

Maryland Aquaculture Coordinating Council Minutes – November 10, 2016

Members Attending

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| Reginal Harrell | Andrew Griffin | Johnny Shockley |
| Donald Webster | Colby Ferguson | Jim Satterfield for Cpt. Chris Sherman |
| Karl Roscher | Stephan Abel | |
| Kathy Brohawn | Terry Witt | |
| Kim Coulbourne | Don Meritt | |

Guests Attending

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|--------------------------|------------------------------|
| Stuart Dawson (Industry) | Brian Russell (Industry) |
| Steve Schneider (DNR) | Chris Aiken (Industry) |
| Kathryn Busch (DNR) | Woody Francis (ACOE) |
| Rebecca Thur (DNR) | Kari Bradberry (DNR) |
| Maude Morris (DNR) | Rob Witt (Industry) |
| JD Blackwell (Industry) | Harold McBee, Jr. (Industry) |
| Heather Merritt (MDE) | Rebekah Borgert (MSU) |
| Jamie Rice (MSU) | Bill Cox (Industry) |
| Linda Arnold (MARBIDCO) | John Backus (MDE) |
| Larry Jennings (CCA) | Chris Judy (DNR) |

Call to Order

Chairman Harrell called the meeting to order at 6:32 pm and asked guests and members to introduce themselves.

Administrative

Chairman Harrell announced that Mr. Parks was ill and that Mr. Blackwell would speak in his place concerning the Oyster Advisory Commission. Chairman Harrell also announced that Colby Ferguson would be providing information regarding the Farm Bureau's Aquaculture policy.

Approve September Minutes

The July 14, 2016 meeting minutes were approved as written by the Council.

Announcements

- Mr. Webster announced that the East Coast Shellfish Growers Association newsletter was available at the meeting for anyone those interested.
- Mr. Roscher announced an upcoming webinar on Tuesday, November 15th at 3:00pm about using social media. He encouraged interested growers to contact him for registration information.
- Mr. Webster announced two upcoming meetings:
 1. Northeast Aquaculture Conference and Exposition: January 11-13, 2017 in Providence, RI
 2. 43rd East Coast Commercial Fishermen's and Aquaculture Trade Exposition: January 13-15, 2017 in Ocean City, MD

Reports

Aquaculture and Industry Enhancement Division Report (Mr. Roscher, DNR)

The Division received seven new shellfish lease applications since the last meeting. A total of 43 new applications have been received in 2016. In addition, seven new lease agreements have been issued since the last meeting with 33 in total (542 acres) for 2016. Public notices for eight proposed projects were initiated with comment periods ending mid-November to mid-December. Two received protest and/or request for Public Information Meeting. Three additional notices which closed after the last ACC meeting received written protest. There are 24 open protests.

From September 2010 through November 10, 2016, Maryland received 386 lease applications. The State has issued 203 new commercial shellfish aquaculture leases totaling approximately 4,568 acres. There are now 388 active leases covering 6,083 acres.

In 2016, 454 individuals received Shellfish Aquaculture Harvester Permits.

Mr. Roscher provided Council members with copies of several documents included in the annual Leaseholder mailing sent the first week of November. He discussed them with the Council but made special note of the following:

- Regulation Change - removed the requirement for those working under supervision of a Permittee on a lease from needing to possess a registration card. Mr. Roscher noted that the Department still encourages leaseholders to register all workers.
- Sole Leaseholder –informed sole leaseholders that, in the event of their death, the lease will revert to the State. They have the option of transferring it to their name and another person to prevent that from occurring.

In 2016 the Department screened 25 leases for the presence of submerged aquatic vegetation (SAV). Based on those results, restrictions will be required for 10 of the 25 leases during the SAV growing season (April 15th to Oct 31st). These leaseholders will not be allowed to work in the area where SAV exists. Partial closures will be required for 11 of the 25 leases during the SAV growing season. Leaseholders will not be allowed to work in certain areas of their leases, as identified by the Department. No SAV was found on 4 of the 25 leases; therefore, no restrictions are required. Mr. Roscher noted that the Department is required by law to screen for SAV under agreements with NMFS and ACOE. Also, Talbot County has seen the highest degree of SAV growth and it is expected that additional leases in that county will be affected in 2017.

Chairman Harrell pointed out that, as oyster populations continue to help improve water quality, SAV growth should improve throughout the Bay. He suggested that this is a topic the Council should revisit to discuss the relative ecological advantages of SAV with economic concerns of the aquaculture industry.

Mr. Shockley suggested that the ACC consider proposing legislative changes to protect leaseholders from being penalized for SAV growth on leases. He noted that leaseholders are helping to grow oyster populations which helps to improve water quality, and then are being penalized for their work when SAV extends onto their leases.

Dr. Meritt expressed a desire to explore options that would result in net increases for both SAV and oysters while minimizing negative economic impacts for the industry.

Chairman Harrell asked Mr. Roscher to arrange for a Department SAV biologist to attend the next Council meeting to answer member's questions. He asked Council members to email questions concerning this topic to Mr. Roscher prior to the next meeting in January.

Shellfish Aquaculture Financing Programs (Ms. Arnold, MARBIDCO)

Ms. Arnold stated that, since the last ACC meeting, one new Shellfish Aquaculture loan for \$85,000 has been finalized. MARBIDCO approved 61 projects this year with just under \$3.0 million dispersed. Over \$1 million in principal repayments have been made. Ms. Arnold noted there was still \$200,000 in capital funds remaining for the 2016 fiscal year and they may get an extension for the funds.

Mr. Webster inquired about a current requirement of holding a TFL to be eligible for MARBIDCO Remote Setting Loans. Ms. Arnold confirmed that, under the agreements with the MD Port Administration, leaseholders have been required to have a TFL in order to obtain a Remote Setting Loan from MARBIDCO. Mr. Webster stated that the restriction had been in place for several periods of the funds and that it was time for it to be removed in order for all leaseholders to be eligible for them.

Motion (Webster/Shockley)

The Council voted unanimously to request the Department of Natural Resources to delete the TFL requirement on funds provided by that the MD Port Administration in the next agreement.

Tidal Fisheries Advisory Committee & Oyster Advisory Commission (Mr. Blackwell)

The topics discussed at the most recent Tidal Fisheries Advisory Committee meeting included:

- Scoping to establish regulations for Cownose ray bow fishing
- Regulation of recreational oyster harvesting

The Oyster Advisory Commission (OAC) is in the process of choosing the next two sanctuary locations to be considered for restoration. Eight areas are being considered: Severn, South, Magothy, Manokin, Breton Bay, St. Mary's, Nanticoke, and Hooper Straight. Mr. Blackwell stated that the OAC is looking for user groups outside of academia and fisheries to include in discussions. He encouraged interested Council Members to suggest user groups to the OAC and said the topics of the Man O'War Shoal dredging permit, sanctuary restoration areas and the fall oyster survey are scheduled to be discussed at their next meeting.

Continuing Business

Interagency Meeting/Nationwide Permit #48 Update – (Mr. Francis, USACE, Baltimore District)

Mr. Francis reported that a meeting was held at DNR on October 17, 2016 to discuss federal initiatives regarding aquaculture permitting and leasing in Maryland waters, with focus on identifying ways to streamline the process and develop metrics for measuring success. The need for complete applications and suitable project plans were noted as being critical to reduce lease

permit decision timeframes. ACOE is working with NMFS for compliance with the Endangered Species Act and the agencies have agreed to continue to work collaboratively in development.

New Business

Oyster Public/Private Partnership Project (P3) – (Mr. Judy, DNR)

Mr. Judy provided an overview of P3, a prospective watermen’s cooperative with government and non-governmental partners. DNR Deputy Secretary Joanne Throwe led the initiative and invited partners to participate. These include DNR, ORP, UMD Environmental Finance Center, Anne Arundel County Oyster Committee, Anne Arundel County Government, and the Anne Arundel MWA Chapter. Funding will be provided by the Chesapeake Bay Trust and NFWF. The group has had several meetings and are working on details. At their next meeting they hope to discuss the structure of the co-op, by-laws, membership, and directors. Mr. Judy noted this as a pilot project and hope that, if successful, it will expand to additional Maryland counties.

Chairman Harrell requested that Mr. Judy provide the Council with an update on P3 at the next ACC meeting.

Maryland Farm Bureau – (Mr. Ferguson, MD Farm Bureau)

Mr. Ferguson requested Council feedback on language he would like to have added to the Farm Bureau’s Policy Book: “Maryland Farm Bureau supports the Maryland Aquaculture Coordinating Council’s recommendation that provides science based guidance on how shellfish aquaculture should be managed.” Chairman Harrell requested that the word “shellfish” be removed, noting that there are non-shellfish aquaculture operations too and that the Council is responsible for addressing all forms within Maryland.

Motion: Roscher/Brohawn

As discussed, the Council voted unanimously to support the language being added to the MFB’s Policy Book with the removal of the word “shellfish” from the language.

Chairman Harrell announced a missed public comment period concerning designation of Critical Habitat for the Atlantic Sturgeon that could affect aquaculture in the Potomac River. He suggested the Council needed ways to effectively communicate about time-sensitive subjects between meetings and requested that Mr. Roscher contact the IT department in the hope they might provide a solution.

Regulatory Scoping Idea – (Mr. Roscher, DNR)

Mr. Roscher stated the Department is considering establishing regulations requiring out-of-state suppliers to obtain a permit prior to supplying fish to Maryland. Current regulations only require suppliers to register with the Department. The proposed Out of State Fish Supplier Permit would be free and valid for a calendar year. Scoping for this proposal will be posted on the DNR Fishing and Boating Services website on or about November 14, 2016. Public comment will end on November 22, 2016. Mr. Roscher asked Council members to contact him with questions.

Interstate Seafood Seminar - (Ms. Brohawn, MDE)

Ms. Brohawn announced the upcoming 69th Annual Interstate Seafood Seminar in Harrisburg PA will be held April 4-6, 2017. As details become available, she will share them with the Council and she encouraged everyone to attend.

Nutrient Trading – (Mr. Ferguson, MD Farm Bureau)

Mr. Ferguson requested an update on nutrient trading as the Farm Bureau will discuss whether or not to support it at their upcoming meeting. Mr. Roscher said that there is no update. The Expert Panel has not yet presented to the Chesapeake Bay Program but more information will be available sometime in 2017.

Public Comment

Bill Cox (Honga Oyster) - Mr. Cox expressed concern about SAV laws, explaining that leaseholders are working to make the bay better and, when it does, their business are in jeopardy of being restricted. Most of his savings and several years of his life are invested in his aquaculture operation and he is worried about being put out of business if SAV is found on his lease(s).

Brian Russell (Shore Thing) - Mr. Russell told the Council that one of his leases was affected by SAV last year. He reported that he had spoken to Dr. Rubino, the head of NOAA's Office of Aquaculture about literature pertaining to aquaculture and SAV. He said that if there was science-based literature on the effects of aquaculture on SAV, it might be easier to propose legislation.

Chairman Harrell asked that Council members contact Mr. Roscher with questions for the SAV specialist who will hopefully attend the next meeting.

Adjourn

The meeting was adjourned at 8:12 pm with the next regularly scheduled meeting to be held on Thursday, January 12, 2017 at 6:30 pm in the Maryland Department of Natural Resources, C-1 Conference Room.