

**Maryland Aquaculture Coordinating Council
Minutes – September 10, 2015**

Members Attending:

Don Webster	Erin Butler	Karl Roscher
Stacy Kubocik	Tony O'Donnell	Reggie Harrell
Don Meritt	Jon Farrington	Christopher Sherman
Johnny Shockley	Kathy Klausmeier	Terry Witt
Heather Meritt (representing MDE)		

Guests:

Steve Schneider, DNR	Rebecca Thur, DNR
Alyssa Cranska, DNR	Maude Morris, DNR
Kelton Clark, Morgan State University	Katie Busch, DNR
Robert T. Brown, MWA	Nancy Shockley, HIOAC
Victoria M. Brown, Shop Cove Aquaculture	Brad Cheng, Self
Kim Coulbourne, DHMH	Ted Cooney, Madhouse Oysters
Larry Jennings, CCA	George O'Donnell, DNR
Brian Connelly, Shipping Creek	Pat Hudson, True Chesapeake
Matt Mullin, High St. Strategies, LLC	Chris Aiken, Self
Robin Henderson, DHMH	Brady Walker, DBED
Robert Witt, Witt Seafood	Rona Kobell, Bay Journal
Hal McBee, Jr., Shipping Creek Farm and Seafood	

Call to Order

Chair Butler called the meeting to order at 6:37 pm.

Chair Butler welcomed Brady Walker., a new member Department of Business and Economic Development (DBED).

Administrative

Approve Meeting Summaries

July 2015 meeting minutes were approved (motion: Webster/Harrell) and Council requested future minutes simply summarize reports and discussions.

Announcements (Chair Butler and Members)

- **Business Planning for Aquaculture Workshops** to be held by University of Maryland Extension on October 8 and 29.
- **Maryland Shellfish Growers Association**, is working to become established.
- **Mr. Webster recognized Matt Mullin**, a consultant for association development who attended to learn about the Maryland aquaculture industry.
- **Stephan Able from ORP** will be attending the November Council meeting to give a presentation on the Oyster BMP Expert Panel.

- **Chair Butler welcomed Heather Meritt**, representing MDE in Ms. Brohawn's absence.

Presentation

Patuxent Environmental & Aquatic Research Laboratory - PEARL - Dr. Clark

Dr. Kelton Clark (MSU) presented information regarding the facility and direction. The program works with local industry to determine needs. To address concerns regarding larvae, they will operate a hatchery to produce that and provide training to those who may want to develop a private oyster hatchery.

Dr. Clark responded to questions from members regarding their role, student interaction, seed production and work with the Calvert County Waterman's Association and Southern Maryland's Shellfish Growers Association.

Reports

Aquaculture Division Report - Mr. Roscher

The Aquaculture Division received four new lease applications since the last meeting, four of which were incomplete. 39 new lease applications have been received in 2015 with 18 for water column leases. Fourteen new lease agreements have been issued and hydrographic surveys are pending for 11 applications. When complete, they go to public notice and are forwarded to the US Army Corps of Engineers. Twelve proposed leases are on public notice with comment end dates from mid-August to early October, with six having been protested. Since the July ACC meeting, public notice periods for eight applications have concluded with one protested. 16 projects are in stages of protest and nine new application packets were prepared and forwarded to the Corps of Engineers for review.

Since last meeting, three new shellfish import applications were received and three import permits issued. Seed permit requests are held until health certification is received and evaluated. Two new Shellfish Nursery Permit applications were received and three new ones issued. Five lease transfer requests were received and four were executed.

From September 2010 through September 10, 2015, 313 lease applications have been received, 242 of which were since August 1, 2011 when the Department began accepting applications for water column leases and lease in sanctuaries. The State has issued 150 new aquaculture leases totaling approximately 2,850 acres. 97 more applications are in process, with four being incomplete.

In 2015, 1,724 Shellfish Aquaculture Harvester Permit and Registration Cards were issued, comprised of 455 Permittee and 1,269 registration cards. This represents 561 distinct individuals who are permitted to work in the industry.

Of 150 leases executed since September 2010, 58% are submerged land and 42% are water column. Currently, 83% of active leases are submerged land with the remaining 17% being water column. The largest active submerged land lease has 310.7 acres with

an average size of 14.58 acres. The largest active water column lease is 26.9 acres with the average size being 4.21 acres. There are 156 leaseholders with 346 active leases. Of active leases, 128 leases held by 68 leaseholders reported harvest in 2015.

Mr. Roscher responded to Council questions regarding protests. He noted that there are no staff members who specialize in protests, but the Department brought Mr. George O'Donnell to assist with constituent services which includes protests.

Shellfish Aquaculture Financing Programs - Mr. Roscher

Mr. Roscher discussed the "Summary of Approved MARBIDCO Aquaculture Loans" and noted that funding is available in both programs. The remaining \$100,000 must be fully used to receive additional allocated funds of \$300,000.

- Remote Setting Loans -- The MD Port Administration, in partnership with DNR, provides funds for remote setting loans. The program is coming to an end, but funding is still available.

Reporting Illegal Activity on Leases - Captain Sherman

Based on a query from January 2014 to present, NRP received 49 calls involving illegal activity on leases, with 22 being theft related. No citations were given. He responded to questions regarding multiple calls to the same site, MLEIN, and court convictions. Suggestions highlighted instances in which NRP was successful in catching poachers and it was noted that leaseholders can use a new law enacting civil penalties. NRP and Fisheries have been working with each other to take necessary action.

Continuing Business

DNR Regulation Scoping - Mr. Roscher

Mr. Roscher provided information on six regulatory changes affecting shellfish aquaculture that are being scoped by the Department.

1. Liberalizing Shellfish Aquaculture Harvester Permit (SAHP) registration requirements.
2. Requiring workers to be in possession of SAHP cards when handling shellfish.
3. Requiring leases adjacent to oyster sanctuaries to use call-in procedures when using dredges for harvest.
4. Updating PSFA #109 to declassify a lease area completed in 2012.
5. Establishing fixed rental for leases equal to or less than one acre in size.
6. Correcting a mistake in regulation where water column lease rate only applying to those in an AEZ.

Feedback was requested by July 19th, 2015. The Department is moving forward to require that workers be in possession of SAHP cards when handling shellfish and establishing fixed lease rental for leases equal to or less than one acre. The Department is continuing to work on liberalizing SAHP registration requirements.

A second regulatory change pertains to people handling product outside of the foot print of a lease. Currently, the regulations only require possession of a harvester card when engaged in shellfish aquaculture activities within a leased area. Concerns have been raised by NRP over the ability to enforce regulatory requirements outside of the leased area, including areas where oysters are being processed and transported.

Harvester Training - Mr. Roscher

The Department has not implemented a Harvester Training Program yet and is out of compliance with FDA requirements. They are working with FDA with the understanding that we are changing the Shellfish Aquaculture Harvester Permit process. In person harvester education training will be postponed until 2016 when the SAHP regulation changes are in place. In the interim, printed harvester education training materials will be sent to leaseholders and Shellfish Aquaculture Harvester Permit registrants to read and acknowledge by affidavit.

DNRid/Aquaculture Declaration - Mr. Roscher

The Department will continue to require harvesters to obtain a DNRid/Aquaculture Declaration. The Department is legally required to screen Shellfish Aquaculture Harvester Permit (SAHP) and registration card applicants for violations and aquaculture harvesters are the only group that does not use COMPASS as a safe and secure way to provide necessary personal information to the Department. A letter regarding the process to obtain a DNRid and Aquaculture Declaration will be sent to leaseholders next week.

Members discussed issues with the Army Corps of Engineers (ACOE) including the letter sent to Senator Mikulski by the Council; the meeting organized by Senator Cardin; and expiration of the Regional General Permit-1 (RGP). The Council has not received updates from Senator Mikulski's office regarding her request about the permit process.

Members who attended Sen. Cardin's meeting briefed the Council and noted the meeting seemed productive and that the Corps seemed willing to streamline the process.

Mr. Roscher informed the council that the ACOE's RGP-1 permit will expire in August 2016 and noted the opportunity to make changes. He has requested the Corps to provide a timeline for the process to reauthorize the permit.

A motion (Klausmeier/Webster) authorizing a letter to be sent to Senator Cardin in thanks for organizing the aquaculture permitting meeting was passed by the Council.

Commercial Clamming Maps - Mr. Roscher

Mr. Roscher will reconvene the Council's Clamming Workgroup to discuss maps provided for Talbot County and the Patuxent River.

New Business

Increasing Council Membership

Council agreed that representation from the Office of the Attorney General (OAG) would be beneficial since they provide legal advice during lease application review and issuance. Del. O'Donnell and Sen. Klausmeier will develop legislation on the issue.

Certificate of Merit

Council discussed reducing frivolous lease protests that lack merit. Reducing time it takes to process these protests would reduce cost to leaseholders and taxpayers. An option would be to require protestors to obtain a certificate of merit. This needs investigation before being acted upon.

Farm Bureau Report - Dr. Harrell

Dr. Harrell summarized the focus of a report by the Maryland Farm Bureau to the UMD College of Agriculture and Natural Resources. It only addresses land-based agricultural production. Dr. Harrell mentioned there is a new Dean coming in November and this may be an opportunity to add aquaculture extension specialists. The Council noted that interaction between land based agriculture and aquaculture could be beneficial and that the Department of Agriculture could facilitate this interaction. A suggestion was made to invite the MD Secretary of Agriculture to a Council meeting.

A motion (Klausmeier/Webster) was passed to pursue ties between aquaculture and agriculture. Delegate O'Donnell will organize a meeting to include Mr. Roscher, Chair Butler, Sen. Klausmeier and Vice-chair Harrell to discuss the relationship between the Department of Agriculture and aquaculture industry as well as benefits that nutrient trading can provide to agribusinesses. Council requested this meeting take place before the next November meeting.

Public Comments – Patrick Hudson of True Chesapeake Oyster Company, LLC suggested that because of numerous protests, the Council reach out to counties, as a third party, to determine concerns and express benefits of aquaculture for communities.

Council members and public discussed the usefulness of public outreach and education in preventing protests with suggestions including seminars by industry members from other states, public information meetings in conjunction with public notice, and requiring that a protestor obtain a certificate of merit.

Robert T. Brown, Sr., President of the Maryland Waterman's Association, commented that other resource users are more likely to protest when they feel like they are losing the ability to access an area. Council responded that DNR has an extensive process to evaluate applications and address user conflicts. It was stated that a fair process for resolving protests exists in utilizing the Office of Administrative Hearings.

A motion to adjourn (Webster/Butler) was approved by the members. The next regular meeting will be Thursday, **November 12, 2015**, at 6:30 p.m. at the Maryland Department of Natural Resources, C-1 Conference Room.