



*Martin O'Malley, Governor*  
*Anthony G. Brown, Lt. Governor*  
*John R. Griffin, Secretary*  
*Joseph P. Gill, Deputy Secretary*

## MEMORANDUM

**TO:** David Blazer, Deputy Director, Maryland Port Administration

**Date:** July 8, 2014

**FROM:** Thomas O'Connell, Fisheries Service Director

**SUBJECT:** MDOT / DNR Oyster Recovery Agreement – Proposed FY 2015 Work Plan

### Issue:

Agreement between the Maryland Department of Transportation (MDOT) and the Department of Natural Resources (DNR) provides \$2.0 million in FY 2015 for the Chesapeake Bay Oyster Recovery Program, and requires that the DNR provide an annual work plan each year. DNR is submitting the work plan included below for FY 2015, and two proposed modifications to the FY 2014 work plan. This work plan has been reviewed by leaders of the commercial fishing industry, and modifications were made based upon their input.

### FY 2015 Work Plan:

Budget Amount - \$2.0 million

#### Work Plan

- 1) Sanctuary Program – Total \$600,000
  - A. \$200,000 – In-water restoration. Support the production and planting of hatchery seed in sanctuaries.
  - B. \$400,000 – Sanctuary Program Administration. These funds support the management, monitoring and citizen outreach (i.e. Maryland Grow Oysters Program) activities essential to Maryland's oyster sanctuary program and fulfillment of the Chesapeake Bay Program 2014 Agreement. Specifically, one staff member is 100% dedicated and funded through this category, and seven staff that devote up to 50% of their time on sanctuary management.
- 2) Demonstration Projects and Monitoring – Total \$200,000
  - A. \$200,000 – Provide funding to assist monitoring of power dredging and fresh shell demonstration projects that resulted from discussions in the 2014 Maryland General Assembly, monitor public oyster fishery areas to assess cost / benefit of MPA investment, and monitor sanctuaries to develop targeted restoration plans and assess performance towards achievement of the Chesapeake Bay Program's 2014 Agreement. If funds remain after fulfilling the above mentioned monitoring efforts, consideration will be given to re-allocate remaining funds to the County Oyster Committees for in-water projects (Project 3A below).
- 3) Public Fishery Program – Total \$1.2 million
  - A. \$800,000 – County Oyster Committees. Funds allocated evenly among the tidal counties for project planning purposes. DNR will consult with each County Oyster Committee to obtain

recommendations for annual work plan and administer the implementation of final approved projects that are biologically, ecologically and economically sustainable.

- B. \$400,000 – Oyster Fishery Management. Support public oyster fishery management and monitoring. This funding is DNR’s primary source of funding supporting the public oyster fishery. Specifically, two staff are 100% dedicated and funding through this category, and seven staff that devote up to 40% of their time on public oyster fishery management. Beyond industry dedicated staff, other significant costs within this category include industry program printing costs of annual oyster closure booklets that each oyster surcharge holder signs receipt of to ensure knowledge of oyster closure area, buoy marking services to establish oyster areas according to regulations, survey boat fuel and maintenance, field equipment, and the printing costs associated with the map book and oyster harvest tags.

Note: A total of \$1.2 million will directly benefit the oyster industry. The industry will also benefit from the \$200,000 for demonstration projects and monitoring as this will help assess performance of management strategies and facilitate adaptive management, and the \$800,000 for sanctuaries recognizing these restoration efforts are designed to increase oyster abundance in both sanctuaries and nearby public oyster fishery areas.

Funding to support the aquaculture loan program administered by MARBIDCO will be evaluated in future year work plans on a as need basis. Funding for this program is currently adequate.

Industry leaders consulted in the development of this work plan did not support the use of funding for a DNR / industry cooperative sanctuary monitoring initiative. Instead, they asked that this funding be added to the funds allocated to the County Oyster Committees for in-water projects. This change was made to the FY2015 work plan and will be evaluated annually.

### **FY 2014 Modification**

- 1) DNR proposes realigning the \$200,000 budgeted for the “Aquaculture” category of the FY 2014 work plan to the “Demonstration Projects and Monitoring” category outlined on page 1 of the FY 2015 work plan. The MARBIDCO remote setting program does not currently have any applications in-process, and maintains a balance of available funding of \$265,925. After this modification, \$65,925 will remain available for future applications, and DNR will evaluate the program for funding in the FY 2016 work plan and all future plans thereafter.
- 2) DNR proposes to discontinue plans to use the \$200,000 allocated under ‘Sanctuaries’ category of the FY 2014 work plan for contracting watermen to perform projects that benefit sanctuaries. The FY 2014 work plan called for watermen supported project ideas to be developed by April 1, 2014. This deadline was extended until mid-May. The only feasible project identified was a DNR / industry cooperative sanctuary monitoring project, however, industry leaders consulted in the development of the FY 2015 work plan objected to using these funds for this purpose. The need for additional sanctuary monitoring remains. Therefore, DNR proposes to continue to use these funds for sanctuary monitoring but a watermen centric focus to the project will no longer be pursued.

These modifications constitute a change of more than 5% within a management sector, and as a result, MDOT approval is required for this work plan modification.