

**State Board of Agricultural Research and Education
Minutes - May 30, 2008
NDSU Alumni Center, Fargo, ND**

The State Board of Agricultural Research and Education met at the NDSU Alumni Center in Fargo, North Dakota, beginning at 1:00 p.m. on May 30, 2008. Members present were John Bollingberg, Tom Borgen, D.C. Coston, Jerry Effertz, Ken Grafton, Duane Hauck, Rodney Howe, Doyle Johannes, Roger Johnson, Jim Kerzman, Paul Langseth, Larry Lee, and Doyle Lentz.

Chairman Jerry Effertz called the meeting to order and introductions were made. Effertz reminded all in attendance that SBARE meetings are open to the public and everyone is encouraged to attend the meetings, adding that a lot of what SBARE does is a product of public input.

The minutes of the March 19 SBARE meeting were approved as distributed.

Greg Lardy provided an update on the Beef Cattle Research Facility, indicating that dirt is being moved at the site and it will soon be ready for construction to begin. He added that USDA contract requirements will be met.

Ken Grafton gave an update on the NDSU Greenhouse Facility stating that costs have skyrocketed. Construction is expected to begin in late June/early July. He noted that in order to stay on budget, one wing will not be constructed at this time and he said since it is a modular building, it is possible to continue to add modules.

Vern Anderson briefed SBARE on the construction project at the Carrington Research Extension Center, indicating that the project bids came in way over budget, adding that the project was cut back and re-bid. He suggested that SBARE and NDSU explore ways to complete the headquarters additions as planned.

Chris Schauer informed the board that the Hettinger Research Extension Center office addition construction should begin next week and, if things go as planned, should be completed by November. Some alternates were included in the bids, allowing the project to stay within budget.

Jay Fisher talked about issues related to the construction of the machine storage building at the North Central Research Extension Center. He noted that in addition to being short of funds for the project, a high water table has forced additional work moving dirt at the site.

Ken Grafton talked about the status of three initiatives funded in the last legislative session: a new assistant professor specializing in waste management joined the Agricultural and Biosystems Engineering Department April 30; an offer has been made for a pulse breeder, but has not been accepted; the ABEN bioenergy/biomass search is underway as the person offered the position initially turned it down.

Duane Hauck reported that Adrian Biewer has been hired as the 4-H Youth Development specialist as of March 17, 2008, with goals of growing the outdoor skills and archery in the schools programs.

Hauck also stated that the Rural Leadership North Dakota funding received in the last session supports staffing for the program. He noted that there have been 57 participants to date and that the third class is currently enrolled. Hauck added that there are significant operating expenses associated with the program that are covered by tuition, donations and sponsorships.

Since the headquarters project budgets needed to be reduced, Jerry Effertz asked if there would be any way to finish them appropriately and Roger Johnson suggested requesting money from the North Dakota Emergency Fund. Paul Langseth suggested it would be appropriate to request additional money based on inflation.

Bruce Bollinger, Ag Budget Office Director, stated that with many projects and programs impacted by the shortages, it would be difficult to determine which projects to include in a request to the Emergency Fund. Cathy McDonald, Office of Management and Budget, added that it was her feeling that the Emergency Fund likely would not be used to cover cost overloads.

Bollinger suggested SBARE may wish to request an additional 20+ percent for 2009-11 project requests submitted to the SBHE due to rapid inflation.

Effertz asked Bollinger if he could provide an estimate of dollar differences between appropriated funds and actual bid costs and Bollinger said he could.

Rodney Howe said it may be prudent to reconsider the 2009-11 priority listing to cover shortfalls for current projects first. Having said that, Howe made a motion that SBARE reconsider the proposed capital improvement projects. Doyle Lentz seconded the motion, which failed to pass following discussion.

John Bollinger made a motion that SBARE consider a prioritized request to the Emergency Commission to help with shortfall of capital requests for 2007. Larry Lee seconded the motion. Following discussion, the motion was withdrawn.

Doyle Lentz made a motion to authorize that NDSU ag administrators consider reallocating funds within the legislative appropriation and move projects from which money is taken to top priorities for 2009-11. Jim Kerzman seconded the motion which passed unanimously.

Jerry Effertz distributed 2009-11 initiative rankings using percentages to show the number of programs that could be funded at various levels.

Duane Hauck explained that the Family Nutrition Training Program is funded by federal dollars and requires a match. He indicated that the program is very short with match funds this year and will be even shorter in 2009 due to some changes in guidelines. He told SBARE that without the matching funds, the program would lose a large amount of federal money. He added that the program is highly successful and asked SBARE to consider an increase in the amount requested from \$200,000 to \$300,000 and also to consider moving the initiative to a higher priority on the ranking list.

Jerry Effertz suggested changing the dollar amount may be easier than moving in the rating list since the prioritizing process was very exhaustive.

Roger Johnson stated that SBARE members may have prioritized the FNP program initiative differently if they had known about the federal match needs.

Larry Lee made a motion to change the request for the FNP initiative from \$200,000 to \$300,000. Tom Borgen seconded the motion, which passed unanimously.

Jim Kerzman made a motion to move the FNP initiative to the top of the priority list. Rodney Howe seconded the motion which passed.

Ken Grafton distributed copies of the research needs-based budget request and asked SBARE to include greenhouse utilities.

Grafton noted that the research extension center directors are very concerned with the increased fuel, fertilizer and travel costs and they plan to work on an evaluation of needs with comparisons since the last legislative session.

Bruce Bollinger stated that the bids for the Beef Cattle Research Center and the Greenhouse Facility came in at 20% over and indicated it might be good to revise the numbers to reflect at least a 20% increase when presented to the SBHE.

Tom Borgen made a motion to increase the budgets for proposed capital projects by 20% across the board, and to add back to the North Central Research Extension Center Headquarters project any amount of the \$200,000 that is used at Hettinger and/or Carrington. Doyle Johannes seconded the motion, which passed.

D.C. Coston distributed the updated “Grow 21” narrative and asked SBARE members to review and provide comments. Additionally, he announced that NDSU is organizing another “Conversations Across the Land” tour on June 10 through southeastern North Dakota and SBARE members are invited to participate.

Ken Grafton reported that the groundbreaking ceremonies for the Beef Cattle Research Center and the Greenhouse Facility went well. He also told SBARE that a committee did an extensive wheat research review during a day-long series of wheat research presentations, looking for opportunities and areas needing attention.

Duane Hauck told SBARE that during county visits/presentations with area legislators and county commissioners over the past months, budgets were discussed extensively. Hauck said it would be useful to have similar presentations by county extension staff at SBARE meetings a couple times during the year.

Effertz reminded board members that the next meeting will be June 27 at the North Dakota Farmers Union Office in Jamestown, adding that the Central Grasslands Research Extension Center Field Day is June 26.

The meeting adjourned at 4:15 p.m.

Recorded by Margaret Olson