



Environment and Natural Resources Trust Fund

2026 Request for Proposal

General Information

Proposal ID: 2026-317

Proposal Title: Soy Based Road and Trail Preservation Treatment

Project Manager Information

Name: Tony Klaers

Organization: Headwaters Regional Development Commission

Office Telephone: (218) 444-4732

Email: tklaers@hrdc.org

Project Basic Information

Project Summary: Northern Minnesota Regional Development Commissions will partner with Cities, and Counties in the region to pilot Soy-Based Road treatment product to maintain and extend the useful life of the surface.

ENRTF Funds Requested: \$221,000

Proposed Project Completion: November 30, 2027

LCCMR Funding Category: Small Projects (G)

Secondary Category: Land (F)

Project Location

What is the best scale for describing where your work will take place?

Region(s): NW, NE,

What is the best scale to describe the area impacted by your work?

Region(s): NW, NE,

When will the work impact occur?

During the Project

Narrative

Describe the opportunity or problem your proposal seeks to address. Include any relevant background information.

The soy-based treatment would assist our northern Minnesota partners in extending the lifespan of their road and trail surfaces. The soy-based treatment would provide an environmentally friendly option to replace current chip seal application. This product has been used in southern Minnesota but has limited exposure in northern Minnesota. These funds would allow city and county engineers the opportunity to test this product while also maintaining the current surface conditions of the trails and roadways. By utilizing Northwest Regional Development Commission, Headwaters Regional Development Commission, and Arrowhead Regional Development Commission you would provide access to cities and counties in the northern third of the state. The learnings from this project will help inform future decisions for cities and counties on options to improve the longevity of their surfaces.

What is your proposed solution to the problem or opportunity discussed above? Introduce us to the work you are seeking funding to do. You will be asked to expand on this proposed solution in Activities & Milestones.

This application would provide an opportunity for cities and counties in northern Minnesota to test this soy-based treatment, which can assist in protecting and maintaining existing infrastructure while also providing an alternative to the current petroleum-based products. This will increase the exposure of this product and allow engineers to test how this product performs in northern Minnesota climates while minimizing the financial risk to constrained budgets.

What are the specific project outcomes as they relate to the public purpose of protection, conservation, preservation, and enhancement of the state's natural resources?

The soy-based treatment would maintain current trail and road inventory in its current condition extending the useful life of the surface. This product would also have environmental benefits in the lakes area of northern Minnesota keeping the petroleum-based products out of the lake, rivers, and streams.

Activities and Milestones

Activity 1: Cities and Counties RFP and Contractor Selection

Activity Budget: \$1

Activity Description:

Cities and counties will issue an RFP for product and or services to apply the product. The cities and counties will select a contractor that best meets their needs and timeline for product and or services.

Activity Milestones:

Description	Approximate Completion Date
Cities and Counties issue RFP	October 31, 2026
Cities and counties award bid for product or product and service	February 28, 2027

Activity 2: Soy-based product applied,

Activity Budget: \$1

Activity Description:

The cities and or counties will apply the soy-based products to their trail or road systems.

Activity Milestones:

Description	Approximate Completion Date
Cities and Counties receive product or contract to have product applied to roads or trails	September 30, 2027

Activity 3: Invoices Paid, Reimbursement Completed

Activity Budget: \$220,998

Activity Description:

Invoices will be paid by the cities and counties to the contractor selected. Invoices will be sent to Headwater Regional Development Commission, and the reimbursement process will start.

Activity Milestones:

Description	Approximate Completion Date
Invoices submitted to HRDC	September 30, 2027
Reimbursement to entities completed	November 30, 2027

Project Partners and Collaborators

Name	Organization	Role	Receiving Funds
Tim Finseth	Northwest Regional Development Commission	Transportation Planner	Yes
Travis Houle	Arrowhead Regional Development Commission	Senior Planner	Yes

Long-Term Implementation and Funding

Describe how the results will be implemented and how any ongoing effort will be funded. If not already addressed as part of the project, how will findings, results, and products developed be implemented after project completion? If additional work is needed, how will this work be funded?

This would provide cities and counties with data needed to weigh the benefits of converting more of their road maintenance budget to the environmentally friendly soy-based option. The supplier of the soy based product will also have the ability to utilize the data to better inform other cities and counties of the performance of the product in northern Minnesota. This will also provide exposure of the soy-based product in northern Minnesota which is limited at this time.

Project Manager and Organization Qualifications

Project Manager Name: Tony Klaers

Job Title: Community Development Planners

Provide description of the project manager's qualifications to manage the proposed project.

Headwaters Regional Development Commission has over 50 year history of delivering projects both utilizing both State and Federal Funds. This project would also partner Northwest Regional Development Commission and Arrowhead Regional Development Commission in a collaborative application to deliver resources to our city and county partners.

Organization: Headwaters Regional Development Commission

Organization Description:

Headwaters Regional Development Commission (HRDC) serves the five-county region of Lake of the Woods County, Beltrami County, Clearwater County, Mahnomen County, and Hubbard County. HRDC focuses on transportation planning, economic development, housing, energy resilience, and revolving loan fund providing support and resources to the five-county region to enhance and improve the region.

Budget Summary

Category / Name	Subcategory or Type	Description	Purpose	Gen. Ineligible	% Benefits	# FTE	Classified Staff?	\$ Amount
Personnel								
Judy Grundy		Financial Manager			26%	0.1		\$10,000
Tony Klaers		Community Development Planner			32%	0.1		\$10,000
							Sub Total	\$20,000
Contracts and Services								
Northwest Regional Development Commission	Subaward	Northwest RDC will assist with getting \$67,000 of the funds to cities and counties in the region for contracting of the soy-based road and trail treatment product				0.1		\$67,000
Arrowhead Regional Development Commission	Subaward	Arrowhead will assist with getting \$67,000 in funds to cities and counties in the Northwest Minnesota area for contracting of the soy-based road and trail treatment product.				0.1		\$67,000
Headwaters Regional Development Commission	Subaward	Assist with getting funds to cities and counties to North Central Minnesota to contract to receive the soy-based road and trail treatment and preservation product				0.1		\$67,000
							Sub Total	\$201,000
Equipment, Tools, and Supplies								
							Sub Total	-
Capital Expenditures								
							Sub Total	-
Acquisitions and Stewardship								
							Sub Total	-
Travel In Minnesota								

							Sub Total	-
Travel Outside Minnesota								
							Sub Total	-
Printing and Publication								
							Sub Total	-
Other Expenses								
							Sub Total	-
							Grand Total	\$221,000

Classified Staff or Generally Ineligible Expenses

Category/Name	Subcategory or Type	Description	Justification Ineligible Expense or Classified Staff Request
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Non ENRTF Funds

Category	Specific Source	Use	Status	Amount
State				
			State Sub Total	-
Non-State				
Cash	Cities and Counties Match	This will be match funds of 25% provided by the cities and counties who are awarded funds to purchase the soy-based product to apply on road and trail surfaces	Potential	\$50,250
			Non State Sub Total	\$50,250
			Funds Total	\$50,250

Total Project Cost: \$271,250

This amount accurately reflects total project cost?

Yes

Attachments

Required Attachments

Visual Component

File: [ffb5e0ea-678.docx](#)

Alternate Text for Visual Component

Visual display of lack of biobased customers currently in Northern Minnesota...

Financial Capacity

Title	File
HRDC Audit	eb134222-64b.pdf

Board Resolution or Letter

Title	File
HRDC Resolution	8a560c63-b49.pdf

Supplemental Attachments

Capital Project Questionnaire, Budget Supplements, Support Letter, Photos, Media, Other

Title	File
Letter of Support- ARDC	52f81e56-138.pdf
Letter of Support - DEED	8db6df80-101.docx
Letter of Support- NW RDC	50e90510-a71.pdf
Soy-based flyer and State Treatment Map	9e8289c0-8d8.pdf

Administrative Use

Does your project include restoration or acquisition of land rights?

No

Do you understand that travel expenses are only approved if they follow the "Commissioner's Plan" promulgated by the Commissioner of Management of Budget or, for University of Minnesota projects, the University of Minnesota plan?

N/A

Does your project have potential for royalties, copyrights, patents, sale of products and assets, or revenue generation?

No

Do you understand and acknowledge IP and revenue-return and sharing requirements in 116P.10?

N/A

Do you wish to request reinvestment of any revenues into your project instead of returning revenue to the ENRTF?

N/A

Does your project include original, hypothesis-driven research?

Yes

Does the organization have a fiscal agent for this project?

Yes, Headwaters Regional Development Commission

Does your project include the pre-design, design, construction, or renovation of a building, trail, campground, or other fixed capital asset costing \$10,000 or more or large-scale stream or wetland restoration?

No

Do you propose using an appropriation from the Environment and Natural Resources Trust Fund to conduct a project that provides children's services (as defined in Minnesota Statutes section 299C.61 Subd.7 as "the provision of care, treatment, education, training, instruction, or recreation to children")?

No

Provide the name(s) and organization(s) of additional individuals assisting in the completion of this proposal:

Tim Finseth- NW Regional Development Commission, Travis Houle- Arrowhead Regional Development Commission, Chet Bodine- DEED

Do you understand that a named service contract does not constitute a funder-designated subrecipient or approval of a sole-source contract? In other words, a service contract entity is only approved if it has been selected according to the contracting rules identified in state law and policy for organizations that receive ENRTF funds through direct appropriations, or in the DNR's reimbursement manual for non-state organizations. These rules may include competitive bidding and prevailing wage requirements

N/A