



Accent on Food C1

Roasted Tomato and Chorizo Nachos make a great Super Bowl Sunday snack

Grand Forks Herald

www.GrandForksHerald.com



WEDNESDAY January 22, 2014

To get your Herald:

(701) 780-1215
(800) 811-2580

Got news?

News tips
(701) 780-1170

Sports
(701) 780-1120



6 04276 40264 5

GRAND FORKS, NORTH DAKOTA

NEWSSTAND PRICE, \$1.50

Year 134, Issue 207 (c) 2014

Accent C1 Business B4 Calendar A3 City and state B1 Classified C2 Comics D6 Editorial A4 Fun Page/Movie Listings D5 Lottery A3 Nation/World A5 Obituaries B2 Sports D1 Weather A3

REAC sale draws legislative scrutiny

■ UND purchased campus research facility in 2013

By John Hageman
Herald Staff Writer

North Dakota legislators will review last year's sale of a UND facility.

The facility, the Research Enterprise and Commercialization building, was sold by the UND Research Foundation, a nonprofit led by UND officials, to UND itself in September for \$9.8 million.

But legislators now wonder if that sale went through the proper procedures. They point to a bill signed into law last year that allows the State Board of Higher Education to conduct the sale of the REAC building.

UND: See Page A6

Support strong for oil in N.D.

■ Poll: 83 percent favor development; 73 percent say benefits outweigh risks

By Amy Dalrymple
Forum News Service

WILLISTON, N.D. — A new North Dakota Petroleum Council survey shows widespread support for oil and gas development in the state, but the level of support has dropped slightly from the council's two previous surveys.

Eighty-three percent of North Dakotans surveyed last November said they support oil development, and 73 percent of state residents said the benefits of oil development outweigh the risks.

The industry group's previous two surveys showed support of 88 percent or higher.

Tessa Sandstrom, spokeswoman for the North Dakota Petroleum Council, said the timing of the sur-

OIL: See Page A2

Out of Africa

North Dakota Museum of Art's \$700,000 donation of African art and its growing collections prompt expansion plans.



Eric Hylden, staff photographer

Story | Jasmine Maki

If you go

Museum hours are from 9 a.m. to 5 p.m. weekdays and from 1 to 5 p.m. weekends. The latest African art is not yet on display, but visitors can view other collections as well as artwork that will be available for a **Feb. 1 silent auction.**

Last month, \$500,000 worth of African artwork arrived at the North Dakota Museum of Art on the UND campus in the back of a 17-foot U-Haul.

Museum Director Laurel Reuter and Associate Director Matthew Wallace had driven the truck across the country and through a snowstorm to bring back the gift from an art-dealer friend of the museum.

The museum's entire staff was waiting to help unload the truck.

"It was like Christmas," Reuter said. "Nobody could believe the gifts we brought back."

Now, the collection of more than 130 masks, sculptures, staffs and furniture are overflowing out of a back room, while she and her staff catalog each piece for the museum's permanent collection and secure additional storage space.

Reuter said the museum is considering its expansion options, which include moving to the 42nd Street art corridor and building an addition to

MUSEUM: See Page A6



Eric Hylden, staff photographer

▲ Matthew Wallace (left), associate director of the North Dakota Museum of Art, and museum Director Laurel Reuter show some of the African art recently acquired as part of a \$700,000 collection donated to the museum. ◀ A mask from the southeastern Luba culture expansion into Angola is valued at \$4,000.



Online gallery: Go to gfherald.com to see more pieces of African art recently gifted to the North Dakota Museum of Art.



Medical Weight Loss
SPECIALISTS

"Take back your health."
Now open in Grand Forks.

701-369-4289 • www.fargomedicalweightloss.com

MUSEUM/

Continued from Page A1

the current building on campus at 261 Centennial Drive. Reuter said despite a lack of space, developing permanent collections is essential for the museum because they record ideas and expand the state's knowledge of other cultures. "As the state museum, it's our mission to create a place where we grow as human beings," she said. "To bring the African art here is to open up a whole other world of understanding."

Generous friends

Much of the museum's collection came as gifts from artists, collectors and sponsors. From 2010 to 2013, the museum added more than \$800,000 worth of art to its permanent collections, but it spent less than \$100,000. Reuter said the museum will "pay a dime on the dollar over as many years as it takes."

The new African collection was a gift from art dealer Thomas McNemar in Lexington, Va. He earlier donated more than 150 pieces from West and Central Africa worth about \$200,000.

"We are highly dependent on gifts," Reuter said. For some donors, the gifts are a kind of repayment.

Juan Manuel Echavarría, a Colombian artist, donated 20 pieces of artwork to the museum last year.

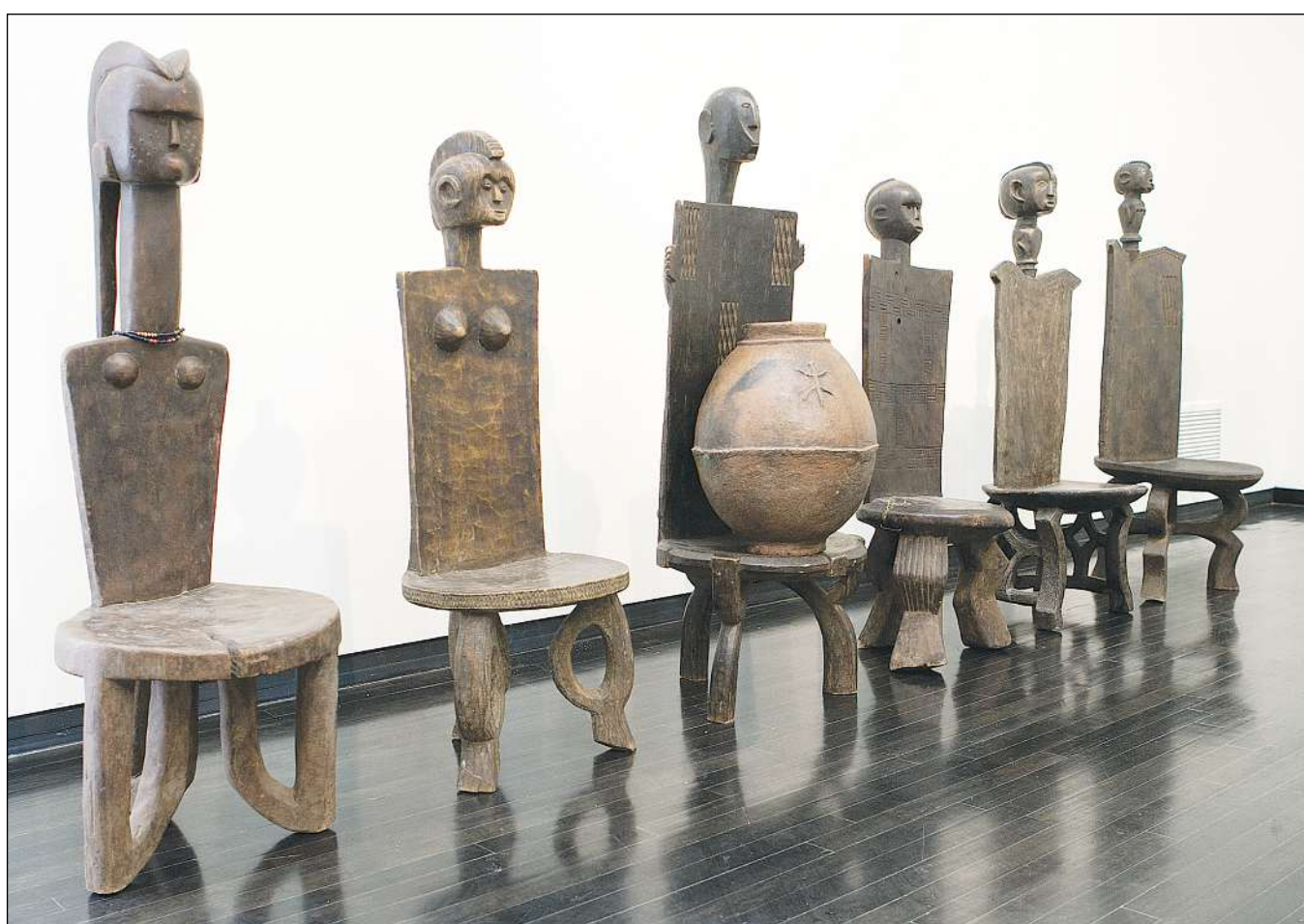
"He gave us these gifts in gratitude," Reuter said, adding that the museum helped introduce his name to the art world.

"When I was doing the big show 'The Disappeared,' I visited him in Bogota," she said. "I thought his art was just terrific, so I put it in the exhibition and did a separate solo show of his work."

The exhibition traveled to several important museums and really established his art career, she said. Echavarría remembered Reuter and invited her to his first opening in Europe, where he gave the museum artwork valued at \$80,000.

"We have to get artists when they're young," Reuter said. "Often, we become an important first place for artists, and there are many artists who remember that."

Barton Benes is another artist who showed his appreciation of the museum through a donation. He died in 2012, leaving the museum his artwork and the contents of his New York City apartment, which includes a collection of African, Egyptian and contemporary art worth



Eric Hylden, staff photographer

Museum Director Laurel Reuter said the new gifts will be shown in a future exhibition with work by contemporary African artists to give visitors a sense of how the world today has changed, as well as a view of the continuity from generation to generation.

"All contemporary art needs to be put in a richer perspective," she said. "That's what I think is the most important part of why you collect art."



Eric Hylden, staff photographer

more than \$1 million. Reuter has said that Benes always remembered the North Dakota museum for its willingness to display his artwork, which included his own HIV-positive blood, when no one else would. Besides gifts, the museum also adds to its permanent collections by buying artwork on exhibit and commissioning artwork.

Art delivery

On occasion, Reuter and her staff members will drive

across the country to haul gifts and special purchases back to the museum.

When Reuter visited McNemar to get more African artwork, she said she planned to rent a hatchback but soon realized she would need a far bigger vehicle.

"I called Matt (Wallace) and said I'm going to fly you down," she said. They rented a U-Haul and spent the next couple of days taking turns behind the wheel, she said.

Wallace said the truck was absolutely packed, and he worried about damaging the

▲ Among the recent gifts to the North Dakota Museum of Art is a collection of high-back thrones from the Kwere culture in Kenya and East Africa.

◀ Matt Wallace, associate director of the museum, and Greg Vettel, exhibit coordinator/registrar, display works from the recent acquisition from art dealer Thomas McNemar.

art along the drive.

"We stayed below the storm all the way to Omaha, and then we turned north and hit the slippery roads," Reuter said. "In Omaha, the roads were very bumpy."

The artwork was packed carefully into the trailer with bubble wrap and cardboard boxes, but Wallace and Reuter were still nervous with every bump. Reuter said they also had to be careful where they parked overnight because the trailer's locks can be snipped.

"All of that is very worrisome," she said. And, many times they aren't aware of any damage until it's in the museum. On one occasion, Reuter said a crate was dropped about a foot from the ground during the deliv-

ery of a glass exhibition. The crate held the middle panels of every mural, and the entire exhibition was ruined.

There was an insurance settlement, but Reuter said, "That was the worst thing that's ever happened."

They managed to deliver McNemar's gift without damage.

Forced to expand

After all the pieces were photographed, they were brought to the basement of the museum, where they'll be stored temporarily.

The museum rents storage space in buildings throughout Grand Forks. They also have a 40-by-80-foot steel building at the McCanna House in McCanna, N.D. But, it isn't enough.

With the collections constantly growing, Reuter said they are being forced to do something about it.

"We go round and round in our minds about our location on campus," she said. "The location is obscure and hard to find, and there's no parking space and expansion space ... and yet I really find an obligation to be near campus."

Reuter's dilemma is the students, who she believes need to grow up with a more humanistic background.

"The question is would they travel if we moved off campus," she said.

Whatever the decision, the museum will continue to grow its permanent collection because, she said, it is the "touchstone to history and the ideas that came before."

She added that the new gifts will be shown in a future exhibition with work by contemporary African artists to give visitors a sense of how the world today has changed, as well as a view of the continuity from generation to generation.

"All contemporary art needs to be put in a richer perspective," she said. "That's what I think is the most important part of why you collect art."

"(In a history museum) you're getting the history that objects carry," she said. "In art museums, you're also getting the ideas that the artwork carries and the ideas that were held by generations before us."

Maki covers arts and entertainment and life and style. Call her at (701) 780-1122, (800) 477-6572 ext. 1122 or send email to jmakie@gfherald.com, follow her on Twitter at @jasminemaki23 or see her blog at jasminemaki.wordpress.com.

UND/

Continued from Page A1

"The Legislature was very clear that UND should not be negotiating with UND on a building," said Sen. Ray Holmberg, R-Grand Forks. He said at this time, it doesn't appear the sale process followed the intent of the bill.

Holmberg, chairman of the Interim Legislative Management Committee, wrote a letter last week to Rep. Jeff Delzer, R-Underwood, directing his committee to review aspects of the sale.

Holmberg said legislators will examine the negotiation process and "if the taxpayers and the students through tuition were well-served by what occurred."

"I would say that from our perspective, we followed all of the proper protocols," said UND spokesman Peter Johnson.

"We believe that UND's ownership of the REAC facility will help support UND's mission of economic development for North Dakota, will provide practical, real-world experience for professors, graduate students and undergraduates, and will provide many opportunities for future growth and development," interim chancellor of the North Dakota University System Larry Skogen and UND President Robert Kelley said in a statement Tuesday.

The REAC facility opened in 2009 as a "technology accelerator" for emerging companies on James Ray Drive, near the intersection of DeMers Avenue and North 42nd Street. The facility offers commercial and academic labs for lease, as well as offices and conference rooms.

Purpose

The REAC facility opened in 2009 as a "technology accelerator" for emerging companies on James Ray Drive, near the intersection of DeMers Avenue and North 42nd Street. The facility offers commercial and academic labs for lease, as well as offices and conference rooms.

"There are no laboratory facilities available for either life sciences or engineering in the local commercial real estate market. Having such a facility available makes it possible to develop high-tech businesses and diversify the state's economy," UND stated in a Jan. 17, 2013, memo included in a collection of documents provided to Holmberg by the North Dakota University System.

But as of November, about 17,100 of the 32,000 rentable square feet had been leased, according to that report. UND had provided more than \$2 million for the facility, from its early stages

through fiscal year 2013.

"The UND Research Foundation has had some difficulty in keeping the facility fully leased, which has hampered their ability to cash flow operations," according to a June 2011 legislative testimony from Justin Dever, manager of the Office of Innovation and Entrepreneurship at the North Dakota Department of Commerce.

After the State Board of Higher Education authorized UND in January 2013 to seek legislative approval to purchase REAC, UND officials made their case to lawmakers.

"The ability to own and manage this facility within UND will create operating efficiencies, reduce costs, insure ongoing stability in the operations of the facility, provide more seamless access and better enable partnerships," UND Vice President for Finance and Operations Alice Brekke told the state Senate Appropriations Com-

mittee in February.

Process

A February 2013 appraisal estimated that the market value of the REAC building stood at \$8.6 million, with property within the building totaling \$1.2 million.

"We had a market evaluation, and we paid the market value for the facility," Johnson said.

In June, after a bill allowing the State Board of Higher Education to manage the building's sale was passed into law, Skogen signed off on the purchase terms and financial arrangements related to the sale. A statement from NDUS said the higher education board authorized Skogen to do so.

The report provided to Holmberg also mentions a "special committee for considering potential transactions related" to the sale of the REAC building. That committee is made up of non-UND officials, but it's unclear what role they played in conducting the building's sale.

A purchase and sale agreement dated Sept. 16 and signed by Kelley and Wilbur Wright, vice president of the Research Foundation, allows for the sale of the REAC building for \$9.8 million. UND received a loan for the purchase just days before, according to its report.

Johnson said the loan would be paid back by rent

from REAC tenants and supplemented by a "mix" of other funds.

The Research Foundation's debt for the building stood at \$9.4 million before UND purchased it. Johnson said the foundation no longer has any outstanding debt.

Whatever action the Legislature takes on the REAC sale will depend on the recommendations of the Interim

Government Finance Committee, of which Delzer is the chairman. Delzer didn't return a call seeking comment Tuesday.

Call Hageman at (701) 780-1244, (800) 477-6572 ext. 1244 or send email to jhageman@gfherald.com.

Twice Named "One of America's 10 Best" — Beverage Dynamics Magazine

Named "Best Liquor Store in the Red River Valley" by the Readers of the Fargo Forum 5 Years Running

"One of America's 12 Leaders" — Market Watch Magazine

OPEN SUNDAYS AT NOON

FREE 5 LB BAG OF ICE W/ PURCHASE!

Happy Harry's

BOTTLE SHOPS

SUPER SAVINGS MADE EASY!

SAVINGS, SELECTION, SERVICE & SHOPPING CONVENIENCE

BIG SAVINGS FOR THE BIG GAME!

GRAND FORKS LOCATIONS: 2702 GATEWAY DR. OR 2051 32ND AVE. S.
HOURS: MON-THURS. 8AM-11PM, FRI.-SAT. 8AM-MIDNIGHT, SUN. NOON-10PM

www.happy-harrys.com

We accept most major credit cards. Please use our products in moderation.

FUTURE DRIVER OF FORD

Nicholas Manhart

C&M Ford
HALLOCK, MINNESOTA

Highway 75 North, Hallock, MN
OPEN: Mon-Fri 7 a.m. - 6 p.m., Sat 8 a.m. - 1 p.m.
Toll Free: 1-888-722-3673
www.candmford.com

ROSEAU COUNTY Ford
ROSEAU, MINNESOTA

Highway 89 South, Roseau, MN
OPEN: Mon-Fri 7 a.m. - 6 p.m., Sat 8 a.m. - 2 p.m.
Toll Free: 1-866-214-5095
www.roseaucountyford.com