

**Pilot Study to Evaluate the Impacts and Benefits of Expanding
Power Dredging in Waters Above the Chesapeake Bay Bridge
and Kent Narrows Bridge, and in Eastern Bay**

April 3, 2014

This document will serve as a written agreement between the Maryland Department of Natural Resources (MD DNR) and oyster industry members and their representatives (“Industry signatories”) for implementing a five year “Pilot Study for Evaluating the Impacts and Benefits of Expanding Power Dredging in Waters Above the Chesapeake Bay Bridge and Kent Narrows Bridge and in Eastern Bay”.

The MD DNR, in consultation with the Office of Attorney General, has determined that, to the extent regulations are needed to effectuate the terms of this Agreement, MD DNR has the authority to propose and adopt those regulations.

A. Foundational principles:

- 1) A power dredge fishery above the Chesapeake Bay Bridge and Kent Narrows Bridge, and Eastern Bay should not place further risk to the region’s oyster population.
- 2) The size of any ‘new’ power dredge area should be proportional to the amount of area that the oyster industry would agree to plant with hatchery spat on shell. A 2.5:1 power dredge area to hatchery spat on shell planting area ratio will be used to determine the size of any new areas.
- 3) The spat on shell will be planted at a minimum density of 1 million spat on shell per acre.
- 4) There will be a collaborative monitoring program implemented by all parties to this agreement. The monitoring program will be designed to examine the impacts of power dredging and the cost effectiveness of using power dredging to enhance the natural production of oysters as compared to using hatchery spat on shell planting.
- 5) This pilot project will have a five year term and may be extended upon the consent of all parties.
- 6) Public funds administered by MD DNR collected from oyster surcharge and oyster bushel tax, and channel dredging mitigation funds from the Maryland Port Authority will be used to support this project. The Industry signatories have agreed to provide the necessary vessels, captains/crews and fuel to support the implementation of the detailed monitoring plans referenced in Sections B and C. If additional monitoring funds are necessary, the parties will work collaboratively to address these needs.

B. Power Dredging above the Chesapeake Bay Bridge and Kent Narrows Bridge

Kent, Baltimore and Queen Anne’s County Oyster Committees and MD DNR agree to the following:

- 1) Maintaining the 560-acre Swan Point power dredge study area as a power dredge harvest area under the condition that the Industry signatories will commit to planting hatchery spat on shell at a minimum density of 1 million hatchery spat on shell / acre on area to be agreed upon. The remaining area will not be planted with hatchery spat on shell, rather, it will be dependent upon receiving baby oysters (spat) from natural production. The Industry signatories agree to use the already established 560-acre Swan Point power dredge study area. The industry’s request to make a minor expansion to this area to

better align buoys with land markers to facilitate on-the-water compliance by the industry to stay within the pilot area is under review by the Department. If the Department agrees to propose this modification to its existing regulations establishing the power dredge study area, a map reflecting the mutually agreed upon modification will be created by May 1, 2014. In addition, the areas to be planted with hatchery spat on shell each season are to be identified on a map by May 1 for each year of the five year pilot study beginning in 2014.

- 2) Closing areas planted with hatchery spat on shell to harvest for at least three growing seasons in order to reach market size. MD DNR will propose regulations establishing that areas planted with hatchery spat on shell will be opened for harvest by public notice for a period mutually agreed upon between MD DNR and the pertinent County Oyster Committees that are party to this Agreement. The parties may extend the closure period by mutual agreement as conditions dictate.
- 3) Providing permission for oystermen to work the study area with power dredges and/or other approved gear, outside of the oyster fishing season if it is determined necessary to maintain surface shell. Prior written permission by the Maryland Department of Natural Resources will be required, and restrictions such as the number of oystermen, dates and times will need to be established in order to address enforcement and user conflict issues. These restrictions will be developed in consultation with the pertinent County Oyster Committee(s) and other interested stakeholders.
- 4) Not closing the power dredge / hatchery spat on shell pilot project if there is a year for which there is insufficient funding to plant hatchery spat on shell, or there becomes a need to use the available funds in another manner. MD DNR agrees to this flexibility, and the Industry signatories agree that they would not use this as a strategy to not fulfill their hatchery spat on shell commitment for this project.
- 5) Committing to the following funding plan to plant hatchery spat on shell at a minimum density of 1 million oysters per acre over the next three years within the designated Swan Point Power Dredge Pilot Study Area.

a. Year 1

Baltimore County Oyster Committee:	\$72,000
Kent County Oyster Committee:	<u>\$72,000</u>
Total	\$144,000

b. Year 2

Kent County Oyster Committee:	\$72,000
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c. Year 3

Kent County Oyster Committee:	<u>\$72,000</u>
Total for Years 1-3:	\$288,000

d. Year 4 and 5 - Funding will be determined at a later date based upon a review of available funds and project results to date.

- 6) Developing a detailed monitoring plan by May 15, 2014.

C. Power Dredging in Queen Anne's County waters of Eastern Bay

Queen Anne's and Kent County Oyster Committees and MD DNR agree to the following:

- 1) Proposing regulations to establish a new Power Dredge Pilot Study Area in the Queen Anne's County waters of Eastern Bay. A map of the area will be developed and agreed upon by May 1, 2014.

- 2) Basing the power dredge study area size on a 2.5:1 power dredge area to hatchery spat on shell planting area ratio.
- 3) Closing areas planted with hatchery spat on shell to harvest for at least three growing seasons in order to reach market size. MD DNR will propose regulations establishing that areas planted with hatchery spat on shell will be opened for harvest by public notice for a period mutually agreed upon between the MD DNR and the pertinent County Oyster Committee(s).
- 4) Providing permission for oystermen to work the study area with power dredges and/or other approved gear, outside of the oyster fishing season if it is determined necessary to maintain surface shell. Prior written permission by the Maryland Department of Natural Resources will be required, and restrictions such as the number of oystermen, dates and times will need to be established in order to address enforcement and user conflict issues. These restrictions will be developed in consultation with the pertinent County Oyster Committee(s) and other interested stakeholders.
- 5) Not closing the power dredge / hatchery spat on shell pilot project if there is a year for which there is insufficient funding to plant hatchery spat on shell, or there becomes a need to use the available funds in another manner. MD DNR agrees to this flexibility, and the Industry signatories agree that they would not use this as a strategy to not fulfill their hatchery spat on shell commitment for this project.
- 6) Committing to planting hatchery spat on shell at a density of no less than 1 million oysters per acre over the next three years within the designated Pilot Power Dredge Pilot Study Area. The planting of hatchery spat on shell in years 4 and 5 will be determined at a later date based upon a review of available funding and project results to date. The Kent and Queen Anne's County Oyster Committees agree to provide a funding plan for Years 1-3 by May 1, 2014.
- 7) Identifying areas to be planted with hatchery spat on shell by May 1 of each year for the duration of this pilot project beginning in 2014.
- 8) Developing a detailed monitoring plan by May 15, 2014.

Funding Obligations.

All State funding and financial obligations referenced within this Agreement are contingent upon sufficient appropriations made by the State of Maryland. Industry financial obligations are also contingent upon the availability of oyster surcharge, oyster bushel tax and Maryland Port Administration funds.

Termination of Power Dredge Pilot Study.

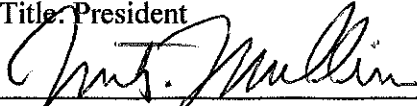
- 1) The Department may terminate this Agreement for one or both of the agreed upon power dredge pilot projects if it is determined that (1) sustained or repeated illegal activity has compromised the integrity of the pilot project to the point where the data being collected is compromised, or (2) other circumstances related to the project make termination in the best interest of the State. This determination will be made in consultation with the pertinent County Oyster Committees and scientists involved in implementing the monitoring plan for this pilot project.
- 2) This agreement, unless extended or terminated earlier by mutual agreement of all parties, will terminate on April 3, 2019.

Signed by the following duly authorized representatives (in counterpart),

Maryland Waterman Association

Printed name: Robert T. Brown

Title: President



Maryland Oysterman's Association

Printed name: Jim Mullin

Title: President



Baltimore County Oyster Committee

Printed name: Hollice Lowe

Title: Chairperson





Kent County Oyster Committee

Printed name: Chuckie White

Title: Chairperson



Queen Anne's County Oyster Committee

Printed Name: Troy Wilkens

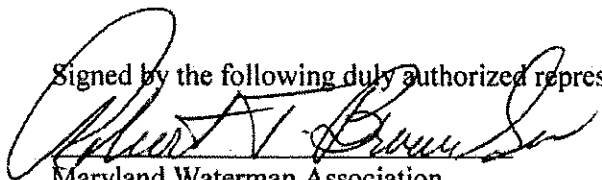
Title: Chairperson

Maryland Department of Natural Resources

Printed Name: Frank Dawson

Title: Deputy Secretary

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Printed name: Robert T. Brown
Title: President

Kent County Oyster Committee
Printed name: Chuckie White
Title: Chairperson

Maryland Oysterman's Association
Printed name: Jim Mullin
Title: President

Queen Anne's County Oyster Committee
Printed Name: Troy Wilkens
Title: Chairperson

Baltimore County Oyster Committee
Printed name: Hollice Lowe
Title: Chairperson

Maryland Department of Natural Resources
Printed Name: Frank Dawson
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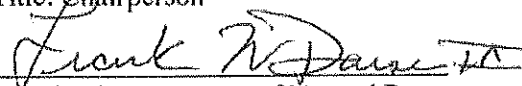
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