

**Maryland Aquaculture Coordinating Council  
Minutes – January 14, 2016**

**Members Attending:**

Don Webster	Erin Butler	Karl Roscher
Stacy Kubofcik	Tony O'Donnell	Reggie Harrell
Andrew Griffin	Jon Farrington	Christopher Sherman
Terry Witt	Kathy Klausmeier	
Heather Merritt (for Kathy Brohawn)		

**Guests:**

Steve Schneider, DNR	Katie Busch, DNR
Alyssa Cranska, DNR	Maude Morris, DNR
Kim Coulbourne, DHMH	Larry Jennings, CCA
Brian Connelly, Shipping Creek Farm	Chris Aiken, Self
Robert Witt, Witt Seafood	John Backus, MDE
Hal McBee, Jr., Shipping Creek Farm	Rebekah Borgert, MSU
Amber DeMarr, MSU	Tal Petty, Hollywood Oyster
Na Petty, Hollywood Oyster	Ellie Chetelat
Brian Russell, Shore Thing Shellfish	JD Blackwell, 38 North

**Call to Order**

Chair Butler called the meeting to order at 6:33 pm.

**Administrative**

Approve Meeting Summaries

The November 2015 meeting minutes was approved by the Council after a correction was made to the list of individuals that recently attended a meeting with the Maryland Farm Bureau.

Announcements (Chair Bulter and Members)

- **Chair Butler**, the FDA final approval of summary package ISSC results with one comment on sampling protocol for algal blooms.
- **Jon Farrington**, the Chesapeake Bay NOAA Office will be hosting an oyster summit aquaculture conference February 18<sup>th</sup> and 19<sup>th</sup>.
- **Andrew Griffin**, Maryland Buyer/Grower Conference will be held at the Navy Stadium on January 20<sup>th</sup> at 10:00 am. A topic of interest to finfish aquaculture will be the FDA's new feed directive.
- **Captain Sherman**, due to personnel changes Captain Rob Kersey will be replacing Captain Sherman as the NRP representative on the Council.

- **Don Webster**, made numerous announcements:
  1. A series of aquaculture seminars will be held at the East Coast Commercial Fishermen's and Aquaculture Trade Expo in Ocean City, MD on January 16<sup>th</sup>.
  2. The University of Maryland will offer their Oyster Hatchery Short Course at Horn Point Lab from June 6-10<sup>th</sup>.
  3. The Remote Setting Training group will meet on January 28<sup>th</sup> and 29<sup>th</sup> to discuss the 2015 program and plans for 2016.
  4. 2016 extension educational training programs are being organized and will be announced on the University of Maryland Extension website.
  5. The Maryland Agriculture Council will hold their annual *Taste of Maryland Agriculture* dinner on February 4<sup>th</sup> and five oyster companies are providing shellfish.
  
- **Delegate O'Donnell**, Maryland Watermen's caucus will be January 18<sup>th</sup> with a reception at the State House.
  
- **Karl Roscher**, a public hearing regarding oyster shell dredging on Man O'War Shoal will be held January 26<sup>th</sup> and 27<sup>th</sup>. The public comment period ends February 18<sup>th</sup>.

## Reports

### Aquaculture Division Report (Mr. Roscher)

The Aquaculture Division received 16 new shellfish lease applications since the last ACC meeting, 11 of which are incomplete. A total of 62 new lease applications were received in 2015, 31 of which are for water column leases. A total of three new lease applications have been received so far in 2016, two of which are for water column leases. Thirteen new lease agreements have been issued, two of which were for water column leases. Hydrographic surveys are pending for one lease application. Once complete, these move to public notice and are forwarded to the Corps of Engineers. Public notices for four proposed leases were initiated for which the comment period ends in December 2015. None of these have received protests. Since the last ACC meeting, public notice periods for ten applications have concluded, five of which received a protest. Two new application packets were prepared and forwarded to the Corps of Engineers for review.

Since the last meeting, two new shellfish import applications were received and one import permit issued. Permits for seed requests are held until health certification is received and evaluated. One new Shellfish Nursery Permit application was received and a total of 22 new Shellfish Nursery Permits were issued in 2015. Two new lease transfer requests were received.

From September 2010 through December 2015, Maryland has received 346 lease applications, 268 of which have been received since August 1, 2011 when the Department began accepting applications for water column leases and lease in

sanctuaries. The State has issued 169 new commercial shellfish aquaculture leases totaling approximately 3,936 acres. An additional 106 lease applications are in process, 11 of which are incomplete.

In 2015, Aquaculture Division issued a total of 1,870 Shellfish Aquaculture Harvester Permit and Registration Cards, comprised of 490 Permittee and 1,380 registration cards. This represents 585 distinct individuals who are permitted to work in the industry. The total annual harvest through December 2015 was 48,394 bushels, as compared to 34,154 bushels harvested in 2014. The 2015 harvest numbers are not yet final.

After presenting the Division summary, Mr. Roscher responded to questions from the Council regarding public notice statistics. He explained the public comment period process and how the statistics were reported.

#### Lease Protests (Karl Roscher, DNR)

Mr. Roscher gave a summary of current leases under protest. As of January 14, 2016, 17 projects have been protested and seven public information meetings (PIM) requested.

#### Liberalization of Shellfish Aquaculture Harvester Permit (SAHP) registration requirements (Karl Roscher, DNR)

Mr. Roscher updated the Council on a regulatory change to liberalize the SAHP registration requirements. The change would relax the current requirement that every worker carry a card, if a permittee is present to supervise the workers.

After the report, Mr. Roscher responded to questions from the Council and public regarding who can supervise workers, adding a farm manager, and the objective of the current proposed regulatory change. He explained that the leaseholder or resident agent, in the case of a company, would be eligible to supervise workers. The regulatory change does not include a provision for farm managers and leaseholders to add a co-leaseholder if necessary. The objective of the proposed regulatory change is to alleviate the need for temporary workers to carry registrant cards and was proposed by numerous members of the industry. Members of the Council and public expressed a desire to explore the possibility of having someone identified as a farm manager, who is not a co-leaseholder, to be eligible to supervise individuals working on a lease.

#### Time to Issuance Report (Karl Roscher, DNR)

Mr. Roscher updated the Council on the time to issuance statistics. He stated that while the Aquaculture Division is continuing to work towards reducing the time to issuance, the Division remains understaffed. When asked, Mr. Roscher said the Division would be able to replace the two staff members and hopes to give a more comprehensive update in the future.

### Shellfish Aquaculture Financing Programs (Linda Arnold, MARBIDCO)

MARBIDCO has worked with DNR for the last 5 years on two loan programs – regular and remote setting. Sixty-one current projects (58 regular and 3 remote setting) are in ten counties. The first loans are finally amortizing and \$665,000 in principal has been repaid. Funding is still available in both programs offering a great opportunity for leaseholders to obtain funding for shell, seed and equipment.

### **Continuing Business**

#### Council Nominations (Chair Butler)

Chair Butler reminded the Council that due to term expirations, the Department is accepting applications for Governor appointed member positions on the Aquaculture Coordinating Council. A copy of the announcement with link to the application was provided in the packet. The deadline to submit an application was January 22<sup>nd</sup>. After the application period closes the Department will compile a list of nominees and present the list to the Council. The Council will then vote and the top nominees will be forwarded to the Governor's Office. Mr. Webster nominated Bobby Leonard, Eric Wisner, Tal Petty, Scott Budden, and JD Blackwell.

#### Wastewater Discharge Permit (Del. O'Donnell)

Del. O'Donnell advised the Council that aquaculture nursery operations are now exempt from the MDE Wastewater Discharge Permit. However, it has come to light that a Water Appropriations Permit is still needed. John Backus (MDE) stated MDE is working on a potential solution. Currently, withdrawing more than 10,000 gals per day, averaged over a year, requires an appropriation permit. MDE is working to create a general permit that will reduce the turn around time. The MDE Office of the Attorney General is checking to see if a general permit would be allowed under the current law. It may require a change in law.

The Council had a brief discussion regarding Del. O'Donnell and Mr. Backus' statements. Issues included: how long would the new general permit take; how does this permit apply to soft shell crab setters; and how do other states handle this concern were questions posed by the Council.

### **New Business**

#### Presentation: Theft of Product

Mr. Blackwell (MD Water Holdings, LLC) gave a presentation entitled "Theft of Product" which detailed the recent theft of oysters he owns, community involvement in the solution, NRP response, and an outline of the investigation. This incident is the first reported large scale theft from a water column lease in Maryland. The investigation is ongoing at this time.

After the presentation, Captain Sherman reminded everyone that thefts need to be reported to the NRP communication center to be recorded and help develop potential patterns. The Catch a Poacher Hotline number is 1-800-628-9944. Mr. Blackwell reiterated the need for leaseholders to establish a good relationship with local NRP

officers. Various Council members pointed out that watermen and the public need to do their part in supporting licensed dealers and reporting suspicious activities to protect the aquaculture industry and public fishery.

**Public Comments** – Mr. Petty of Hollywood Oyster Company asked for an update on MDE wet storage permits. Ms. Merritt said there is one permit currently pending and Del. O’Donnell noted that there has been assurance from MDE that the permits will move smoothly and the Council should be notified if there are problems with permit issuance.

Mr. Farrington asked if each container needs to be tagged with an Aquaculture Harvester Tag. Mr. Roscher replied that if the product is containerized then it needs to be tagged, but if you use your vessel as the container then you only need one tag. In the discussion that followed, Council members and the public discussed whether oyster husbandry activities require tags. Mr. Roscher will look in to it, but believes only market sized individuals need to be tagged.

Del. O’Donnell stated House Bill 51 was introduced and a copy was provided in the packet.

JD Blackwell of MD Water Holdings, LLC mentioned a new USDA insurance program.

Dr. Harrell mentioned to the Council and public that the Maryland Farm Bureau (MFB) was more apt to interact and support its member organizations, like the grape growers and wineries so the aquaculture industry should consider the advantages of becoming a member of MFB.

Motion to adjourn (Webster/Harrell) – The meeting was adjourned at 8:22 pm. The next regular meeting will be Thursday, March 10, 2016, at 6:30 p.m. at the Maryland Department of Natural Resources, C-1 Conference Room.