

Maryland Aquaculture Coordinating Council

Minutes – July 11, 2013

Members Attending:

Tony O'Donnell	Andrew Lazur	Charles Vernon
Don Flax	Reggie Harrell	Johnny Shockly
Don Webster	Stacy Kubofcik	Kathy Brohawn
Andy Buck	Joanna Kille	Kim Coulbourne
Craig Mask	Jon Farrington	(for Erin Butler)
Karl Roscher	Terry Witt	

Guests:

Steve Schneider, DNR	Brian Russell, SMSGA
Matt Rhodes, NOAA – Oxford Labs	Larry Jennings, CCA
Bill Cox, Honga Oyster	Tom Perry, Old Line Oyster Inc
Carl Kirk, Captain Kirk's Premium Seafood	Linda Arnold, MARBIDCO
James Kirk, Captain Kirk's Premium Seafood	Stephanie Richards, DNR
Laura Thomas, University of SC, Marine Science	Jack Devine, Barren Island Oysters
Jurgen Schwarz, University of MD Eastern Shore	Tal Petty, Hollywood Oyster
Melinda Schwarz, University of MD Eastern Shore	Jill Buck, Patuxent Oyster Co
Scott Budden, Chester River Aquaculture	

Call to Order at 6:30 pm

Chairman Webster introduced Mr. Matt Rhodes, Biologist from the Cooperative Oxford Lab. Mr. Rhodes presented a *Vibrio* questionnaire; answers provided will be used to help create a model with real-time data to establish a 3/14/30/60 day forecasts. Delegate O'Donnell asked Mr. Rhodes how wide the survey would be and Mr. Rhodes explained that the intention is to distribute the questionnaire to different groups around the country and specifically the Bay. Effort is made to ensure that qualified individuals are the ones completing the surveys. Mr. Rhodes would like to have the participation of Maryland leaseholders and copies of the questionnaires were made available at the meeting. Mr. Rhodes suggested that individuals could email him if they would like to participate and he would provide them with an electronic copy to complete. In addition, Dr. Harrell offered to send out the survey to NRAC contacts and will follow-up with Mr. Rhodes.

Administrative

Approve May Meeting Summary – An edit to the May meeting summary was made to delete “was not introduced” from a line on page 2 regarding the summary of House Bill 993. Minutes were approved (Ms. Butler/Mr. Webster) as amended.

Announcements – Chairman Webster and Members:

- **USDA ARS/NIFA stakeholder meetings announcement:** July 17th – Bivalve Mollusk, July 30th – Hybrid Striped Bass. There is an aquaculture component to the farm bill on the national level and industry input is important.
- **UME Strategic Planning Process:** Input from program partners is needed, as is participation in regional workshops. Chairman Webster may be contacted for information.
- **Status Update on Remote Setting Training (RST) Program:** The program will be terminated in September after three years of activity. The 25 larvae tanks are booked in two-week slots. Reported 150 million spat so far this year with a 37% estimated set rate. There are 18 slots open: 6 at Piney Point, 6 at Horn Point and 6 at Crocheron. See Chairman Webster for details.
- **New Publications:** Bottom Culture Cost Analysis; Data for Decisions: Will be on the University of Maryland Extension (UME) website (<http://extension.umd.edu/aquaculture>).
- **New Aquaculture Representative** – Ms. Kille announced that Tal Petty was appointed to the Maryland Agriculture Commission to represent aquaculture.
- **6th Annual Maryland Buy Local Cookout** – Ms. Kille noted that Council members have been invited to the Governor's Sixth Annual Maryland Buy Local Cookout from July 25th from 7-9pm; please RSVP.
- **Summer Harvest Times, Regulatory Change** – Ms. Butler noted that on June 28th the new harvest times became permanent; growers must provide start time to dealer and be within 12 hours as per NSSP requirements for the *Vibrio* plan.

New Summer Harvest Delivery Times

11:30 am from June 1 – June 30

10:30 am from July 1 – August 31

12:30 pm from September 1 – September 30

Ms. Brohawn noted the purpose for summer harvest restrictions is to reduce the risk of illness. The ISSC membership, in compliance with the FDA, had voted regarding a 60% reduction in observed illness. The 60% reduction is not what they had asked for and there is a letter to the FDA from the ISSC as we produce more. Currently, the FDA and States are not in agreement with each other, which is not a favorable situation.

Delegate O'Donnell discussed the different assays used to classify shellfish harvest waters. This will be discussed in San Antonio and are seen as ways to have fewer closures. New science is needed to develop indicators that will cause fewer false positives (such as those caused by vegetation) and related closures. The process to reopen can be difficult.

Ms. Brohawn said she would be happy to help with proposals that will hopefully lead to needed research and funding. Dr. Harrell indicated that the Northeast Regional Aquaculture Center (NRAC) has funded *Vibrio* programs and might be able to assist. There is an RFA coming out this summer and they may be able to leverage funding. Ms. Brohawn continued that we need different fecal indicators as we really don't get sewage contamination. How then do we identify the health risk? When there is no animal source known there is not really a health risk; an "X" factor is the cause. The EPA has a recreational criteria; meaning there is a different risk associated with an incident when there is no human source involved.

Anyone can participate at the ISSC biennial meeting in San Antonio. For regulatory, voting members can be on committees along with industry representatives. Everyone gets their chance to be on the Executive Board as the states (Maryland, Delaware and Virginia) serve in rotation. Chairman Webster requested that the Maryland participants to the ISSC provide a report at the November meeting.

Reports

Shellfish Aquaculture Status – Mr. Roscher, DNR Aquaculture Division

The Department has come a long way in issuing leases and processing applications has been so successful that the ACOE is saturated. There have been transfers in addition to new leases and the Aquaculture Division also processes Import Permits and Shellfish Aquaculture Harvester Permit modifications. From 2010 to June 2013 there have been 186 applications, with 124 of these since August 1, 2011. From that time there have been 69 commercial leases issued with 80 in process and under review. There are currently 272 active submerged land leases and 25 water column commercial leases with a total of 3,584.31 total acres currently leased.

The Department has made a commitment to have the current backlog resolved by the end of this calendar year. One way to accomplish this will be by increasing staff support with temporary help and the additional hiring of the vacant Planner V and NRB II positions.

Delegate O'Donnell asked for more specific information regarding the St. Mary's County leases that are currently on hold in the review process. Mr. Roscher explained that these leases are affected by sanctuaries, but the Department is making progress in St. Mary's and moving forward on scoping. Within two weeks the scoping phase will proceed with posting on the website and an email to interested parties. Delegate O'Donnell brought up the issue of marina buffers and concerns about an application in Herring Creek. Mr. Roscher commented that leases are not being issued in marina buffer zones and for these two applications; one is on public notice and moving forward, but the other is problematic due to its proximity to the marina.

Delegate O'Donnell asked if aquaculture leasing in St. Mary's County is more of a problem; to which Mr. Roscher responded that, while there are sanctuary issues to deal with, further discussion indicates an increase in overall activity and interest in leasing in that county.

Mr. Roscher discussed the measures being taken to improve application review cycle time in the lease approval process and the development of a metric to quantify the process. The days to issuance are tracked and a graph is created to track the time involved. An established lease application process with estimated times at each stage should be ready for the next ACC meeting.

Shellfish Aquaculture Financing Programs – Ms. Arnold, MARBIDCO

Ms. Arnold reported that 43 loans for a total of 2.5 million dollars have been approved in the Shellfish Aquaculture Financing Program. At the end of September NOAA funds will be terminated. \$500 thousand in State Capital funds have been approved for use in the Program and will be available in August. In the Remote Setting Financing Program, 5 loans have been approved for a total of \$120,500.

Johnny Shockley asked if Ms. Arnold was aware of any small business funds that are available and Joanna Kille said that she could look into this. Currently, the Equipment money for 2013 has been allocated, but at the end of July the 2014 funds again become available. NOAA funds are still available but restricted for use by TFL holders and can only be used for seed and substrate (shell) purchases. A question was asked whether leaseholders can put in another request for funding under the Program. The answer is yes and it can be used next year. The main message is that the State is encouraging leaseholders to apply for funding and, if the funds are not utilized, they will be lost. A loan application can be submitted once a lease has been applied for, but the funds will not be disbursed until the lease is fully executed.

Mr. Roscher discussed the recipient of a USDA Rural Development loan guarantee. Leaseholders can help secure a loan with this guarantee. He encouraged industry participants to investigate and provided the website for information: <http://www.rurdev.usda.gov/BCP-LoanAndGrants.html>

Shellfish BMP Revision Workgroup – Ms. Coulbourne (for Ms. Butler)

There have been scheduling conflicts and Ms. Butler plans to have a report ready for the September meeting.

Industry Development Priorities – Dr. Lazur

Dr. Lazur discussed the need to develop top quality surveys to produce information identifying important industry priorities from a grower's perspective. Dr. Lazur indicated that these surveys should be ready to mail within two months. Mr. Webster indicated that the information would be used for the 2013 Council's legislative report to the Governor and General Assembly.

Shellfish Production Issues – Vice-Chairman Buck

A meeting is scheduled for next month to develop a report for the September Council meeting. Vice-Chairman Buck is expecting to get more feedback on harvester permit concerns and issues with retaining leases and plans to present details on what is learned at the September meeting.

Special Order

Developing Videos to Assist Applicants/Leaseholders with Completing Forms – Ms. Richards, DNR

Instructional videos are being developed by the Aquaculture Division as part of an expanded outreach program to improve customer service. There will be several videos (including completing harvest reports and SAHP modifications) posted to the Aquaculture homepage and a preview of the video for requesting a lease transfer was presented at the meeting. A new transfer request form has been developed and is now available online. This form will provide the division with the necessary information to create a personalized transfer form for applicants; which will help reduce notary errors and speed the transfer process. The video was well received by industry attendees and Board members.

Ms. Brohawn discussed the shellfish harvester training video in Virginia and asked if Maryland had initiated something similar. Mr. Roscher responded that none are currently in place.

Unfinished Business

Shellfish Shipper Fee, Status and Update – Ms. Coulbourne (for Ms. Butler)

Ms. Coulbourne will inform the Council in the future regarding the Shellfish Shipper Fee update and Delegate O'Donnell said that there will probably be emergency regulations by fall.

Mr. Webster stated that he had invited Secretary Gill to attend tonight and will invite him to the next ACC meeting. Mr. Roscher highlighted Secretary Gill's strong support for aquaculture in Maryland and that the Secretary is committed to its success.

Industry Development – Discussion Added to Agenda

A discussion continued regarding ways to encourage aquaculture growth in Maryland. Mr. Shockley raised several points regarding developing an aquaculture project plan 3-5 years out, the need to get permits in a timely manner, and how to make the process more user-friendly. Mr. Roscher addressed his concerns by highlighting the Department's efforts to streamline the application process and the need for industry feedback (current and future) to address matters such as lease management, production and *Vibrio* issues. The Aquaculture Division is working on reducing the current lease application backlog and is aware of issues associated with Shellfish Aquaculture Harvester Permit applications/modifications and issuance related to the use of short term labor on leases. The Division is able to be more effective now that it will be fully staffed.

Mr. Shockley discussed his opinions on the ACC's initial recommendations in establishing Aquaculture Enterprise Zones in Maryland. He noted that many watermen are not willing to go through all of these steps and it is his opinion that AEZs will help the industry grow quickly and be more successful. Mr. Webster commented that the revisions to Maryland lease laws had removed the restrictions on leasing that once existed, made large areas available for leasing and reduced the demand for AEZs. He indicated that the overall lease review process has become more complicated with multiple factors being required to be taken into consideration when evaluating proposed sites including Corps requirements, National Shellfish Sanitation Program guidelines, SAV and endangered species issues.

The merits and feasibility of AEZs was discussed as well as improving the collaborative relationship with the Corps and how to facilitate the lease issuance process. There was consensus on fostering industry growth and innovation so that Maryland can compete with other states (some of which are smaller, yet are producing more through aquaculture). Issues such as policy problems, water quality, effects of relaying on neighboring leases, and the impact of RGP-1 on lease availability were explored and the public's perception of aquaculture as a whole discussed. Dr. Harrell asked that (by the September meeting) the DNR Aquaculture Division go back through the minutes of previous ACC meetings to establish a historical record for the Council's previous discussions and position on AEZ.

Delegate O'Donnell raised the topic of the Council's annual report due date being changed from October 1st to on or before June 30. He stressed the need to get the report in early so recommendations that require funding can be incorporated into the respective agency's budget prior to submittal. This is important as in the past few years the Council has recommended that funding for Natural Resources Police should be increased to provide

for hiring additional officers. He also mentioned the Morgan State facility as a potential partner for research and watermen. There has been a positive experience in Calvert County in the Patuxent's Jefferson Patterson Park.

Public Comments

The subject of marker buoys was introduced by Mr. Devine who described a need for better information about lease marker requirements. Mr. Roscher explained that Coast Guard approved buoys are site specific and can vary. The Aquaculture Division works with applicants/leaseholders to assist with specific buoy requirements for the lease type and location. In addition, Mr. Roscher indicated that if lease applicants need help with the USCG Private Aids to Navigation (PATON) application, the Division is glad to assist them. Currently, regulatory buoys are expensive (\$150 – 300 per) and less expensive alternatives could be designed.

Ms. Brohawn suggested the possibility of a work group to review the marker buoy issue. Mr. Webster suggested that we consider looking at Virginia requirements so we may have consistency in lease marking for the public to better recognize lease sites throughout the Chesapeake and coastal bays.

Meeting adjourned at 8:32pm (Mr. Mask/Mr. Roscher)