



## 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
<b>Personnel</b>								
Judy Grundy		Financial Manager			26%	0.1		\$10,000
Tony Klaers		Community Development Planner			32%	0.1		\$10,000
							<b>Sub Total</b>	<b>\$20,000</b>
<b>Contracts and Services</b>								
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
							<b>Sub Total</b>	<b>\$201,000</b>
<b>Equipment, Tools, and Supplies</b>								
							<b>Sub Total</b>	-
<b>Capital Expenditures</b>								
							<b>Sub Total</b>	-
<b>Acquisitions and Stewardship</b>								
							<b>Sub Total</b>	-
<b>Travel In Minnesota</b>								

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

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
<b>State</b>				
			<b>State Sub Total</b>	-
<b>Non-State</b>				
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
			<b>Non State Sub Total</b>	<b>\$50,250</b>
			<b>Funds Total</b>	<b>\$50,250</b>

**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	<a href="#">eb134222-64b.pdf</a>

#### *Board Resolution or Letter*

Title	File
HRDC Resolution	<a href="#">8a560c63-b49.pdf</a>

### Supplemental Attachments

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

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

## 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