiration

Telling Stories to Visitors... to Improve Experiences



The Pembina State Museum in northeastern North Dakota will be the site of many public programs this summer. Open year-'round, two of the popular museum's unique features are a seven-story observation tower that offers visitors a spectacular view of the Red River Valley, and a travel information center that informs and directs tourists to other locations and activities statewide.

Completion of the reconstruction of the infantry barracks at Fort Buford State Historic Site near Williston was celebrated during grand opening ceremonies in May 2004. The \$800,000 project, built and furnished to look as the army barracks would have in the 1870s, includes a sergeant's room, company room (above), kitchen, and mess hall.



Military Heritage Tourism

The U.S. Department of Defense has launched a new website featuring military heritage tourism, entitled *Preserving American Heritage*. More than 300 sites throughout the nation are listed, including historic forts, military museums, modern military installations, and decommissioned warships.

Five of the eight listings for North Dakota are state historic sites managed by the SHSND, with direct links to the SHSND's website at www.nd.gov/hist for more information - Camp Hancock, Fort Abercrombie, Fort Buford, Fort Totten, and the Sitting Bull Burial Site at Fort Yates. The other listed sites are Fort Abraham Lincoln State Park, Fort Union Trading Post National Historic Site, and the Fort Yates Standing Rock Agency. To visit the website, go to www.denix.osd.mil/HeritageTourism.

“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.

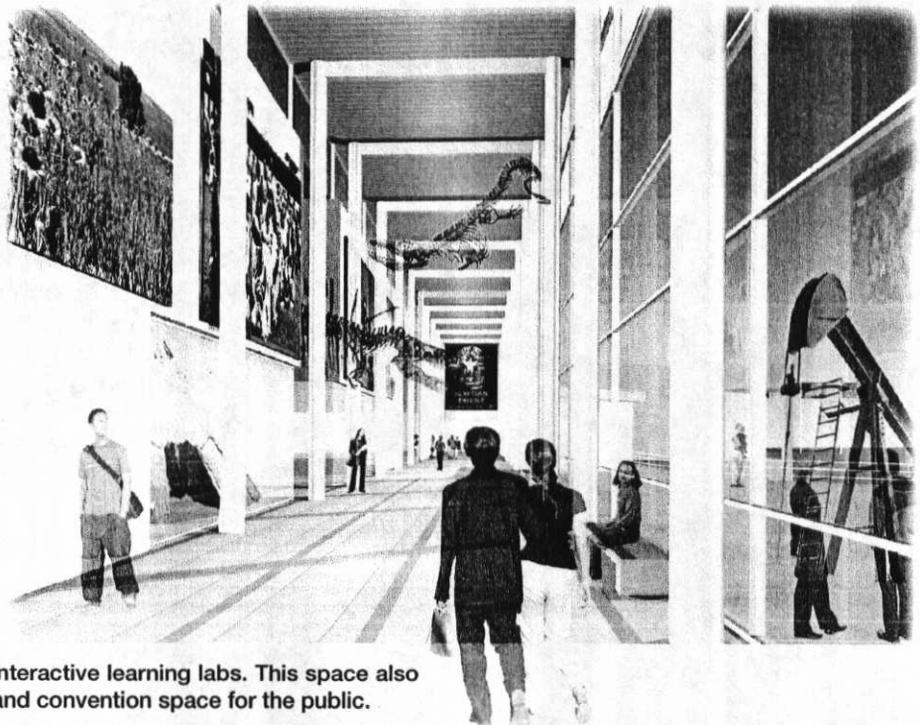
A professional and friendly staff and volunteers using the best of technology – offering:

- 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 spaces, 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 east, North Dakota Heritage Center State Museum Expansion, Bismarck, North Dakota. North Dakota Corridor of History overlooking the Badlands Patio, the south lawn, and high tech media murals and interactive learning labs. This space also provides a gathering space and events and convention space for the public.



Exciting and "Must See" Expanded North Dakota Heritage Center

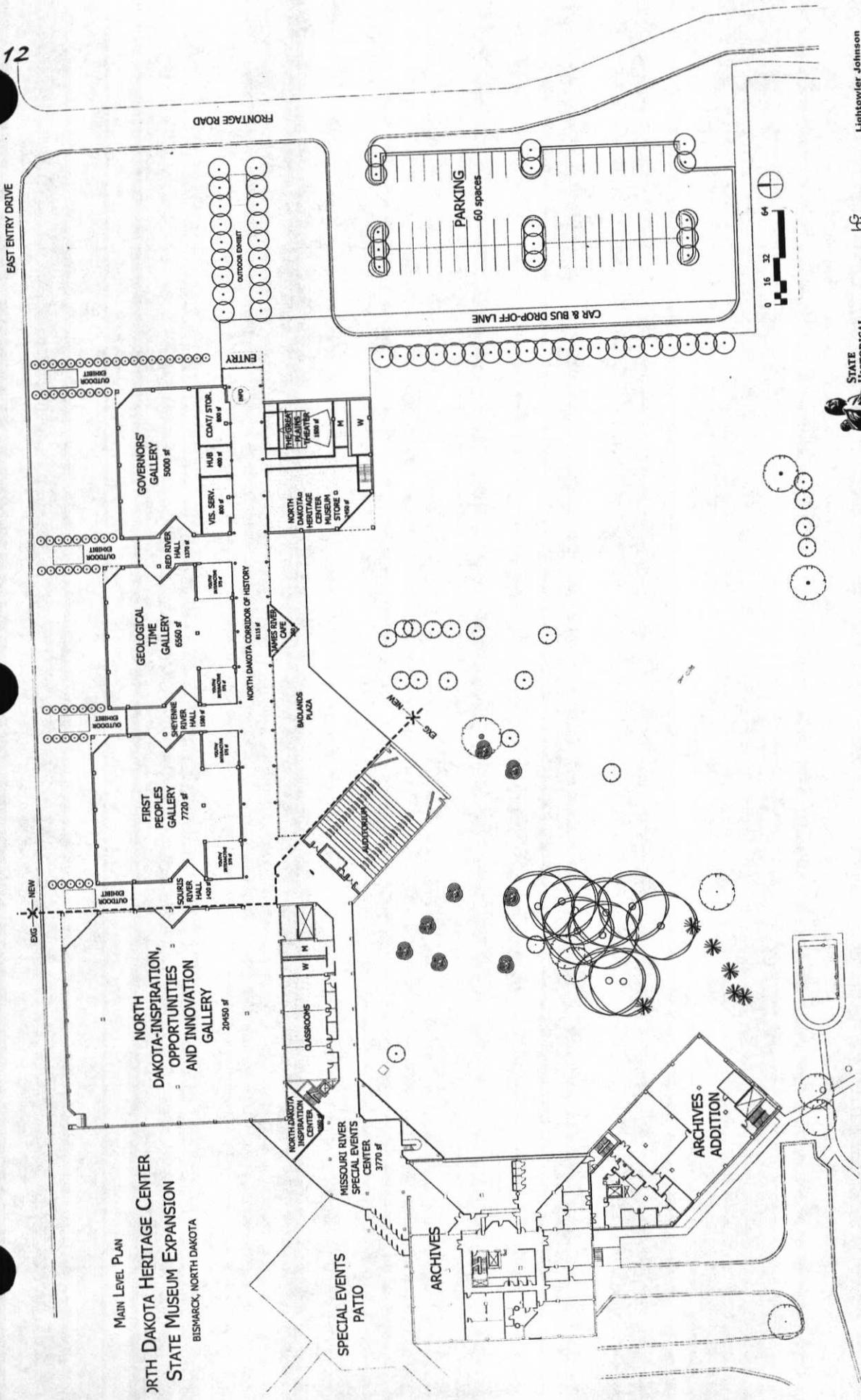
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- Architecturally engaging building that will draw in visitors
- Appealing new entrance, visitors' services for the state's largest accredited museum
- New temporary gallery for high profile traveling exhibits and collections
- Geological Time Gallery—the great Ice Age – sabre tooth tigers - dinosaurs
- First People's Gallery – a 11,000-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 – sculpture gardens – special events spaces – great hall
- 3-D theater and living wall murals featuring sites and attractions across the state
- High-tech visible exterior sign to announce programs and attractions
- Access for the challenged and ample parking for cars, RVs and buses



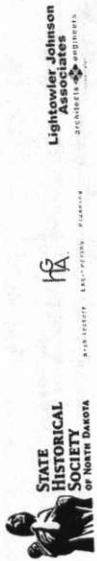
“ We have the opportunity to do great things. ”

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



MAIN LEVEL PLAN

**ORTH DAKOTA HERITAGE CENTER
STATE MUSEUM EXPANSION**
BISMARCK, NORTH DAKOTA



“We preserve our heritage to enrich our lives, and the new North Dakota Heritage Center will be a giant step forward.”

— Bruce Hagen, Bismarck, Former Public Service Commissioner, Trustee, SHSND Foundation



Main Level Plan – New North Dakota Heritage Center

The proposed expansion of the North Dakota Heritage Center will increase the original building by 125,000 square feet for exhibit, educational, public, and staff support spaces and collections storage, serving the needs of the state's history agency for the next 20 years.

Expanded galleries for temporary exhibits, paleontology, First People, business history, the history of science and technology, and modern North Dakota and more.

Governors' Gallery: Expanded space to house temporary world-class exhibits from other museums such as the Smithsonian's Catlin exhibit, the Viking exhibit and the national Lewis and Clark exhibit and to showcase collections of the State Historical Society.

Geological Time Gallery: Expands the opportunity to display the increasingly rich state collections of fossils and geological exhibits of the North Dakota Geological Survey. Specimens from the state fossil collection include the Mosasaur, the Triceratops, the duckbill dinosaur, the rhinoceros and sabre tooth tiger. This space can also tell the climate and geological stories behind North Dakota landscapes and today's oil, gas and coal industries in our state.

First People Gallery: Interpreting thousands of years of human occupation in what is now North Dakota based on Native American advisors, field research, and the extensive and impressive archaeological and historical collections of the Society.

North Dakota – Inspiration, Opportunities and Innovation Gallery: Focuses on telling the settlement story of North Dakota up to the most recent history of our state. Collections will highlight significant contributions North Dakotans have made in science, technology, manufacturing, retail-

ing and professions at all levels here and elsewhere. This new space will be designed to inspire the innovators of tomorrow.

North Dakota Corridor of History: Impressive gathering space with living murals to highlight the historical, cultural and natural sites throughout the state and region. Windows to the south lawn of the North Dakota Heritage Center provide an impressive and relaxing view on the capitol grounds.

Youth Interactive Spaces: Hands on interactive learning labs for children and curious visitors.

Great Plains 3-D Theater: Modern technology used to tell the tales of the plains pioneers, the early peoples, the roaming dinosaurs, tales of travelers and adventurers and futuristic visions of North Dakota.

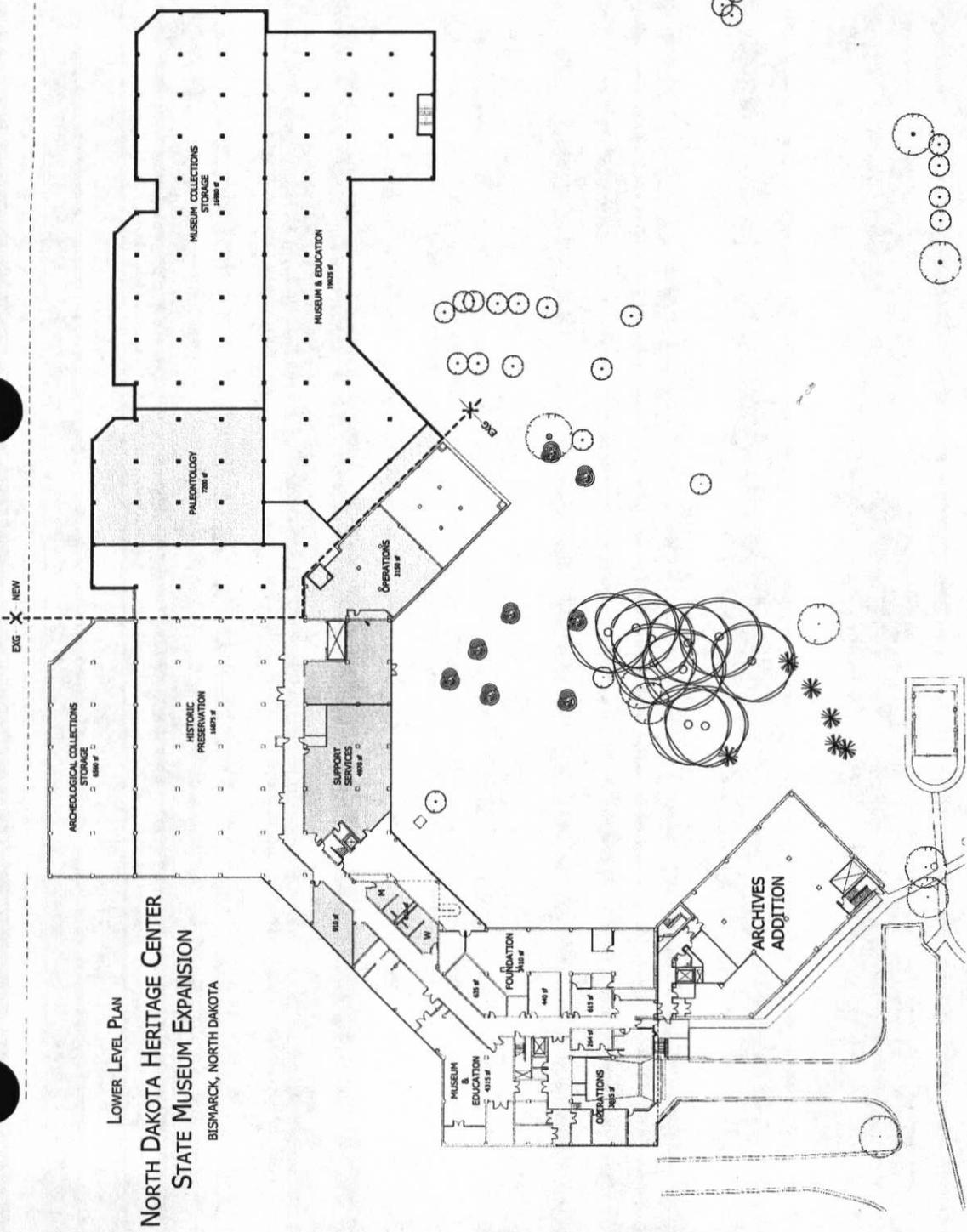
Museum Store: Up front and impressive, a high-quality venue with the best of what North Dakota has to offer.

Red River, Sheyenne River and Souris River Halls: Connections, pathways through history tying issues and events and big ideas of change. These temporary galleries will share additional collections with the public.

James River Café & Badlands Plaza: Relaxing, refreshing stop on a day of exploring our state's largest museum and a much needed outdoor patio for receptions and events overlooking lawn exhibits.

Missouri River Special Events Center & Catering Kitchen: Front foyer and current entrance transformed into magnificent gathering space for conventions, seminars, workshops, dinners, weddings, receptions and more.

Outdoor Exhibits: Four major outdoor exhibit spaces with gardens giving visitors spaces to enjoy, explore and relax.



LOWER LEVEL PLAN
 NORTH DAKOTA HERITAGE CENTER
 STATE MUSEUM EXPANSION
 BISMARCK, NORTH DAKOTA



“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



Lower Level Plan – New North Dakota Heritage Center

The addition to the North Dakota Heritage Center will provide 125,000 square feet for exhibits, educational, public, staff support spaces and collections storage. The lower level of the expansion is the space dedicated to the collections storage, operations and staff support of the State Historical Society of North Dakota and its Foundation.

Current Collections Space Full: Current collection spaces for artifacts, archaeological and geological collections are full. Original designs for the North Dakota Heritage Center projected that the current building would take care of agency needs for 20 to 25 years.

Inappropriate Storage Being Used: As the 25th anniversary of the grand opening of the building is celebrated, staff and collection spaces in all areas are full. Off-site storage is also being used extensively, placing priceless collections in harms way due to inappropriate storage conditions.

Additional Staff Critical to Expansion Efforts: Professional staff is the backbone of the history agency, providing unique skills and education to a complex task of interpreting and preserving the history of our state.

Current Staff Challenged by Growing Needs: With an ever-growing demand for support services needed by schools, main street business owners, state agencies, economic development groups, county, local and tribal museums, oil, gas and coal organizations, and federal construction projects staff positions must be increased substantially.

**“The North Dakota Heritage Center
is the hub for history in our state.”**

— Art Todd, III, Jamestown, Board Member, SHSND
Trustee, SHSND Foundation

The Need for Expanded Collections and Staff Spaces

Historic Preservation Division: Offices, laboratories and file storage areas of this division are full to capacity. Both federal-and state-mandated cultural resource files are housed in this area to meet federal regulations regarding highway construction, pipelines, mines and other construction projects. The division is the sole repository for the state of these significant collections. **Archeological Collections Storage** is also full to capacity. These collections provide the information of 11,000 years of human occupation. Rolling compact storage has already been put into place in this area.

Museum and Education Division: Compact storage has been utilized for about a third of **Museum Collections Storage** space and two major off-site storage spaces are currently in use, neither meeting the necessary standards for long-term storage, of priceless artifacts. Collection of larger artifacts has been severely limited for quite some time due to storage issues.

Paleontology Lab: The North Dakota Geological Survey manages the state fossil collection housed in the North Dakota Heritage Center. Current storage space is full to capacity and large specimens such as dinosaur bones are stored off site.

Support Services Division: Operations, security, Museum Store and publications and communications are housed under this division. Cramped offices and inadequate operational spaces critically impact all areas of this division.

Public Spaces: Under the expansion, much needed handicapped access will be provided to the **Auditorium Space**. To meet the needs of other state agencies as well as the public additional meeting rooms, conference spaces and gathering spaces will be added.

Inspiration - Made in North Dakota

By Cordell Dick, Bismarck, North Dakota

I had never given a great deal of thought to my home state until recently...at least not in any other context than it is a good place to grow up, a good place to raise a family, and a wholesome place to retire. I was born and raised here. My wife was not born here, but like many thousands like her, she is now a North Dakotan who calls this place her home. We have all worked hard, celebrated family and community events, studied hard at school and prided ourselves in making a life that counted for something worthwhile. We are people of high moral character who love God and country.

But what if there is more going on here? What if the combination of the unique aspects of our State profoundly impacts *native North Dakotans*—the people who have lived and/or are living here? What if experiencing the dramatic contrasts of our seasons, the openness of our landscape, the vivid colors of our evening skies, the resolve of our people, and the rich heritage of our forebears, produces people of unique character, endowed with special talent for successfully overcoming life's challenges?

Our state's residents have been incredibly successful. The level of education is exemplary. The quality of life is exceptional. The leadership demonstrated by those in authority, from the governor's office and congressional delegates, all the way to community, civic and church leaders, is superb.

Success also follows those who move away. People all over this country seek out employees and business partners who are from North Dakota. Some of the brightest minds in our country are native North Dakotans. The words, "It's never been done before," are a rallying cry for us to figure out a way "to get it done."

I believe North Dakota is a place for success, an incubator for genius. Living here propels residents to new

levels of inspired thinking. Native North Dakotans think differently, more creatively, more optimistically and with more resolve to make a better future. They lead their lives by example for others to follow—lives of integrity, dignity and high achievement. **North Dakota is truly a place of inspiration.**

Theodore Roosevelt said that "if it had not been for what I learned in North Dakota, I would never in the world have been President of the United States." The walls of the North Dakota Capitol Building are lined with portraits of native North Dakotans who reached high achievement in various fields of endeavor. There are thousands of others throughout our state, country and the world who have demonstrated this unique, high quality of life.

What if this gift of inspiration became the state's *claim to fame*? What if we invited others to experience intentionally what native North Dakotans have received unintentionally?

The new proposed *North Dakota - Inspiration, Opportunities and Innovation Gallery* is just the place to showcase excellence in business, community and personal life. The state's premier museum, the keeper of the stories of the past, is gathering those stories illuminating this gift of inspiration. The state's history agency has the unique privilege and responsibility to invite others to dare greatly, following the examples of past and present native North Dakotans.

This "inspiration center" will be North Dakota's enduring legacy, ensuring that our state's most glorious days are not yet written in the pages of its history.

“The ‘inspiration center’ is one of the most innovative concepts ever introduced for North Dakota. Is there a better way to teach our children than through examples created by our most celebrated sons and daughters? We need to do whatever we can to make this dream and vision a reality.”

— David R. Bailly, Fargo, Trustee, SHSND Foundation

People are shaped by living in this state.

I have always been PROUD to be from North Dakota...and reading Inspiration – Made in North Dakota has made my buttons pop!

— Kelly Schmidt, North Dakota State Treasurer, Bismarck
Ex-Officio Board Member, SHSND
Trustee, SHSND Foundation

“This much needed expansion of the North Dakota Heritage Center will interpret, for our grandchildren and visitors from around the world, the people and forces that shaped our past here on the northern great plains, and offer a glimpse of our future.”

— Robert Horne, Minot, Board Member
SHSND Foundation, Trustee, SHSND Foundation

“It has been said that those who ignore history are destined to repeat it. Today state and local groups are revisiting our rich historical past. In 2005 the State Legislature approved additional funding for the State Historical Society and for regional history projects. Our children and future generations will look back at this point in time with great appreciation. These are truly exciting times for North Dakota, let’s get on with it!”

— Wally Beyer, Bismarck, Board Member
SHSND Foundation Trustee, SHSND Foundation

“Our history is a story of accomplishing dreams against great odds, the new North Dakota Heritage Center will provide an environment for groups interested in helping people lift themselves to high levels of excellence.”

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

“Grit and tenacity, those are words that say North Dakota to me.”

— Darrell Dorgan, Bismarck, Executive Director
North Dakota Cowboy Hall of Fame
Secretary, SHSND Foundation Board
Trustee, SHSND Foundation

“This vision should not be viewed as the next step...it is a quantum step into the future...a major undertaking that one and all should enthusiastically endorse to bring into being for the people of North Dakota.”

— Jack Johnson, Retired President, Steiger Tractor, Fargo

“We want to build something that is a destination for the world, that makes people sit up and say, ‘Wow, look what they’ve built here in North Dakota.’”

— Jim Fuglie, Gladstone, Former State Tourism Director
Trustee, SHSND Foundation

“North Dakota is a small town with long streets.”

— the late Rod Tjaden, former Director
Theodore Roosevelt Medora Foundation

A Beacon of Light on the North Dakota Capitol Grounds



STATE
HISTORICAL
SOCIETY
OF NORTH DAKOTA

HA.
ARCHITECTURE | ENGINEERING | PLANNING

Lightowler Johnson
Associates
architects engineers

View From South - 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 diamond will attract the curious and will provide them a never ending and ever changing tale of life on the plains.

“The State Historical Society of North Dakota is a key resource for tourism expansion. It needs investment for that purpose to fulfill its mission to the people and the state of North Dakota.”

— Merlan E. Pasvernud, Jr., Director, State Historical Society of North Dakota
April 2004, Trustee, SHSND Foundation





Plains Talk

A 'Smithsonian of the Plains'

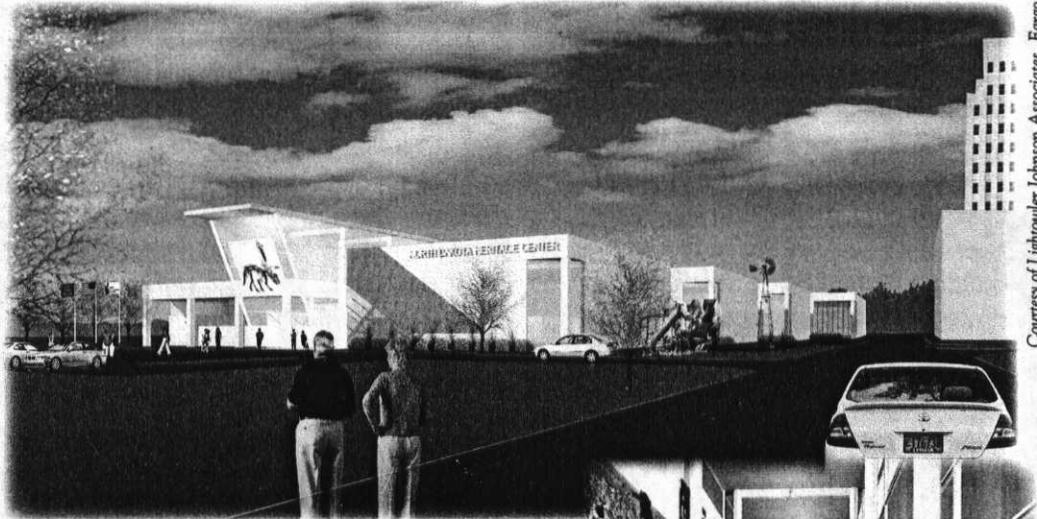
Volume 37, Number 3 - Fall 2006

North Dakota Heritage Center Expansion Proposed

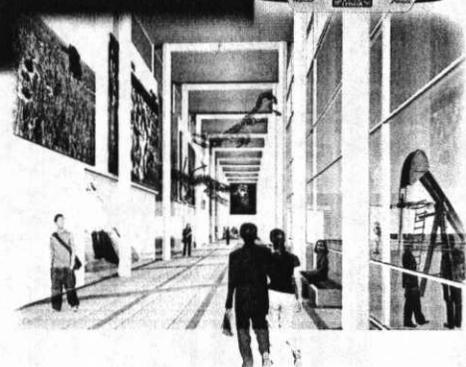
Plans for the Phase Two expansion of the North Dakota Heritage Center would nearly double the size of the state's largest museum and provide much-needed additional space for the state's artifacts and other historical treasures. The facility also serves as the headquarters of the state's history agency, the State Historical Society of North Dakota (SHSND) and its non-profit Foundation.

"We want a world-class operation, one that's astounding and beautiful, not only highlighting the past but also providing a vision for the future," said SHSND Director Merl Paaverud. "We're on the brink of some extraordinary things in North Dakota, and it's time for an extraordinary state museum to reflect that, not only for us, but also for our children and for generations to come."

Paaverud said the North Dakota Heritage Center, as the state's "hub for history," will function as the state's premier



This view of the proposed Phase Two expansion of the North Dakota Heritage Center shows the facility facing east on the state capitol grounds in Bismarck. (right) This interior view of the proposed expansion looks east through the North Dakota Corridor of History next to the Badlands Plaza and high-tech media murals and interactive learning labs. It also features an events and convention meeting area for the public.



Courtesy of Lighthowler Johnson Associates, Fargo

visitor center, making it easy for travelers – either in person or via the Internet – to choose from a variety of travel and entertainment options available throughout the state.

"The SHSND is a key resource for tourism expansion that needs investment in order to fulfill its mission to the people and state of North Dakota, and that's what this proposed expansion will do," he said, noting that tourism is now the state's number two industry, behind agriculture.

In a series of meetings hosted by local supporters statewide this fall, SHSND and Foundation officials have been presenting the plan to state and local officials, supporters, and the general public.

The plan is part of a 10-year expansion strategy of the state's history agency and its Foundation. The first phase, a \$5.7 million expansion of the state archives funded mostly through a bond approved by the Legislative Assembly,

Corridor of Time Now Open

Dinosaurs have arrived at the North Dakota Heritage Center in Bismarck. Dromaeosaur skeletons, hadrosaur skin impressions, a *Triceratops* skeleton, and *Tyrannosaurus rex* teeth are now featured in the North Dakota Corridor of Time, a new attraction in the Heritage Center's main gallery showing what life was like in present-day North Dakota millions of years ago, before human habitation.

The Corridor of Time is really two exhibits, depicting life during the Late Cretaceous (about 65 million years

continued on page 3

continued on page 2

North Dakota Heritage Center Expansion

continued from page 1

is now underway. This addition to the Heritage Center is scheduled for completion in the summer of 2007 (see page 4 for more). Phase One also includes investments in county and tribal historical resources, as well as sites the SHSND manages. These include a new \$1.6 million interpretive center at the Chateau de Mores site in Medora, and initial funding for a new \$1.5 million interpretive center at Fort Abercrombie State Historic Site near Fargo and Wahpeton.

Phase Two would add another 125,000 square feet to the Heritage Center's current 140,000 square feet, expanding eastward from the present building toward State Street over a projected five-to six-year period. In addition to badly needed collections space, it would also include:

- *The First Peoples Gallery*, about the 11,000-year history of American Indians on the Northern Plains
- *The Geological Time Gallery*, about the hundreds of millions of years, including the era of the dinosaurs, that preceded the arrival of people in what is now North Dakota
- *The Governors' Gallery*, designed primarily for high-profile, temporary exhibits
- *The North Dakota Corridor of History*, a 25-foot-wide passageway connecting the new galleries and featuring glass walls to the south and high-tech digital murals
- A 50-seat, 3-D theater offering Smithsonian-quality programs
- A café and outdoor patio, with sculpture gardens and space for special events
- High-tech entrance signage to announce programs and attractions
- A children's gallery and learning labs featuring interactive, 'hands-on' exhibits
- A state history gallery, including industry innovations and expanding

- technologies of the past 70 years
- Enhanced visitor services, offering computer-generated maps and tours by interest and/or region
- Facilities for conventions and meetings with business-friendly technology hookups
- Full-wall DVD images of historic sites and beautiful vistas of North Dakota
- Ticketing information for special events, educational seminars, tours, and bus trips

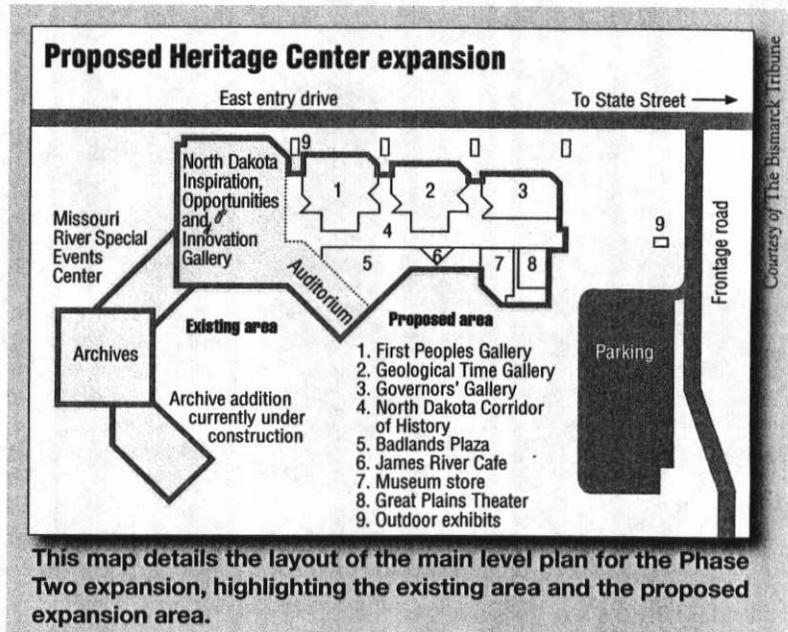
The proposed expansion will cost an estimated \$50 million. "Our working plan right now is to seek 20 percent of the funds from private sources, 20 percent from the federal government and 60 percent from state funds," Paaverud said. A detailed funding package for the Phase Two expansion will be proposed by December, in time for the beginning of the 2007 Legislative Assembly in January.

The Phase Two design concepts have been detailed by the architectural firm of Lightowler Johnson Associates of Fargo, in partnership with HGA Architecture, Engineering and Planning of Minneapolis. The 2005 Legislative Assembly provided \$50,000 for development of the concepts for the expansion. "This exciting and 'must see' expanded North Dakota Heritage Center draws on the timeless architecture of the existing building designed by the ar-

chitectural firm AWBW of Bismarck 25 years ago, creating a 'Smithsonian of the Plains,'" said SHSND Foundation Director Virginia Nelsen.

Paaverud, Nelsen, and SHSND Foundation Membership Developer Bill Schott have held meetings about the plans in Fargo, Grand Forks, Minot, Bismarck, Williston, Jamestown, Dickinson, and Devils Lake.

The expansion idea began with a meeting of North Dakota's six living governors at a North Dakota Heritage Center forum in November 2001 celebrating the building's 20th anniversary (see page 8). The governors talked about the vision and work that made the Heritage Center a reality, and looked toward the next 20 years



of history and heritage tourism for the state. The governors – William Guy, Arthur Link, Allen Olson, George Sinner, and Edward Schafer – signed a resolution asking Governor John Hoeven to appoint a commission to study the possible expansion of facilities and operations of the SHSND. Governor Hoeven appointed that commission in September 2002, and it prepared a report to the 2003 Legislative Assembly recommending a series of investments in the SHSND to spur growth and expansion. See page 9 for another image of the proposed expansion.



History's

Foundation

State Historical Society
of North Dakota Foundation

Corner

FOUNDATION

New North Dakota Heritage Center Design Concepts a "Winner"

It has been a whirlwind of visits all across the state, bringing the concepts for the expanded North Dakota Heritage Center out for legislators, local business leaders, and supporters to see. The response has been very positive; the media reports have been encouraging; and the comments have signaled that the project is a "winner." Luncheons have been held in Williston, Minot, Bismarck, Dickinson, Jamestown, Grand Forks, and Devils Lake. The last event was in Fargo on October 17.

From the beginning the goal has been a building plan that is extraordinary, with exhibits and services that will impress national and international visitors. According to guests at the regional luncheons, the planners have succeeded in this quest for the "wow" factor.

Planning for the expansion has been going on for more than a year. The Bush Foundation of St. Paul provided a \$102,000 grant to the SHSND Foundation for the year-long process necessary to create a strategic plan and feasibility study. Cordell Dick, a Bismarck consultant, explained the results of the studies to both the Foundation and State Historical Boards in August. He reported a strong level of support both for the designs and plans for expansion as well as strong financial support for the effort. The boards

agreed to move "full steam ahead" on the expansion plans. Now the fun begins!

The Foundation's role is to organize the statewide fundraising efforts. Foundation board members have stepped up to the task and are acting as volunteer fundraisers all across the state. Cordell Dick is leading strategic planning. In order to meet the increasing demands on the Foundation staff, Marlo Sveen of Bismarck has been hired as the director of development and will coordinate fundraising efforts. He brings seven years of fundraising experience to the organization.

The power behind these aggressive and ambitious plans has been the investments made in the Foundation by the growing History's Trustees' committee. These partners are the "citizen caretakers" of our state's history and our most ardent supporters. The six living governors serve as Honorary History's Trustees, leading the way in our expansion efforts. In the 2005 Legislative Assembly the Trustees were instrumental in securing \$8.1 million in investments, encouraging their local legislators to back the expansion plans.

The SHSND Foundation has more than 200 Trustees on board and plans to grow this committee to 250 to continue energizing statewide support for the expansion plans.

— Virginia A. Nelsen,
SHSND Foundation Executive Director



Virginia A. Nelsen,
SHSND Foundation
Executive Director



Bill Schott, leader
of the SHSND
Foundation's
Trustee membership
development



Marlo Sveen,
SHSND Foundation
Director of Development

“Plans are for an expansion of the North Dakota Heritage Center that would create a building and experience visitors might expect to see in St. Paul, Denver, or Dallas.”

Editorial, *The Bismarck Tribune*, September 17, 2006

For SHSND Foundation membership information, visit www.nd.gov/hist/hf.htm

Today we see that four major investments recommended by the Commission are completed and the just three major investments remain:

- Invest in state-of-the-art technology to bring services to all sectors of society
- Invest in professional staff as the delivery system for high quality programs and services
- Invest in the North Dakota Heritage Center as the “hub of history” in our state.

As the Foundation reviewed the history of the building of the current North Dakota Heritage Center over 26 years ago, it was evident that a significant part of the funds for this building would need to come from the private sector and from federal sources and or grants.

In preparation for these necessary expansion efforts, the Foundation has worked side by side with the Society board and Society staff to do the following:

- Grew the Foundation staff, budget and membership in support of expansion plans.
- Built relationships for five years across the state through informational luncheons and editorial board meetings.
- Developed the History’s Trustee Committee to set up a network of significant individuals who cared about history to act as partners across the state for financial support and for community leadership.
- Worked with the State Historical Society of North Dakota Commission.
- Helped write the case statement for the expansion project with Society staff.
- May-August, 2006 a Feasibility Study was completed with Bush Foundation Grant Funds. The study verified statewide support for the expansion plans and suggested a fundraising level of \$6M to \$8M for the campaign.
- August, September, October of 2006 the Foundation held Expansion Information Luncheons in eight major communities, invitees were legislators, media, Trustees, supporters, business leaders, and local history leadership.
- Foundation and Society boards agreed to set their fundraising goal at \$12 million in support of this important vision of the state’s history agency.
- Cordell Dick, Fundraising Consultant, Bismarck, ND is leading the fundraising team, 18 years experience.
- Marlo Sveen, Director of Development, Foundation, was hired in October of 2006 for full time fundraising efforts, he has 8 years fundraising experience.

- Foundation Board positioned with strong fundraising experience over the last five years: Mike Gustafson, Kindred; Jack Johnson, Fargo; Wally Beyer, Bismarck; Armen Hanson, Devils Lake; Tom Riley, Fargo; and Don Haugen, Fargo. These men have raised millions of dollars in prior projects. Mike Gustafson is here today to address any questions you may have.
- Foundation Executive Committee and other board members, accepted fiscal management of campaign and prospecting support: Don Haugen, President, Fargo; Jon McMillan, Fordville, Vice President; Darrell Dorgan, Bismarck, Secretary; Barb Lang, Jamestown, Treasurer; Pat Grantier, Bismarck; Dalles Schneider, Bismarck; Robert Horne, Minot. All have professional management skills.
- Five former governors agreed to serve as Honorary Fundraising Chairpersons for campaign. Governors Allen Olson and Ed Schafer have participated in fundraising calls in the Twin Cities and in the Fargo area.
- Worked with federal Congressional leadership and staff for federal financial support and will continue that process over the next six years.
- Organized for a five year capital campaign. October, 2006 SHSND Foundation began the one year silent-advanced gift phase of the fundraising efforts for expansion. In just 90 days nearly \$2 million dollars has been pledged to the campaign. Cordell Dick is here today to report more fully on this campaign.
- A second year of a public campaign is planned for individual gifts with a five to six year pledge period.
- History's Trustees has grown to over 200 members—local leaders, resources for statewide fundraising efforts, prospecting support, leadership identification, local information source for community. You will see a number of these men and women here today.
- The Foundation is here today to pursue the authorization of the state funding for the North Dakota Heritage Center expansion efforts. This is the next critical step. The private sector has stepped forward with their support in order to signal to the State Legislature that this is an important and significant project for the state of North Dakota.

It has been said that the Foundation is somewhat like the turtle—in that long fabled race—we continue to continue in support of the needs of the Society. We are not flashy, we are not big and aggressive, but we are tenacious and persistent in our efforts. We just want to be the best partners that we can for these projects. We are here to serve the Society. We are here to partner with you.

Thank you.

SB 2341 – Expansion of the North Dakota Heritage Center

Senate Appropriations Committee – January 24, 2007

9:00 am – Harvest Room – State Capital Grounds

Testimony by:

Cordell Dick, Cordell Dick Consulting

Bismarck, ND 58503

Registered Lobbyist - #555 – for the SNSND Foundation

Mr. Chairman, members of the committee,

My name is Cordell Dick. I am a fundraising consultant from Bismarck. I am speaking today in support of this bill. I have been working with the State Historical Society and the Foundation for about 18 months on this project; first as part of the planning for the fundraising campaign, then as the author of the feasibility study, and finally in working directly with contributor prospects, asking for their private financial gift support.

This fundraising campaign is somewhat unusual, in that the largest projected contributor, the State of North Dakota, had not yet given its support before we went around the state asking many private fundraising prospects what they would contribute to the project. We did this in order to clearly demonstrate to you the level of private sector support that we had throughout the state.

In spite of this unusual aspect of the campaign, I found almost universal support of the project throughout North Dakota and a willingness to make some financial gift

commitment to it. In the feasibility study work, the average response was an “8” on a scale of 1 to 10 as to the importance of this project to the future of the *State Historical Society* and an average answer of almost “8.5” as to the importance of this project to the

future of the *state of North Dakota*. I was especially impressed with the level of support this project received from prospective contributors from the Red River Valley. They believe the Heritage Center is indeed a state-wide project with state-wide benefit and worthy of support from all corners of the state.

In our travels throughout the state, we have been requesting gifts from the largest contributor prospects first in order to maximize the gift totals in the shortest period. At this time the Foundation has recorded about \$1 million in signed commitments to this project, plus almost \$1 million in verbal commitments, plus another \$3.5 million in outstanding requests awaiting the prospects responses. We anticipate that these requests will translate to at least half of this amount in gift commitments, giving us a total private sector gift support of between \$3.5 and \$4 million at this time. This has all been accomplished since we launched this campaign in mid-September.

I must emphasize that these commitments were mostly made on a pledged basis over five years, CONTINGENT upon the North Dakota legislature investing in the project as outlined in this bill.

Passage of this bill will solidify current gift commitments as well as provide significant reason for some current contributors to increase their initial gifts. It will also provide tremendous incentive for the remaining contributors to make their gift commitments in order to reach the fundraising goals.

Failure to fund this project will of course mean that the project will, at a minimum, be delayed, but it will have other very serious consequences on the private sector commitments. If the project does not move forward as planned, these private conditional pledges will be revoked and the State of North Dakota will have lost a significant investment by the private sector in a major state-wide project.

Now on a more personal note. I've lived in North Dakota my entire life. And I am old enough to know that only once in a while will an opportunity come along for us as a state to accomplish something that will set us apart, that will clearly demonstrate who we are and what defines us; what makes us unique and why we love this special land, which we call home. THIS IS SUCH A PROJECT! As an added bonus, this new and expanded, world-class Heritage Center will surely educate and inspire everyone who visits, young and old alike, no matter where they come from. And this benefit will continue for many, many years for thousands and thousands of visitors. This Heritage Center addition will be a legacy for this legislative assembly.

I urge you to support this bill. Thank you.

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**SB 2341 – EXPANSION OF THE NORTH DAKOTA HERITAGE CENTER
SENATE APPROPRIATIONS COMMITTEE – JANUARY 24, 2007**

**TESTIMONY BY:
MICHAEL GUSTAFSON**

Same given to House Approps

REGISTERED LOBBYIST - #558 FOR THE SNSND FOUNDATION

CHAIRMAN HOLMBERG AND MEMBERS OF THE SENATE APPROPRIATION COMMITTEE.

MY NAME IS MICHAEL GUSTAFSON FROM KINDRED, NORTH DAKOTA.

MY TESTIMONY THIS MORNING IS IN SUPPORT OF SENATE BILL 2341.

SOME OF YOU MAY RECOGNIZE MY NAME AS BEING THE PREVIOUS CEO OF CASS COUNTY ELECTRIC COOPERATIVE, FROM THE SOUTHEASTERN PART OF THE STATE.

IN THE TIME FRAME OF 2002 AND 2003, I RETIRED FROM THE DAY TO DAY WORK OF THE RURAL ELECTRIC'S AND NOW ACTIVELY INVOLVED IN A NUMBER OF PROJECTS THAT COVER A SPAN OF INTEREST INCLUDING:

- RENEWABLE ENERGY DEVELOPMENT, IN THE AREA OF CONVERSION TECHNOLOGY AND FUND RAISING IN THE UPPER MIDWEST STATES.
- PROFESSIONAL FUND RAISING FOR THE FARGO CASS COUNTY EDC.
- RESTORATION OF OLD INTERNATIONAL HARVESTOR TRACTORS.
- SPOILING MY SOON TO BE TWO-YEAR-OLD GRANDDAUGHTER IN THE CITIES.
- VOLUNTEERING TO SIT ON THE HISTORICAL SOCIETY FOUNDATION BOARD.

YES, A LITTLE MORE THAN A YEAR AGO, I WAS FINALLY CONVINCED AFTER BEING ASKED FOR THREE YEARS PRIOR...TO JOIN A GROUP OF TRUSTEE'S THAT HAVE CHAMPIONED THE MISSION OF THE HISTORICAL SOCIETY. THE GOVERNOR APPOINTED COMMISSION WAS ASKED TO EXPLORE THE EXPANSION OF THE HERITAGE CENTER AMONG OTHER SOCIETY PROJECTS. AS I MADE THE DECISION TO TAKE THIS VOLUNTEER ASSIGNMENT SERIOUSLY...I HAD TO BE ASSURED THAT THE NECESSARY DUE DILIGENCE INVOLVING THE EXPANSION HAD BEEN DONE. EXAMPLES INCLUDE THE FINAL COMMISSION REPORT, THE ARCHITECTURAL AND ENGINEERING PREPLANNING THAT WAS PRESENTED TO THE SOCIETY BOARD AS A RESULT OF FUNDING PROVIDED BY THE 2005 LEGISLATURE.

THIS PAST SUMMER, AFTER THE PRIVATE SECTOR FUND RAISING FEASIBILITY STUDY HAD BEEN COMPLETED...AND OFFICIALLY ENDORSED BY THE SOCIETY BOARD AND THE FOUNDATION BOARD. I DECIDED THAT I WAS WILLING TO DEVOTE MUCH OF MY AVAILABLE TIME IN THE NEAR FUTURE TOWARD MOVING THIS EXCITING PROJECT FORWARD.

THEREFORE, IT IS IMPORTANT TO RECOGNIZE THAT I HAVE CONTRIBUTED MORE THAN 400 HOURS OF PERSONAL TIME. I TRAVELED IN EXCESS OF SOME 4,000 MILES THROUGHOUT THE STATE...TO SEEK PRIVATE SECTOR INVOLVEMENT. AS A RESULT OF THE FEASIBILITY STUDY, A TEAM OF VOLUNTEERS STRATEGICALLY LOCATED IN THE STATE...ALONG WITH OUR FUND RAISING CONSULTANT HAVE IDENTIFIED A STRONG RESPONSE TO THE EARLY STAGE OF THE CAMPAIGN. IT IS OF PARTICULAR INTEREST THAT I EMPHASIZE THE ASPECT OF PRESENTING A PARTNERSHIP TO THE REQUEST FOR MONIES IDENTIFIED IN SENATE BILL 2341. AS WE CONSIDER THIS PARTNERSHIP EFFORT AS BEING A PROJECT FOR THE "PEOPLES OF THE STATE"...THERE IS A SENSE OF FEELING THAT THE TIMING OF THE EVENT IS RIGHT, AND MIRRORS THE PARTNERSHIP EXAMPLE CREATED IN BUILDING THE EXISTING HERITAGE CENTER SOME TWENTY FIVE YEARS AGO.

IN CLOSING, I WANT TO SHARE SOME OF MY HERITAGE THAT CREATES A PASSION FOR THIS PROJECT AND A BELIEF THAT IT IS OUR JOINT RESPONSIBILITY TO PRESERVE THIS PLACE OF HISTORY FOR OUR FAMILIES, FRIENDS AND VISITORS FOR MANY YEARS TO COME.

AS MOST OF YOU RECOGNIZE... WE ARE THE DECENDENTS OF IMMIGRANTS WHO CAME TO THIS PART OF THE COUNTRY IN THE LATE 1880'S, AND AS YOU RESEARCH THE HISTORY, PERSONAL STORIES SURFACE THAT CAPTURES SPECIFIC EXPERIENCES AND INFLUENCES THAT MOLD YOUR LIFE AND CONTRIBUTION TO SOCIETY.

IN THE CASE OF THE MICHAEL AND LOIS GUSTAFSON FAMILY, OUR ANCESTORS COME FROM NORWAY, SWEDEN AND GERMANY. MY GREAT GRANDFATHER WORKED IN AN UNDERGROUND COAL MINE IN THE NORTHWESTERN PART OF NORTH DAKOTA MORE THAN A HUNDRED YEARS AGO, SO IT IS INTERESTING TO NOTE THAT I SPENT MY PROFESSIONAL CAREER WORKING IN THE ELECTRIC ENERGY BUSINESS CONVERTING COAL TO ELECTRONS AND IT IS THIS KIND OF TECHNOLOGY TRANSITION THAT WE INTEND TO IDENTIFY IN THE NEW EXPANDED HERITAGE CENTER. MY WIFE'S GREAT GRANDFATHER CAME TO FARGO WHEN HE WAS SEVEN YEARS OLD WITH HIS GRANDMOTHER IN 1872...AND LIVED SOUTH OF FARGO, ONLY TEN MILES FROM WHERE LOIS AND I LIVE TODAY.

HE WAS CONFIRMED IN A PARISH SERVED BY A CIRCUIT RIDER PASTOR THAT HAS ROOTS TO THE OLDEST LUTHERAN CHURCH IN NORTH DAKOTA, WHERE WE HAVE NOW BEEN MEMBERS FOR THIRTY YEARS. THE RECORDS SHOW THAT HE LIKELY EXPERIENCED BEING IN THE AN OLD LOG CABIN WHICH WAS THE RESIDENCE OF THE PASTOR OF THIS CIRCUIT RIDER NETWORK...AS WELL AS THE PLACE OF WORSHIP AND A RURAL SCHOOL CLASS ROOM IN THOSE EARLY YEARS NEAR KINDRED.

MY POINT OF REFERENCE IS THAT THIS CABIN WAS DISMANTLED AND SENT TO HAMAR, NORWAY TO BE RE-ASSEMBLED AT A MUSUEM TELLING THE STORY OF NORWEGIANS IMMIGRATING TO THE UNITED STATES. TWO YEARS AGO MY WIFE AND I, ALONG WITH ANOTHER COUPLE FROM KINDRED SPENT NEARLY THE WHOLE MONTH OF AUGUST VISITING THESE ANCESTORIAL PLACES OF HISTORY...AS WELL AS A BRAND NEW IMMIGRATION MUSUEM IN BREMMERHAVEN, GERMANY.

THIS RICH HISTORY, MUSEUMS FROM AROUND THE WORLD AND GENEEOLOGY GATHERED IN THE CASE OF EACH OF OUR FAMILIES...GIVE US REASON TO INVEST, PARTICPATE AND SEEK OTHERS TO BE INVOLVED IN SOMETHING WE ALL CAN BE VERY PROUD OF.

I AM ASKING FOR YOUR SUPPORT OF SENATE BILL 2341

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Presentation to the Legislative Committee
North Dakota Heritage Center Expansion
Senate Bill 2341
January 24, 2007 - 9:00 a.m.

Testimony by Marvin Kaiser, President
State Historical Board
State Historical Society of North Dakota

Same given to House APPROPs

Mr. Chairman, Members of the Committee:

My name is Marv Kaiser. I am from Williston, and I am the President of the State Historical Board. The State Historical Board is the board of directors of the State Historical Society of North Dakota.

I would prefer to be in Bismarck today to testify in person, but I am out of state on business to which I committed long ago. Please allow my comments to be entered into the record in my absence. This statement communicates the unanimous view of our Board.

I am writing in support of the bill to authorize spending of \$54.7 million with \$30.7 million of the authorization as a state appropriation in order to expand the North Dakota Heritage Center.

The Heritage Center has served the state well as the hub of history in North Dakota. However, that hub is today in need of updating and modernizing, something that the original designers of the Heritage Center anticipated 25 years ago.

- The State Historical Society needs the space to store and to exhibit the records and artifacts of our state's history over the past seventy years.
- Our storytelling has stopped. The displayed history at the Heritage Center stops in the 1930s, in a time of trouble and uncertainty. The Historical Society, and the State, needs to tell the State's more recent story to include not only the challenges to our agricultural society, but also the expansion and diversification of the economy through the development of energy and the activities of business innovators. The story of our early history has expanded, and we must exhibit and teach the changes that have occurred in the last 20 years as well.

The expansion we advocate is not just to support an academic or sentimental preservation of the State's history. It is also sound economic development. Tourism is North Dakota's number two industry and heritage tourism is a huge part of overall tourism in the state. North Dakota has the historic sites, events, and cast of characters to continue to support this developing tourism industry. However, the tourist and visitor today expect to see modern technology used in the display of history and the way visitors can access

that history. We need interactive displays, a theater, websites, kiosks, and other modern tools to attract and keep those visitors, and our own citizens, in North Dakota

There are times in the history of the State when we have the opportunity to do great things. The State Historical Board believes this is one of those times. We must expand the Heritage Center, and we can transform the State's largest museum into a true "Smithsonian on the prairie," that will be a distinctive showplace of who we are, where we have been and where we as a community are going.

We are now at the anticipated time for expansion. The Commission that Governor Hoeven appointed in 2002 reached the same conclusion, as did all five former governors. Our most conservative past governors agreed that preservation of the State's history was valuable and that the Heritage Center expansion should be done now. They have also put their own time and money forward in support of the expansion. The time is now.

Governor Hoeven wanted the public sector to speak before the expansion becomes a part of his budget. In fact, the public has spoken. The State Historical Society of North Dakota Foundation has raised nearly four times the amount of money the Governor understood had been raised when his budget was concluded. However, the public also thinks that the Heritage Center is a State responsibility and looks to this Legislature for leadership in funding to further the cause of supporting private fundraising.

We know that you will have many before you seeking funding for their cause. You have before you a difficult job of setting priorities. However, proper appropriations need not be of grim necessity to be of great value to North Dakota's citizens. Here is an opportunity to do more, a great deal more. We can do it and we should do it.

Please give this bill your serious consideration.

Thank you.

RE: SB 2341
TO: Members House Appropriations Committee
FROM: Sen. John Andrist, District 2

As originally introduced this bill would have provided \$30.7 million of our surplus funds to match another \$24 million of private and federal monies to accomplish our dream of creating one of the nation's signature museums, one that could be a showcase for North Dakota pride and North Dakota history that would be a benefit to every single North Dakotan.

As a Senate Appropriations Committee member I know how difficult it is to fund things that are not in the executive budget, so I suggested a trigger mechanism be put in place, in the event the economic expansion North Dakota has experienced in the past two years continues in the next biennium.

Surpluses can be as difficult for you to deal with as much as they are blessings. I think you are discovering some of the truth in this.

I therefore would hope that you might consider amending the bill to provide a trigger mechanism, which would release the funds only if:

1. There is money in the General Fund to cover the appropriations we make in 2007, and
2. We have exceeded the \$200 million benchmark we establish for the Budget Stabilization Fund, and
3. The Historical Society can present to OMB evidence that they will be able to meet their federal and private fund raising goals.

To be sure, this would likely not happen until near the end of the biennium. But it would give the foundation a better tool for raising their share with the promise the money is there.

If in your judgment, however, you disagree with this approach, I would ask that at the very least you will pass this second engrossment as brought to you by the Senate -- which is a non-binding statement of intent that the 2009 session provide the money if efforts to secure private and federal funds are successful.

In that event, I think I can say with some confidence, the project will be part of the executive budget in 2009.

-Testimony of Senator Robert Horne
In support of SB 2341
February 26, 2007

Chairman Svedjan and members of the committee.

For the record, my name is Robert Horne, Senator representing District 3, which includes the east side of Minot and several rural townships in Ward County.

I appear in support of SB 2341, the proposal to expand the North Dakota Heritage Center. While the original bill has been amended into a resolution of support, we want to explain the project so the committee understands the proposal.

To save time for others to testify, I will not go into the details of this project. Others will do that better than can I. However, I will urge you to keep your collective minds open to the potential this project offers.

It will be a stunning "best foot forward" showing visitors from across the nation and beyond that we have a rich past, a vibrant present and that we look boldly into our future.

The expansion will make all North Dakotans proud of who we are, how we got here and where we will go.

You will learn that dedicated, private citizens, members of the North Dakota State Historical Society Foundation (like me) have already begun the private fundraising effort. Their enthusiasm and dedication to this project has secured almost two million dollars in cash and pledges to date. More will come once the state signals its support.

The current Heritage Center has served us well these 25 years since Governors Link, Olson, Davis and Guy dedicated the building in 1981.

2) Horne testimony, SB 2341 2-26-07

You will learn that once again we have strong support from all of our distinguished Governors.

You will learn of the bold, eye catching design being proposed, of the futuristic technology and how it will not only give visitors a "wow" impression of our state but how it will advance the mission of the North Dakota Heritage Society.

With this in mind, I urge you and all of us in the 60th Legislative Assembly to be open to the possibilities. Let's be creative in how we get this done.

If the cost is too much for one bite, let's put together a plan to make this expansion happen. Perhaps build in phases. Maybe bond the total. We need a signal of firm commitment from the state to keep the private fundraising alive and stimulated.

When I think of the Heritage Center and its stellar work, I think of our pioneer heritage. For example, I am a fourth generation Horne whose great grandfather and his son, my grandfather, homesteaded in what is now Ramsey County west of Devils Lake in the mid 1880's, before the railroad and while Fort Totten was still an active military post.. Hornes still farm our land. Many of you have similar family histories to preserve.

It seems each generation has an opportunity to leave its mark. This is our opportunity. Conditions are right, the need is here and there are enthusiastic citizens ready to lead the way. Let's seize the moment to display our people's heritage with pride. Let's look to our future with optimism. Future generations will thank us.

Attachment C
2/26/07

SB 2341
House Appropriations Committee
February 26, 2007

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Testimony by Merl Paaverud, Director
State Historical Society of North Dakota

Introduction

Chairman Svedjan and members of the Committee, my name is Merl Paaverud and I am the director of the State Historical Society of North Dakota. Thank you for the opportunity to come before you today to testify about a very important project that will have a profound affect on the historic collections that are so important to understanding North Dakota and its people. The project that I am referring to is the North Dakota Heritage Center Museum Expansion Project.

The North Dakota Century Code under section 55-02.-01.2 outlines the responsibilities of State Historical Society. The Section outlines our responsibilities for 1. Collecting artifacts, books, maps, charts, and other papers and materials that are illustrative of the history of this state in particular and of the west in general. 2. Procurement of facts and statements relative to the history of the state so as to exhibit faithfully the antiquities and the past and present resources and conditions of this state. 3. Cataloging, indexing, and duplicating all of the collections of the society for the more convenient references of all persons who have occasion to consult the same, and 4. Organizing, developing, and presenting educational materials and programs concerning the history of North Dakota for the use, information, and benefit of the public.

We have worked very hard to fulfill these responsibilities since the North Dakota Heritage Center opened in 1981. The original space was intended to provide collections space for 25 years. It has now been 26 years and the space in the North Dakota Heritage Center is being used up. We have resorted to storing precious artifacts in off site locations that do not have the protection or environmental controls that are needed to keep them.

Two very positive steps have been taken in the past two years that will help resolve the space problems. The North Dakota Legislature provided funding for a compact storage system in the museum collections. This will buy us some time until we can build the addition. You also provided \$50,000 to complete preliminary design work for the Museum addition. Thank you very much for this support.

Project Description

I have handed out a booklet which provides images from the concept design for the Heritage Center addition. Images are located on the front cover and on pages 10, 11,12,

14 and 18. The total cost for the project with inflation figured in is \$54.7 million and you can see this cost breakdown in Attachment 1. The building will be designed to provide room for additional collections, high technology, world class exhibits and excellent services to the state and the general public. Our hope is to increase the building square footage at this time since construction costs will only increase in the future.

(Description of images and floor plans provided by Merl Paaverud.)

Budget Overview

Project Total Cost.....	\$54, 699, 407
State of North Dakota	\$30, 699,407

(See Attachment 1.)

Conclusion

We are asking for your support so that we will not lose important collections that help to define the history of the people of North Dakota. We offer great service and are given the responsibility to keep our precious museum, archeological and paleontology collections for perpetuity.

We have 200,000 visitors to the Heritage Center each biennium. It serves as a primary information center for visitors who receive an overview of the history for our entire state. This helps them understand what makes North Dakota and its people unique and interesting.

The North Dakota Heritage Center houses North Dakota's most important history collections. The Center is known on national and international levels as having one of the best collections of Native American artifacts in the world. It is our responsibility to keep all of our precious collections current, accessible and well preserved for future.

This is a big project, but it is also a great project for North Dakota. Thank you for your interest and support. I would be glad to answer any questions that you may have.

SB 2341 – Expansion of the North Dakota Heritage Center

House Appropriations Committee – February 26, 2007
10:30 am – Rough Rider Room – State Capital Grounds

Testimony by:

Cordell Dick, Cordell Dick Consulting

Bismarck, ND 58503

Registered Lobbyist - #555 – for the SNSND Foundation

Mr. Chairman, members of the committee,

My name is Cordell Dick. I am a fundraising consultant from Bismarck. I am speaking in support of full funding of Senate Bill 2341. I have been working with the State Historical Society and the Foundation for about 18 months on this project; first as part of the planning for the fundraising campaign, then as the author of the feasibility study, and finally in working directly with potential donors, asking for their private financial gift support.

This fundraising campaign is somewhat unusual, in that the largest projected contributor, the State of North Dakota, had not yet given its support before we went around the state asking many private fundraising prospects what they would contribute to the project. We did this in order to clearly demonstrate to you the level of private sector support that we had throughout the state.

In spite of this unusual aspect of the campaign, I found almost universal support of the project throughout North Dakota and a willingness to make some financial gift commitment to it. In the feasibility study work, the average response was an “8” on a scale of 1 to 10 as to the importance of this project to the future of the *State Historical*

Society and an average answer of almost "8.5" as to the importance of this project to the future of the *State of North Dakota*. I was especially impressed with the level of support this project received from prospective contributors from the Red River Valley. They believe the Heritage Center is indeed a state-wide project with state-wide benefit and worthy of support from all corners of the state.

In our travels throughout the state, we have been requesting gifts from the largest potential donors first in order to maximize the gift totals in the shortest period. At this time, the Foundation has a total private sector support of between \$3 and \$4 million for this project, when combining all signed commitments, verbal commitments and an estimate of eventual gifts from outstanding requests. This has all been accomplished since we launched this campaign about five months ago. All of these contributions are waiting to see what the state of North Dakota will do and, in many cases, they have made their five year pledge commitments contingent upon the state's participation.

Passage of a funded bill will solidify current gift commitments as well as provide significant reason for some current contributors to increase their initial gifts. It will also provide tremendous incentive for the remaining contributors to make their gift commitments in order to reach the fundraising goals.

Failure to fund this project will of course mean that the project will, at a minimum, be delayed, but it will also hamper fundraising efforts.

Now, on a more personal note. I've lived in North Dakota my entire life. And I am old enough to know that only once in a while will an opportunity come along for us as a state to accomplish something that will set us apart, that will clearly demonstrate who we are and what defines us; what makes us unique and why we love this special land, which we call home. THIS IS SUCH A PROJECT! As an added bonus, this new and expanded, world-class Heritage Center will surely educate and inspire everyone who visits, young and old alike, no matter where they come from. And this benefit will continue for many years for thousands of visitors. This Heritage Center addition will be a legacy for this legislative assembly.

I urge you to support a funded bill. Thank you.

Attachment L
2/26/07

TO: HOUSE APPROPRIATION COMMITTEE
SB 2341- EXPANSION OF THE North Dakota HERITAGE CENTER

History and Discovery
Connection to the land and its people
How the landscape changed through time
Unique activities and life on the plains
From generation to generation

A living story of life, Natives, and immigrants with a passion
Making new beginnings for family living
Faith in God and self is shown unfolding

Cultures from many lands coming together
Shaping community and landscape
Schools and Houses of Worship sprung up
The struggles of language and cultural backgrounds

A journey of men and women exposed to harsh life
On the plains of North Dakota the Chill and Heat of the Seasons
Strength and determination is seen
Importance of schools and good government plays out

The world is filled with neighborhoods of Emptiness and strife
North Dakota is a story of love and opportunity
Open voting demonstrates the character of people
Living by the Golden Rule -- "The can do" Spirit
International Peace Garden -- International Music Camp
Bank of North Dakota -- Mill and Elevator- UND Medical School
Norsk Hostfest is NDak enrichment

North Dakotas Roots:

It is all about family and its values -- Nature and its resources
Our commitment to education-It's the agric market and business community
Coming alive in the North Dakota HERITAGE CENTER
Shaping of NDak Energy Industry-- Bio-Coal-Wind --Gas- Oil
Enlighten youth will be inspired by making it there carrier

Tourism is the #2 industry of NDAK- How will our state be a show case?

North Dakota Heritage Center is a catalyst to show history for the future

Will we move forward and build on the present? Our Legacy is here.

By Don Walz 1838 N Bell St Bismarck

Attachment M
2/26/07

SB 2341-For the expansion of the North Dakota Heritage Center

I wish to submit that your committee approves the passage of this bill since it will help promote the legacy of this great state. Our children and visitors should be told and reminded what we did in the past so we can do better for tomorrow. This legislature has a responsibility to provide means in preserving our heritage. To not provide funding in this bill much less approving its passage, would say little about the integrity of this legislature. It is time to move and see what we are made of.

William A Schott
2821 Marina Rd SE

Mandan ND 58554

Government Operations Division – House Appropriations Committee
Monday, 9:00 am - March 5, 2007 – House Conference Room
SB 2341 – Expansion of the North Dakota Heritage Center

Testimony by Gerald Skogley, Bismarck, ND

"Mr. Chairman and members of the Government Operations Division of the House Appropriations Committee, my name is Gerald Skogley. I am a resident of Bismarck, North Dakota, having returned to North Dakota from Minnesota in 2002. We had resided in St. Paul, Minnesota for 19 years prior to returning to Bismarck. In St. Paul, I was employed by the Bush Foundation. Prior to that, I was employed as an administrator of the University of North Dakota from 1956 until 1983. I am a graduate of Mott High School, Bismarck State College and have two degrees from UND.

I have been a Trustee of the North Dakota State Historical Society Foundation for more than three years.

History is my avocation.

I am here in support of SB 2341. I am also here to suggest to you that when you ask the Historical Society Foundation to raise funds without any dollar commitment from the State of North Dakota, you are severely tying their hands. I know of no grant making foundation that will commit funds to a project of this type without first having a positive commitment of funds from the State of North Dakota. There a number of ways this could be done; an outright appropriation, a trigger mechanism which provides matching monies from the state on a two for or three for one basis (the state having the larger share of the ratio) or allowing a match after approval by an interim committee.

While it may be possible to raise funds in the State because there are people and organizations who believe strongly that the State needs to provide for its heritage through a center where this heritage may be gathered and shown, I don't think you will get out-of-state organizations to do that.

Thank you for allowing me to be with you today. I would be happy to respond to questions."

2341.3.5.07A

EDITORIAL BOARD

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Funding the past, future

North Dakota lawmakers are being asked to make a commitment to the future by remembering the past. The State Historical Society of North Dakota wants to expand the Heritage Center. It's not a new idea — the need for expansion was predicted more than 25 years ago.

Now, a measure before the Legislature, Senate Bill 2341, asks lawmakers to do three things:

- ✓ Make it the intent of the Legislature that the Office of Management and Budget favorably consider funding for the expansion of the Heritage Center in 2009-11.
- ✓ Indicate that the Legislature supports the efforts of the state historical society to raise funds and to get federal financial support for the expansion.
- ✓ And that four legislators be appointed to a Heritage Center planning and fundraising committee.

This assembly can't commit future sessions to funding the expansion. The hope of the historical society is

TRIBUNE that if the Legislature voices intent, the next session will look favorably on **EDITORIAL** funding.

Earlier this session, the Senate rejected a bill to provide funding for the project. Lawmakers indicated they wanted to see how fundraising efforts progressed before committing money. Thus SB2341 without funding.

The historical society's plan for the Heritage Center expansion calls for \$30.7 million from the state, \$12 million from the federal government and \$12 million from fundraising.

The House government operations division of the Appropriations Committee will hold a hearing on the bill at 9 a.m. today in the House Conference Room.

The expansion will add 125,000 square feet to the original building. Included in the plan are galleries for temporary exhibits, youth interactive spaces and a theater.

At the moment, the Heritage Center has many items in storage. Even with traveling exhibits and temporary displays, many items remain unseen by the public.

It's not unreasonable for the historical society to seek a commitment from lawmakers. The Heritage Center wasn't constructed without a fight. But many opponents now agree it's worth much more than it cost.

The Heritage Center not only preserves the state's history for residents, but provides an introduction to the state for the thousands of tourists who visit.

It's time to expand the ability of the historical society to tell the story.

And the historical society would like a fourth thing from the Legislature this year: \$5 million.

The historical society hopes that as the session winds down, the lawmakers can find the money for the society. It would be used to continue planning for the expansion. The money also would indicate to donors that the state is serious about expansion.

It's four steps for the future the Legislature should take.

From The Grand Forks Herald
OUR OPINION: Pride and alarm in N.D. past
Mike Jacobs

03/05/2007

Our view: *Legislature should lead efforts to present N.D.'s past.*

Two of the chief duties of editorial writers are to point with pride and to view with alarm. Some days, it is possible to discharge both duties in a single editorial. Such is the case today, when the subject is North Dakota's past.

Pointing with pride is no challenge in this instance. North Dakota's history is extraordinary in a number of ways, and the interaction of people and environment here has produced a unique political culture.

Chiefly, this is distinguished by a vibrant civil society. North Dakotans have always taken part, and we continue to do so at greater levels than in almost any other state.

As examples, a greater percentage of North Dakotans vote than in most other states, and news in Sunday's Herald showed that young North Dakotans vote at a greater rate than their age cohorts in most other states. North Dakota elects more officials than almost any other state, as well. And North Dakota young people finish high school and attend college in greater percentages than in most other states.

All of this, of course, is a legacy of our forbearers, who stressed education and responsibility. It is easy to be proud of such a legacy.

It is nearly as easy to point with alarm toward our past, however, because it is suffering from a degree of neglect that is wholly out of character with the people who built it.

The State Historical Society has asked for funds to expand the State Heritage Center in Bismarck, North Dakota's premier historical museum and one of its most visited attractions.

Lawmakers have balked at providing any funding at all for expanding the center, despite the fact that exhibits only extend to the 1930s, the time of the Great Depression. The story ends badly, in other words.

Nor have lawmakers embraced a trigger mechanism that would allow funding to go forward if the state's resources meet a designated level. Given the flood of money into the state treasury as a result of a stronger regional economy, that seems likely to happen.

2341.3.5,07C

Instead, the Legislature seems poised to pass a mild statement supporting an expanded Heritage Center. The actual funding would be left to private interests. If they stepped forward, perhaps the state would, as well.

Of course, this is backward. Interpreting history has always been a state government function, and it is a state government function in all of the states today. Asking the private sector to lead is ducking a long-established responsibility.

The private sector will step up, of course, as it did when the Heritage Center was built almost 40 years ago.

Private interests won't act alone, however, as Gerald Skogley, a consultant for the Historical Society, has pointed out. Unless the state government will make a commitment, he said last week, private donors will keep their purses closed.

Skogley deserves respect, not just as a fundraiser but as a financial administrator. He served for many years as UND's vice president for finance.

Here's what he said:

"There is one thing that I am sure of, and that is that you will not get any foundation money unless the state steps up to the plate with at least a matching agreement or some type of trigger mechanism."

So, lawmakers, let's step up.

- *Mike Jacobs for the Herald*



John Hoeven
Governor of North Dakota

North Dakota
State Historical Board

Marvin L. Kaiser
Williston - President

Albert I. Berger
Grand Forks - Vice President

Chester E. Nelson, Jr.
Bismarck - Secretary

Gereld Gerntholz
Valley City

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John E. Von Rueden
Bismarck

Sara Otte Coleman
Director
Tourism Division

Kelly Schmidt
State Treasurer

Alvin A. Jaeger
Secretary of State

Douglass Prchal
Director
Parks and Recreation
Department

Francis Ziegler
Director
Department of
Transportation

Merlan E. Paaverud, Jr.
Director

Accredited by the
American Association
of Museums

Memorandum

TO: Chairman Alan H. Carlson and members of the Government
Performance Division of the House Appropriations Committee.

FROM: Merlan E. Paaverud Jr.
Director *MGP*

DATE: March 6, 2007

RE: Proposed Amendments to SB 2341 - Heritage Center Expansion

As requested, I am providing information regarding projected costs and time line for the completion of the Heritage Center expansion project. I also enclosed an attachment which includes proposed changes to SB 2341. These changes have been reviewed by Sheila Peterson. They would demonstrate legislative support and allow the society and foundation to continue to move forward with the fund raising and expansion project. Below I have outlined the proposed changes to the SB 2341.

1. The word favorably was removed.
2. Section 4 (2 Options) - Provides an appropriation for approximately 80% of the \$5 million needed to complete the architectural plans. The remaining 20% would not be needed until the 09-11 biennium as it is estimated that 20% of the total architectural costs are paid to the architect to monitor the project through construction. Construction would not start until July 1, 2009.

Option 1 - Provides for a 07-09 general fund appropriation of \$3,975,000, to OMB, for funding to complete the architectural plans.

Option 2 - Provides approval for OMB to borrow \$3,975,000 from the Bank of ND to complete the architectural plans. This option states that OMB will request funding from the sixty first legislative assembly, during the 09-11 biennium, to repay the loan and any accrued interest.

Please call me at 328-3560, if you have an questions or need additional information.

Proposed Changes to SB 2341

A BILL for an Act to provide a statement of legislative intent, legislative support, and legislative participation in the heritage center expansion project, and an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE INTENT - FUTURE FUNDING FOR HERITAGE CENTER EXPANSION. It is the intent of the legislative assembly that the office of management and budget favorably consider providing funding to the state historical society for the heritage center expansion project in the 2009-11 executive budget recommendation if the state historical society is able to demonstrate progress toward fundraising goals and federal funding is secured for the project. The sixty-first legislative assembly shall favorably consider appropriating funding to the state historical society for the heritage center expansion project if the state historical society is able to demonstrate progress toward fundraising goals and federal funding is secured for the project.

SECTION 2. HERITAGE CENTER EXPANSION - LEGISLATIVE SUPPORT. The sixtieth legislative assembly supports the efforts of the state historical society in fundraising and securing federal funding for the heritage center expansion during the 2007-09 biennium.

SECTION 3. LEGISLATIVE PARTICIPATION - BUDGET SECTION REPORTS. The chairman of the legislative council may appoint up to four legislators to a North Dakota heritage center planning and fundraising committee formed to assist in securing federal and private funding. The committee shall provide information to the budget section on the status of the project's planning and fundraising at budget section meetings in the fall of 2007 and 2008.

Option #1

SECTION 4. HERITAGE CENTER EXPANSION - OFFICE OF MANAGEMENT AND BUDGET - APPROPRIATION

There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$3,975,000, or so much of the sum as may be necessary, to the office of management and budget to complete the architectural drawings for the expansion of the North Dakota Heritage Center.

Option #2

SECTION 4. HERITAGE CENTER EXPANSION - OFFICE OF MANAGEMENT AND BUDGET - BORROWING AUTHORITY - APPROPRIATION

The office of management and budget shall borrow the sum of \$3,975,000, or so much of the sum as may be necessary, from the Bank of North Dakota, which is appropriated for the purpose of providing funding to complete the architectural drawings for the expansion of the North Dakota Heritage Center for the biennium beginning July 1, 2007, and ending June 30, 2009. The office of management and budget shall request funding from the sixty first legislative assembly to repay any loan obtained pursuant to provisions of this section, including accrued interest, from general funds in the state treasury.



History's

Foundation

State Historical Society
of North Dakota Foundation

March 5, 2007

Rep Al Carlson, Chairman
Committee Members
Government Operations Division
House Appropriations Committee

Dear Chairman Carlson and Committee Members:

The SHSND Foundation and its supporters want to thank the Government Operations Division Committee for a fruitful hearing on SB 2341 on March 5, moving us toward securing the "Smithsonian of the Plains" here on the state capitol grounds.

The SHSND Foundation's goal is to raise \$12 million from foundation grants and from private donors. These donations are at risk without Legislative support.

The SHSND Foundation working with Gerald Skogley, have identified \$2 to \$5 million in potential foundation grant support. **Without an appropriate investment in this project from the Legislature, the SHSND Foundation will not be able to apply for the \$2 to \$5 million in foundation grants for this project according to Skogley.**

In the last five months, the Foundation has launched fundraising efforts with private donors garnering nearly \$3 to \$3.5 million in potential support (see attachment). **Without an investment by the Legislature \$3 to \$3.5 million in potential donations are at risk as many pledges are conditional on securing Legislative support for the project.**

With the \$2 to \$5 million in potential foundation grants and the \$3 to \$3.5 million in potential private donor pledges---the SHSND Foundation currently has \$5 to \$8.5 million in potential foundation grants and private donations at risk if the Legislature does not make some form of investment in the Heritage Center expansion during this session.

Let's join arms, put our keen minds together and creatively position this project for success. We can have that 3D theater that Rep Skarphol has envisioned; we can have that first-class attraction that tourism can market for our state. We can have a regional "must see" destination here in North Dakota.

Most Sincerely,

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

Update on the Heritage Center Phase II Expansion Campaign

February 21, 2007

The fundraising team is continuing to secure gifts for the North Dakota Heritage Center and Phase II expansion projects.

To date we have forty-nine signed pledges for over \$1,847,000. This is an increase of over \$900,000 since December 31, 2006.

Our verbal commitments total is \$690,490.

In just six weeks, our verbal and signed pledges have doubled, bringing commitments to over \$2,500,000.

There is also \$1,595,605 in outstanding requests. We project 50% of these requests will become pledges. This will bring potential donations to \$3 to \$3.5 million.

The fundraising team, along with the Foundation and the Society staff and boards, continue to track the progress of our expansion bill as it progresses through the legislature. We continue to press for a meaningful commitment to the expansion project from the State Legislature. Donors are also following the legislature with great interest, as a number of major gifts are contingent on a meaningful commitment from the state.

We have attached a pie chard showing you these commitments.

Provided by: Marlo Sveen
Director of Development
State Historical Society of North Dakota Foundation
PO Box 1976
Bismarck, ND 58502

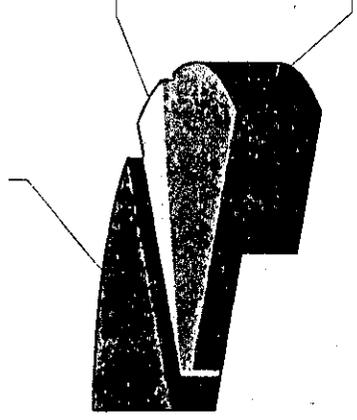
Heritage Center Expansion Campaign as of February 21, 2007

\$2.5 Million in Signed and Verbal Commitments
Goal \$12,000,000

Signed Pledges (49),
\$1,847,068

Verbal Commitments
(11), \$690,490

Outstanding Requests
(55), \$1,595,605



Identified Prospects
Amount (134),
\$7,980,250



**STATE
HISTORICAL
SOCIETY
OF NORTH DAKOTA**

John Hoeven
Governor of North Dakota

North Dakota
State Historical Board

Marvin L. Kaiser
Williston - President

Albert I. Berger
Grand Forks - Vice President

Chester E. Nelson, Jr.
Bismarck - Secretary

Gereld Gerntholz
Valley City

A. Ruric Todd III
Jamestown

Diane K. Larson
Bismarck

John E. Von Rueden
Bismarck

Sara Otte Coleman
Director
Tourism Division

Kelly Schmidt
State Treasurer

Alvin A. Jaeger
Secretary of State

Douglass Prchal
Director
Parks and Recreation
Department

Francis Ziegler
Director
Department of
Transportation

Merlan E. Paaverud, Jr.
Director

Accredited by the
American Association
of Museums

Memorandum

TO: Alan H. Carlson, Chairman of the Government Performance Division
of the House Appropriations Committee

FROM: Merlan E. Paaverud Jr. *MEP*
Director

DATE: March 6, 2007

RE: North Dakota Heritage Center Expansion - Federal Participation

As requested, I have enclosed a copy of the information submitted to the congressional offices on February 5, 2007, requesting \$12 million in federal funds for the expansion of the Heritage Center. The request provides information about the expansion project and lists federal agencies that may provide an avenue for the funding.

Prior to the \$12 million request, we have had meetings with Senator Byron Dorgan, Senator Kent Conrad, Representative Earl Pomeroy, and their congressional staff to inform them about the project and to ask for their support. I have listed some of the meetings that have taken place.

1. March 2006 - During a SHPO conference held in Washington D C, I met with Senator Byron Dorgan, Representative Earl Pomeroy, and congressional staff from Senator Conrad's office to inform them about the project and ask them for their support.
2. Summer of 2006 - Met with the congressional staff located in North Dakota to inform them about the project and to ask them for their support. The meeting was held at the Heritage Center in Bismarck.
3. October 2006 - Met with Maynard Friesz, a legislative assistant with Senator Dorgan's office, to inform him about the project and to ask for support. The meeting was held at the Heritage Center in Bismarck.
4. February 2007 - During a SHPO conference held in Washington D C, met with congressional staff to update them on the project and to ask for their support.

If you have an questions or need additional information, please call me at 328-3560.

PART 1 – GENERAL INFORMATION:

1. Name of Project:	
Expansion of the North Dakota Heritage Center Museum and Collection Space.	
2. Summarize your project in 3-4 sentences:	
<p>The proposed expansion of the North Dakota Heritage Center will increase the original building by about 100,000 square feet for exhibits, educational programming, public space, staff support space, and collections storage which will serve the collection needs of the state's history agency for the next 20 years. Expand the galleries for temporary exhibits, paleontology, First People (Native Americans), business history, the history of science and technology, and modern North Dakota.</p> <p>(SEE ATTACHED: "Expansion of the North Dakota Heritage Center")</p>	
3a) How much are you requesting in FY2008?	3b) If a multi-year request, please include a year-by-year funding breakdown:
\$12 million	Funding could be provided over a 2 or 3 year period. (SEE "ATTACHMENT I" FOR PROJECT TIMELINE)
4. What is the total project cost and federal/state/other breakdown? <i>(note: some funding agencies require non-federal project funding matches)</i>	
<p>Total Cost of Project is \$54.7 million</p> <p>Current Proposed Funding Breakdown Private Donations \$12 million Federal \$12 Million State \$30.7 million</p>	
5. When congressional earmarks end, will this project be completed or self-sufficient? If yes, how? If no, why?	
Yes - Once the project is completed, the state of North Dakota will fund future operating costs.	
6. Have you received federal funding for this project in the past? If so, please list the fiscal year and funding level:	
No	
7a) Which Appropriations bill is most appropriate for your project request? <i>(select from drop down menu below)</i>	7b) Which agency and account should your project be funded within?
Interior	(SEE "ATTACHMENT II" FOR POSSIBLE AGENCIES AND POTENTIAL LINK TO THE

EXPANSION.)

8. Have you requested this project from any other congressional office? If so, which?

This information was emailed to the other congressional offices in DC.

PART 2 – PROJECT INFORMATION:

1. What is the justification for the project?

(ie: Why is the project needed? What problem will it solve? What gap will it fill?)

Offices, laboratories, and file storage areas of the Historic Preservation Division are full to capacity. Both Federal and State mandated cultural resource files are housed in the collections areas to meet federal regulations regarding highway construction, pipelines, mines and other construction projects. The division is the sole repository for the state of these significant collections.

The archeological collections storage is also full to capacity. These collections provide the information of 11,000 years of human occupation. Museum collection space at two major off-site locations does not meet the necessary standards for long-term storage of priceless artifacts.

The North Dakota Geological Survey manages the state fossil collection housed in the North Dakota Heritage Center. Current storage space is full to capacity and large specimens such as dinosaur bones are stored off site.

The museum expansion will include additional exhibit space. The expanded galleries will be for temporary exhibits, paleontology, first people (Native American), business history, the history of science and technology, modern North Dakota, and more.

There has been discussion about a Native American hall of fame.

(Again, for additional information see attached: "Expansion of the North Dakota Heritage Center.)

2. What impact will the project have on North Dakota?

(ie: Will it create jobs? Bring cutting edge technology to the state? Lead to new businesses or commercialization opportunities? Help North Dakota compete for government and industry contracts?)

1. An additional 15 to 30 state jobs will be created within the State Historical Society of North Dakota to perform the duties associated with the expansion. Other entities associated with tourism will benefit from the expansion because of the people it will bring into the state.

2. Through improved marketing and promotion, we hope to substantially increase the visitation to the North Dakota Heritage Center. This number is currently 100,000 per year. In addition, we hope to see a 25% to 50% increase in visitation at historic sites throughout the state as we plan on promoting the historic sites and other North Dakota attractions as part of the expansion. We currently get about 150,000 visitors per year at the historic sites.

3. We plan on working with business and industry to develop and create exhibits. We will have an inspiration, opportunities, and innovation gallery which focuses on telling the settlement of North Dakota up to the most recent history of our state. Collections will highlight significant contributions North Dakota has made in science, technology, and manufacturing.

4. We hope businesses such as Basin Electric and MDU utilize the ND Heritage Center to hold seminars or conventions to show what North Dakota has to offer.

5. The expansion will provide storage space needed to preserve Federal and State collections.

3. What are the primary project objectives?

(In separate bullets, list your top 3-4 project objectives and describe your plans to achieve each objective)

1. INCREASE COLLECTIONS SPACE

Offices, laboratories, and file storage areas of the Historic Preservation Division are full to capacity. Both Federal and State mandated cultural resource files are housed in the collections areas to meet federal regulations regarding highway construction, pipelines, mines and other construction projects. The division is the sole repository for the state of these significant collections.

The archeological collections storage is also full to capacity. These collections provide the information of 11,000 years of human occupation.

Museum collection space at two major off-site locations does not meet the necessary standards for long-term storage of priceless artifacts.

The North Dakota Geological Survey manages the state fossil collection housed in the North Dakota Heritage Center. Current storage space is full to capacity and large specimens such as dinosaur bones are stored off site.

The museum expansion will include additional exhibit space. The expanded galleries will be for temporary exhibits, paleontology, first people, business history, the history of science and technology, modern North Dakota, and more.

2. INCREASE EXHIBIT SPACE

Expand galleries for temporary exhibits, paleontology, first people (Native Americans), business history, the history of science and technology, and modern North Dakota. The current museum tells the story of North Dakota through the 1930's. The expansion will permit us to tell the next 70 years of the story.

3. HUB OF HISTORY

The expansion will be used to promote the Society's 55 state historic sites. Visitors will be able to find out about other historic landmarks which are maintained by historical societies associated with various North Dakota cities and counties.

4. What other partners (universities, businesses, groups) are involved in this project?

The State Historical Society of North Dakota Foundation, which is not part of the State Historical Society, is currently fundraising for this project. Their goal is to raise \$12 million from the private sector.

The North Dakota Legislature is currently in session and considering a bill to appropriate \$30.7 million to the State Historical Society for the expansion project.

Note: Please attach any additional information you think would be useful in describing your project.

PART 2 – CONTACT INFORMATION:

Grantee Organization:		State Historical Society of North Dakota			
Address:	612 East Boulevard Avenue				
City:	Bismarck	State:	ND	Zip	58505
Contact Person:	Merlan E. Paaverud, Jr.			Title:	Director
Phone:	701-328-2666	Fax:	701-328-3710	Cell:	701-202-6322
Email:	mpaaverud@nd.gov				

Agency Sponsor: (Include the name and contact information of any federal agency representative who supports your project request)					
Agency:					
Contact Person:				Title:	
Phone:			Email		

PART 3 – FOR DEFENSE REQUESTS ONLY:

If you are requesting funds from the Department of Defense, please provide the following information, in addition to the above.	
Budget Account and Service/Agency: (ie: R&D, Army; O&M, Air Force; R&D, Air Force)	
Program Element:* (for R&D projects only)	
Line Number:* (for procurement and R&D accounts)	
Line Item Title*	
Does this project fulfill a validated military requirement? If so, please cite the relevant DOD documents.	

* These can be found in FY2008 P-1 and R-1 documents on the DOD comptroller website:
www.dod.mil/comptroller

NORTH DAKOTA HERITAGE CENTER EXPANSION - POSSIBLE FEDERAL FUNDING OPPORTUNITIES

ATTACHMENT II

Federal Agency	How Related to Expansion	Grant Type and Dollar Limit Amounts	Contact Information
Department of Interior - National Park Service	Regional Center for Collections; Collections Projects, Construction	Save Americas Treasurers - \$700,000 is maximum request but average for collections is \$179,000 and average for historic properties is \$299,000	Megan Brown 202-354-2062
Department of Interior - National Park Service, Bureau of Land Management, Office of Surface Mining, US Fish and Wildlife Service, Bureau of Reclamation, and Bureau of Indian Affairs	Regional Center for Collections - repository for federal archaeological collections. Collections Projects, Construction. (Example: Domenici legislation which authorized \$3.7 million to complete the Hibben Center at the University of New Mexico)	Special Allocation - Legislation with funding.	Secretary of the Dept of Interior
Department of Interior - National Park Service	Exhibits and Technology	Preserve America - \$5,000 to \$150,000	Historic Preservation Grants Division 202-354-2020
Institute of Museum and Library Services	Improving accessibility to the collection through resource sharing, technology, and training.	IMSL Grant - grant range \$15,000 - \$500,000	Christopher Reich - 202-653-4685
National Endowment for the Humanities	Purchase storage furniture	NEH Grant - \$30,000 to \$650,000	202-606-8570
US Department of Transportation Federal Highway Administration/ND Dept of Transportation	Construction	Transportation Enhancement Act	State: Ben Kubischta 328-3555
Department of Commerce - Economic Development Administration	Architectural Plans and Construction	Special Allocation - Discretionary	John Rogers (for the region) 406-449-5380
US Department of Housing and Urban Development	Construction	Special Allocation/Discretionary	202-708-1112
Department of Energy	Energy Efficient Construction; Exhibits on Renewable Energy, Fossil Resources, Technology		
National Endowment for the Humanities - Challenge Grants	Materials that enhance library or museum collections, construction or renovation of facilities, equipment, and fund-raising costs (totaling no more than ten percent of grant funds).	The federal portions of NEH challenge grants have ranged in recent years from \$30,000 to \$800,000. Up to \$1 million may be requested. Institutions seeking awards larger than \$500,000 should consult with NEH staff	
National Science Foundation	Science and Technology		Dr. Rita Colwell, Director 703-292-5111

State Historical Society of North Dakota North Dakota Heritage Center Expansion Project – Vision

A. Building a New Wing

The expansion of North Dakota Heritage Center will allow us to establish the proposed “hub for history” visitor center that will provide the visiting public with guidance on historical, cultural and natural sites to see throughout the state and region; and provide necessary space for collections, additional programs, and expanded exhibit space for temporary exhibits, paleontology, business history and the history of science and technology, modern North Dakota, and Native American Culture.

B. Creating the Only Center for North Dakota Business History and History of Science and Technology

North Dakota's image as a sparsely-populated, rural state dominated by agriculture overlooks the many business innovations and significant contributions North Dakotans have made in science, technology, manufacturing, retailing, the professions and elsewhere. While justifiably proud of the state's rich heritage in farming and ranching, the importance of other sectors of the state's economy and their contributions of national significance should not be overlooked. The lack of understanding of North Dakotans' contributions in business, science, and technology unnecessarily limits the vision of young people and the opportunities available to them, limits all citizens' understanding of their past and their present circumstances, and obscures the enormous contributions of some of our best and brightest citizens.

The SHSND has as its objective the documenting and telling of this story by relating scientific discoveries and technological breakthroughs to historical changes in our society and in the way people work and live. Working with a panel of experts from North Dakota State University (NDSU), the University of North Dakota (UND), and others, including the Center for Innovation and the Energy and Environmental Research Center (both at UND), we plan to gather the necessary documentation and artifacts to tell the story of business, science, and technology in new and exciting ways.

C. Housing Museum and Research Collections

The more than 50,000 museum artifacts in the collections of the SHSND are housed in circumstances that range from excellent to terrible. Because of space constraints, museum artifacts which cannot be stored in the North Dakota Heritage Center are situated in one of two remote locations, a warehouse east of Bismarck and a storage shed at Fort Abraham Lincoln State Park. The warehouse lacks humidity controls, a fire suppression system, and suffers from the need for significant maintenance, including roof repair. Access to the second-floor artifact storage area is limited by the lack of a functioning elevator. The Fort Abraham Lincoln storage shed is not heated, has no electricity or water, has a partial dirt floor, and provides only basic shelter to some of the agency's larger artifacts.

The 2005 Legislative Assembly appropriated \$5.7 million for an archives wing addition to the NDHC, which will primarily provide additional space for collections, while also enhancing the collections environment and improving workflow. This was the first critically-needed expansion for housing the priceless collections of the SHSND. In addition to the critical need for

additional and improved space for museum artifacts, there is a pressing need for additional space for archaeological collections and for paleontology collections.

Initial planning for the North Dakota Heritage Center foresaw the need for this additional space, with the exception of paleontology. It is also one of the critical issues recognized by the State Historical Society of North Dakota Commission in its report. Given its state-directed mission, SHSND has an obligation to provide an appropriate environment for the collections entrusted to its care.

D. Upgrading Technology for Improved Access and Distance Learning

The need for enhanced technology for improved access is evident in a number of areas of SHSND operations.

The SHSND developed a web presence beginning in 1998 and has steadily updated and enhanced the site. However, for most of that time, the SHSND web site has been an extremely part-time effort, with occasional projects developed by a professional web designer. The site needs a number of additions to provide more information to users and better navigation for the site. While most archives-library cataloged holdings are accessible through the Online Dakota Information Network linked to the SHSND web site, artifact holdings and detailed archival information is not accessible currently. The SHSND plans to provide access to photograph and map collections, detailed archives inventories, and other collections information via a more interactive web site.

SHSND is currently exploring interactive television and web-hosted conferencing to deliver outreach services, and to conduct classes and meetings. In addition to existing efforts to use technology to deliver information to museum visitors, SHSND also will be investigating new ways to use enhanced technology to provide visitors with information on historic sites and visitor amenities across the state. An Interactive Video Network (IVN) equipment installation was added in December 2005.

The Historic Preservation Division is entering site and cultural resources locational information into a Geographic Information System. This process will ultimately provide enhanced services to state and federal agencies in cultural resource reviews across the state.

E. A Hub for History

The expanded North Dakota Heritage Center will become a "hub for history" in North Dakota. It will be the state's premier visitor center, providing information and locations on historic sites and other heritage cultural, agricultural, and eco-tourism sites of visitor interest throughout the state. Large, changing images of landscapes from the Red River of the North to the Little Missouri; from the Pembina Gorge to the Missouri-Yellowstone Confluence, will introduce visitors to places and features they will want to experience personally. The expanded NDHC will direct visitors from both in-state and out-of-state to historic sites, parks, and other areas of interest throughout the state.

The expanded exhibits in the NDHC will provide the overview of the state's history and will highlight the many places in North Dakota "where history happened," informing visitors of the opportunities available to them throughout North Dakota. The expanded exhibits will provide the many students who visit each year with a better appreciation for the history of their own locality.

F. Enhanced North Dakota Studies School Curriculum

Many of the programs of the SHSND are geared to students. These include the Suitcase Exhibits for North Dakota (SEND) which travel to schools throughout the state for only the cost of shipping. This also includes the many public programs of the SHSND, as well as seminars for teachers held each summer. In addition, the SHSND has participated in Teaching American History grants as a cooperating partner, and has developed web-based materials for use. In 2005, the SHSND added "People of the Upper Missouri," an interactive website covering the development of the Missouri River villages (see <http://www.state.nd.us/hist/tah/index.html>). Earlier, the SHSND participated in and provided resources for another large interactive site (see www.NatureShift.org). For several years, the Society has sought to develop a comprehensive, web-based curriculum for North Dakota studies which is aligned with state social studies standards. As a part of the proposed program, the SHSND will work with an advisory body, including university professors and outstanding elementary and secondary teachers experienced in teaching North Dakota studies and history, to develop the curriculum and make it available on the SHSND web site, along with source materials that teachers and students can access and download to enhance their experience.

G. Educational Program Space

The addition will include space for additional educational programming, including an assembly and orientation area for school tours, an auditorium for 3-D video presentations, additional space for docent stations, and teaching stations for interactive video presentations across the state, nation, and around the world.

H. Creating New Galleries for an Expanded Presentation of North Dakota's History and Pre-history.

Within the expanded space, the Society will establish new and enhanced study and interpretation centers, including:

Geologic Time Gallery- This gallery will feature the state fossil collection, meteorites and geological displays, and will expand on the popular *Corridor of Time* by providing adequate space to exhibit and interpret the increasingly rich fossil collections of the State Paleontology Center of the North Dakota Geological Survey. Specimens could include the Mosasuar, the Tyrannosaurus Rex, the duck bill dinosaur, the rhinoceros, and sabre tooth tiger.

Center for Northern Plains Native Culture - Thousands of years of human occupation of what is now North Dakota will be interpreted in a new gallery of Northern Plains Native Cultures. Based on the extensive and impressive archaeological and historical collections of the Society, this gallery will emphasize both the long history of native peoples on the Northern Plains and their continuing contributions to modern North Dakota.

Center for Military History - In collaboration with the North Dakota Adjutant General and North Dakota National Guard, the center will develop the state's military history collections, including the Veterans History Project, and more fully integrate the story of North Dakotans' contributions to state and country in its exhibit programs, both permanent and temporary.

Center for North Dakota Business History and History of Science and Technology - This program will focus on collecting and developing the information, stories, and artifacts necessary to document and interpret the many business innovations and significant contributions North Dakotans have made in science, technology, manufacturing, retailing, the professions and

elsewhere. These stories will then be incorporated into exhibit pods that will give added depth to the story of North Dakota as interpreted in the galleries of the North Dakota Heritage Center. It will provide the basis for additional research and publication, including increased emphasis on late 20th Century history both in publications such as *North Dakota History* and in both temporary and permanent gallery space.

North Dakotans have often seen business as an outside force. The fur trade was dominated from British Canada or from St. Louis. The Northern Pacific Railroad received a large land grant and its 1873 bankruptcy spawned Bonanza farms, owned by wealthy easterners. The grain trade was dominated by Minneapolis millers. Domination by outside "interests" is a major theme of North Dakota history.

Yet, this overlooks important indigenous business which has existed from the earliest time and prospers today. Before European incursions into present-day North Dakota, a rich trade network was centered here, trading in flint, food, and furs. Numerous businesses started here, even if greater profits enticed them elsewhere. Others remained anchored here even as mergers ceased to make them "North Dakota companies." Major advancements in technology changed not only how North Dakota functioned, but had an impact on the world. The skid-steer loader, large four-wheel-drive tractors, and coal gasification technology are some of the most familiar technologies that have clear North Dakota identities. But there are hundreds of innovators and inventors who came from North Dakota and many who prospered in North Dakota.

I. Enhanced Temporary Exhibit Space

During the observance of the bicentennial of the Lewis and Clark Expedition, SHSND loaned several articles to the premier traveling exhibit on the event being developed by the Missouri Historical Society. It did this knowing that the exhibit would not show in North Dakota because the state's premier historical museum, the North Dakota Heritage Center, lacked temporary gallery space of sufficient size to accommodate the exhibit. An earlier major traveling exhibit which relied on a number of artifacts from SHSND collections, the Norwegian Folk Art Exhibit, was shown by splitting the exhibit between galleries and reducing it in size. Another major traveling exhibit could be shown only by placing it in the NDHC's three contiguous classrooms and eliminating any programming or other use that might otherwise be taken place there.

Flexible, large, temporary exhibit space is a critical need if the SHSND is to host significant, large traveling exhibits or if it is to develop significant, large temporary exhibits utilizing its own collections. A flexible space of approximately 5,000 sf is planned for the museum wing addition to the NDHC. This would permit one or more temporary exhibits in this space.