

**Michigan Commission of Agriculture Meeting
Bavarian Inn Lodge & Conference Center
One Covered Bridge Lane
Frankenmuth, MI 48734**

**MEETING MINUTES
June 10, 2004**

PRESENT:

Bill Pridgeon, Chair, Commission of Agriculture
James Maitland, Vice-Chair, Commission of Agriculture
James Byrum, Secretary, Commission of Agriculture
Douglas Darling, Commission of Agriculture
Ann Jousma-Miller, Commission of Agriculture
Dan Wyant, Director, Michigan Department of Agriculture

OTHERS PRESENT: *(all or part of the meeting)*

Michigan Department of Agriculture Staff
E.J. Brown, Michigan Association of Fairs & Exhibitions
Richard Leach, Michigan Sugar Company
Charlie Kline
Ray Van Driessche, Monitor Sugarbeet Growers Association
John Cnudde, Crop Production Services
John Spero

CALL TO ORDER AND ROLL CALL

Chair Pridgeon called the meeting of the Commission of Agriculture to order at 8:30 a.m. on Thursday, June 10, 2004. Secretary Byrum called the roll with Director Wyant, Commissioners Darling, Maitland, Pridgeon, and Jousma-Miller present.

APPROVAL OF AGENDA

**MOTION: COMMISSONER MAITLAND MOVED APPROVAL
OF THE JUNE 10, 2004 AGENDA AS PRESENTED.
SECONDED BY COMMISSIONER DARLING.
MOTION CARRIED UNANIMOUSLY.**

APPROVAL OF APRIL 1, 2004, MEETING MINUTES

Commissioner Byrum offered a correction on page 3 of the minutes. In his comments, the reference to "the president of Tisbee" should be "the president of TSBY".

MOTION: COMMISSIONER BYRUM MOVED APPROVAL OF THE APRIL 1, 2004 MEETING MINUTES. SECONDED BY COMMISSIONER MAITLAND. MOTION CARRIED UNANIMOUSLY.

NEXT MEETING

The next meeting of the Commission of Agriculture is scheduled for July 20, 2004, in conjunction with Ag Expo at Michigan State University.

APPROVAL OF COMMISSIONERS TRAVEL

Commissioner Maitland attended the reception for Dr. Arnoldi and Split-State Status in Lansing on June 1, 2004.

Commissioner Jousma-Miller will be submitting travel expenses for a number of meetings she attended on behalf of the Commission.

MOTION: COMMISSIONER DARLING MOVED TO APPROVE THE ABOVE TRAVEL FOR COMMISSIONERS MAITLAND AND JOUSMA-MILLER. SECONDED BY COMMISSIONER BYRUM. MOTION CARRIED UNANIMOUSLY.

COMMISSIONERS' COMMENTS

Commissioner Darling reported that all crop conditions in southeastern Michigan are wet. Many crops are marginal, early plantings have been drowned out. Things are just getting started in Washtenaw, Monroe and Lenawee counties. Many crops have hail and water damage and there is some anxiety about that. Some fields are being shifted from corn to beans.

He suggested that we should be encouraging farmers to program the 800, spill response telephone number into their cell phones. The farmers would then be prepared in the event of a spill or a bio-security incident to contact MDA immediately from the field.

Commissioner Jousma-Miller reported that there has been some flooding in the Marquette area. In the last two months she has attended all the local TB meetings as they are very concerned with obtaining the TB-free status in the Upper Peninsula. She attended a meeting with Dr. Arnoldi and the State Veterinarian and TB responder from Wisconsin. She reported that the meeting went very well, allowing them to air concerns, and put together some talking points from the meeting.

There will be another meeting in about a month to follow up with representatives from Wisconsin. There may need to be a change in the administrative rules in Wisconsin to accept the accredited status in Michigan. Currently the administrative rules in Wisconsin would recognize the lowest status in the state. They are looking into what process is necessary to accomplish the change in Wisconsin.

The UP State Fair manager position has received 72 applications.

Commissioner Jousma-Miller reported that she attended the Michigan Association of Timbermen; Equity Livestock Meeting and Menominee County Farm Bureau Board Meeting.

Commissioner Jim Byrum commented that many crops that have been planted in the last 10 days. Conditions vary across the state. Planting has been long, beginning around April 5 and still continuing; harvest is likely to be just as long. With some of the early planting, farmers are concerned that nutrients remain in the soil and hydrous ammonia will be in demand for the next several weeks. Post emergent weed issues are everywhere because herbicides that were put on early are gone. Bugs and diseases will be everywhere with moisture and hot weather. Overall commodity prices have held relatively constant and steady. There is concern about overall economics with some producers that did not get crops in the ground and how they will fare the balance of the year and if the crops reach harvest stage, the added cost incurred with production.

Commission Jim Maitland reported that the sweet cherries in Northern Michigan have set well and looks like a good crop. Sweet cherries come out about a week to 10 days earlier than tart cherries. Tart cherries came during the rainy season so pollination and fruit set was not as good. He thinks there will be a manageable crop, but it's spotty from one grower to the next.

Commissioner Maitland attended the Michigan Land Institute, a continuation of their Small Farm Initiative in coordination with the Chamber of Commerce. They are compiling an inventory of farmers, farm processors and available commodities to sell. They will put the information together and make it available to purchasers; similar to the farm market literature the Department has. In addition, Commissioner Maitland attended a meeting at the Northwest Horticulture Research Station hosted by Congressman Dave Camp. Congressman Bob Goodlatte from Virginia (chair of the US agriculture committee) joined them for a three-hour discussion.

Director Wyant asked about issues raised at the meeting. Commissioner Maitland responded that barge traffic and rail traffic (for shipping corn, mainly) was an issue. They discussed some national issues, e.g. free trade and water use on the Great Lakes. Other issues: bio-terrorism and protection of the food chain.

Chair Pridgeon reported that rain in his area was not enough to cause damage to crops already planted. Some farmers planted early and waited through the dry spell while others are planting now. The wheat crop is still uncertain. Livestock prices have been good. The Supreme Court is going to be looking at the beef check-off program. FDA has come out with a ruling on the use of meat and bone meal, which it appears that Canada is going to ban in all livestock feed. That would have an impact on usage of soybean meal; soybean meal use would go up. Still waiting to hear the final rules on Bovine Spongiform Encephalopathy (BSE) testing. Export market are open because of disagreements of who to sell to.

DIRECTOR'S REPORT

Director Dan Wyant thanked Commissioner Byrum and Bob Tadsen of the Michigan Agri-Business Association for arranging the industry tours on June 9, 2004. He introduced Mike Juhasz, Regional Supervisor for the Food & Dairy Division, Food Section, and Larry Perreault from the Saginaw Office in Region IV. As regional staff members, they are responsible for the majority of the regulatory work.

Mike Juhasz welcomed the Commissioners and Lansing staff to Region IV. The regional office has the regulatory divisions of Food & Dairy and Pesticide & Plant Pest Management (PPPM) and covers 15 counties for those divisions. For the Dairy Division, the state is divided in half. Liz Hunt is the supervisor for the east side of the side of the state and the Upper Peninsula. The Food section regulates approximately 3,000 establishments. One-third of those considered high risk, selling potentially hazardous, ready-to-eat foods. Those establishments are on an inspection frequency of twice a year, which equals approximately 4,000 inspections with a seven inspectors. In addition, they investigate approximately 300 complaints a year; everything from food illness to sanitation to personnel issues (misbranding issues.) He reported that they are preparing for the county fair season (there are 15 county fairs within the region.) Many of the fairs overlap so there are personnel issues, making sure everything is covered and safe and the public is protected.

Larry Perreault reported that the biggest project right now is Emerald Ash Borer (EAB). They have 11 PPPM inspectors working in Region IV. About half of them work in the ag products area (feed, seed and fertilizer

and nursery inspections.) The remaining inspectors work in the pesticide programs. In addition to regular inspections, they have been doing a lot of EAB work. EAB has a hotline that goes to Lansing, then referred back to the regions for investigation. The regional office receives approximately 5-10 a day. There are two eradication areas, one in St. Helen in Roscommon County where tree cutting started on Monday. The other location, in Shields, was one of the first areas cut as part of the EAB eradication plan and is now finished. There is a site in St. Charles in southern Saginaw County where removals will begin this winter. Director Wyant stated that he had driven through the Shields area and was impressed with the appearance of the site.

Mr. Perreault stated that many of the local farmers are struggling to get crops in. Some fertilizer sampling is still being done. The mosquito crop has been tremendous with all the wet weather. Spraying is underway in many parts of the Region. There is a mechanism in place for those who do not want their homes sprayed.

Commissioner Maitland asked if there had been a large number of birds found with West Nile Virus. Mr. Perreault stated that it was too early to tell. Testing has started earlier this year and the mosquito crop was early because of the warm spell.

Mr. Juhasz invited the Commissioners to stop by the regional office.

Director Wyant thanked Jim Byrum for helping to pull together a cross section of industry representatives to discuss the weather situation as it relates to agriculture. He indicated that we have put the message out that the situation in Michigan is neither a crisis nor a disaster, but it is having an impact depending on the area and individual situation. A mechanism is in place to evaluate agriculture disasters through the Farm Service Agency and Flash Report System in the counties. MDA is a part of that process. If a disaster is going to be requested, it must be requested by the Governor's office. MDA verifies the flash reports and they are sent to the Secretary of Agriculture via the Governor. That evaluation will occur over the summer as we go through the growing season. If the criteria is met, we will be expediting the process to make sure Michigan receives disaster declarations where appropriate.

Director Wyant discussed the Wisconsin state veterinarian visit to Michigan. The two-day meeting with the state veterinarian and the TB epidemiologist was a productive effort. Commissioner Jousma-Miller also brought a delegation of Upper Peninsula (UP) cattlemen, in addition to the extension specialist to the meetings. The UP producers outlined what was

unique about the Upper Peninsula. The problem that had not been articulated before is that Wisconsin has a regulation that recognizes status of another state by looking at the lowest status. They are open to looking at options for change, but need to work with the regulation. Commissioner Jousma-Miller said they agreed that the area under discussion was a natural buffer, but are concerned about Bovine TB moving into Wisconsin. It was a good, honest, open discussion.

With Dr. Arnoldi's departure, Dr. Nancy Frank will step in as acting division director and acting state veterinarian as we pursue a process to fill that position. We've asked Dr. Frank and Dr. Mike VanderKlok to develop an application for free status for the UP. Initially, we have discussed taking the application to the United States Animal Health Association, presenting it to the TB Committee to get broad-based, national exposure to the program and then submit the application. At the same time, we will be working with Wisconsin and this rule to see about more movement of cattle from the Upper Peninsula to Wisconsin. The United States Animal Health Association meeting will be held in Greensboro, NC, October 21-28, 2004.

The agriculture budget has moved relatively smoothly through the legislative process. As a general rule, the legislature likes to have the department budgets wrapped up by the end of June or July 4. It may take longer depending on targets, when they are established and leadership agreements. There have been some replacement revenues found for MDA out of the state service fees (casino revenue) that will significantly help the horse race programs in addition to some of our programs. Also, there were some funds identified that would help the Weights & Measures Program, particularly the gasoline inspection program and free up some general funds to help the Food Division.

Director Wyant reported that he has met with the Michigan Food Bank Council on the issue of food source procurement. Food banks are having a difficult time procuring food at this time when distribution systems are becoming more efficient, while at the same time, demand is increasing. MDA will be hosting a meeting of industry experts to brainstorm how the Michigan food banks can do a better job.

The Michigan State Fair lease with Dumars was signed. The Agriculture Building is now under construction. The building will be available to the commodity groups and open by fair time. There is some concern about restrictions because of the new basketball court Dumars is installing as the building is being renovated into a field house. Details need to be worked out and this will be a transition year. The other issue will be the

commodity groups' participation at the fair. Requests have gone out to them to support the Governor's luncheon and we will be discussing that issue at an upcoming commodity group meeting.

Sudden Oak Death is affecting trees in California and they are concerned about trace-backs to other states. The Pesticide & Plant Pest Management Division has been involved in tracing back some of the product that has come to Michigan and following the issue nationally.

Director Wyant discussed the Governor's Executive Order to move the privately owned cervid program out of the Department. There has been speculation the legislature would try to override the Executive Order. The issue seems to be settled with an agreement that there will be an audit. A legislatively appointed bi-partisan task force has looked at how the audit would be conducted. We are cooperating with the Department of Natural Resources (DNR) on transferring the database and records over to them by June 15, 2004 and they will begin conducting an audit.

Director Wyant read part of a letter from Governor Granholm to the legislative leadership clarifying this issue indicating that oversight of the captive deer and elk herds would return to the Department of Agriculture if the audit does not show evidence of Chronic Wasting Disease.

There continue to be changes in the regulations for Confined Animal Feeding Operations (CAFOs). DEQ has issued rules and have asked for comments on new rules for a general permit. They have moved forward for new operations beyond a certain size, 2,000 animal units that individual National Pollution Elimination Discharge System (NPEDS) permit be required. There have been two hearings on two expansion requests (both dairy operations); one in Hartford and one in the Thumb area. MDA staff attended each hearing. The hearings are designed to take comments from the public and those comments are used to evaluate the permit. No decisions have been made on either permit.

MDA had three significant staff departures this last month. Kathy Kissman, who was the director of the Marketing & Communications Division resigned for an opportunity to work for a local public relations firm.

Bob Tarrant was asked to head up the state's effort to bring state and local emergency management functions together to enable them to communicate with each other. It is a significant effort and a big responsibility. He will be working for the Director of the Department of Information and Technology.

Dr. Joan Arnoldi announced her retirement. Dr. Arnoldi did a great job in getting Michigan split state status and laid the groundwork for us to move forward.

The Wood-McInerney Report on the Michigan State Fair (MSF) was released. There was a meeting on June 10 on two pieces of legislation. One would set up an authority to oversee the MSF and move the Fair to the Department of Management and Budget (DMB) and the other to move the State Fair out of MDA and to DMB.

The Ag Census was released June 3, 2004. Each Commissioner was given a copy of the data prior to the meeting. The information reinforces the trends we have been seeing; an increase in smaller farms and decrease in the family farmer in the middle. There has been a 22 percent increase in farms from 10-49 acres. In farms greater than 1,000 acres, a 13 percent increase, yet, in the middle, 50-999 acres, an 11 percent decrease. (The formula used to recognize the shrinking of the middle is two farms per day for five years.) A little older operator, but for the first time they were identifying younger partners. Eleven percent of Michigan farms' principle operator is a woman. There is more and better data on irrigation use. The top five Michigan counties in sales: Ottawa, Allegan, Huron, Kalamazoo and Kent. Dave Kleweno will give a more in-depth presentation at the July Commission meeting.

The Governor's Cool Cities program has been announced; 20 projects have been selected. MDA has a number of programs participating. They are not the major funding pieces, but they are support programs to Cool Cities. Those programs are: Farmers Market Technical Assistance, Select a Taste of Michigan Program, Operation Clean Sweep Program and Reforestation (working with local Soil Conservation Districts.)

Gas prices have been a big focus. Sara Linsmeier and the Weights & Measures Program staff have done a great job of putting focus on an inspection program where MDA is increasing inspections, and advertising and promoting that. We have found less quantity issues (generally it is a maintenance issue and not intentionally shorting). Compared to historical averages, there has been an increase in quality issues identified. Some issues are rain related, water in the gasoline. MDA has partnered with the Michigan Department of Transportation and the Public Service Commission to develop a web site where consumers can check gas prices throughout the state, file a gouging complaint and get gasoline buying and car driving tips. In addition, MDA has held press conferences and on-site visits.

Governor Granholm announced, through a press release, the roll out of Select a Taste of Michigan expansion from the Grand Rapids area to the southeast Michigan area. We will be planning a couple of events over the next month to increase visibility. This project is being rolled out with help from a USDA Rural Development grant to promote Michigan branded and locally grown products.

EAB funding was touch and go. In March the Secretary of Agriculture announced that \$28 million for a national EAB eradication effort. No money had been released by the first week of June. After substantial follow-up, the funding was released and \$16 million is committed to the state through January 31, 2005. Future funding will continue to be an issue.

We continue to work on Bovine TB and split state status and its affect on the UP. Two federal officials are coming to Michigan with many of our congressional leadership, who will want to focus on the science and new requirements, specifically in northeast Michigan.

Continental Dairy has filed a lawsuit challenging the PA 232 check-off program in Michigan. It is Director Wyant's recommendation, and that of the commodity groups, that we utilize a special attorney general process. Jim Chiodini from White Chiodini, a private law firm, has defended PA 232 and also PA 344 in the past. He has experience and has proven himself to be a very effective legal counsel. This case has the potential to set the precedent to impact the other 11 established groups under PA 232. There are also three other groups that are established, per statute, under state law. There are 14 check-off programs in Michigan, with approximately \$15 million in promotion and research.

Sara Linsmeier shared information about the Giant African Snails (GAS.) GAS has been identified in Michigan from multiple counties, in multiple areas by private individuals, pet shops and schools. We are working through a partnership with Michigan Department of Education to alert science teachers, science centers and school districts. The Family Independence Agency is working to educate their licensees. The snails grow very quickly and can reproduce without a mate, they lay many eggs and have been used in classrooms as a teaching tool. They can grow as large as the human hand. They are edible, but disease can be transmitted by eating undercooked snail (e.g. meningitis.) There has been no indication that any of the snails in Michigan are infected. They are invasive and illegal to own. They eat over 500 different types of plants, and absent that will eat paint and stucco from buildings.

Director Wyant and Commission Maitland attended the Food Marketing Institute (FMI) Show in Chicago on May 3. Director Wyant reported that we continue to get relatively good feedback from our exhibitors. As a general rule, we turn over a quarter to a third of the total number of exhibitors every year. Some exhibitors say it does not meet their business needs, others get contacts and make sales. Foreign buyer attendance was up. The show itself is declining because of the concentration of the industry.

Resolutions Honoring Dr. Joan Arnoldi and Bob Tarrant

The Commissioners reviewed copies of the resolutions offered for Dr. Joan Arnoldi and Bob Tarrant for their exceptional service to the Department of Agriculture and the citizens of Michigan.

MOTION: COMMISSION BYRUM MOVED APPROVAL OF THE COMMISSION OF AGRICULTURE RESOLUTION HONORING DR. JOAN ARNOLDI AND BOB TARRANT. SECONDED BY COMMISSION DARLING. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF DIRECTOR'S TRAVEL

July 10-13, 2004, MASDA, Des Moines, Iowa
July 12-14, 2004, USDA Fruit & Vegetable Industry Advisory Committee, Washington, DC

MOTION: COMMISSIONER DARLING MOVED TO APPROVE THE DIRECTOR'S TRAVEL AS PRESENTED. SECONDED BY COMMISSIONER BYRUM. MOTION CARRIED UNANIMOUSLY.

RECESS:

The meeting recessed at 9:45 a.m.

RECONVENE:

The meeting reconvened at 10:00 a.m.

LEGISLATIVE UPDATE: Brad Deacon, Legislative Liaison

Mr. Deacon reported on the legislative activity that has taken place since the last update. The budget bill is moving to conference committee. The Senate and House versions have a few differences we will be watching over the next couple of weeks.

The House and Senate each introduced 30 bills, in a package referred to as "the red tape" package, to require permitting licensing agencies of

businesses (Department of Environmental Quality (DEQ), Department of Natural Resources (DNR), Michigan Department of Community Health (MDCH), Department of Labor and Economic Growth (DLEG) and Agriculture) to turn around licenses in prescribed time periods. Ten of the 30 bills are Agriculture's. There have been no complaints or problems with the Department of Agriculture or the licensing procedure.

Commission Byrum said that the Michigan Agribusiness Association testified in support of MDA and against the bill.

As introduced, the bill would require MDA to open and review any application or license/permit renewal within 10 days to determine if it is complete, and grant the license within six months. If the application is not complete then the license application fee would be refunded and include a 15% discount on the next year's license application. All the bills included a significant and somewhat onerous reporting requirement that had six or seven different things that the Department would have to keep track of.

One of our priorities is to make sure the sunset provision on the Natural Resources Commission authority to control deer feeding is extended. That bill has passed the Senate.

The methane digesters bills (Sen. Brown), targeting at creating tax credits for livestock facilities that want to build a methane digestion system to generate electricity, have passed the Senate and are now in the House.

There were two bills up this morning in Senate Agriculture Committee regarding the Michigan State Fairgrounds and where administrative responsibility should be. There was also a House bill introduced to allow for the sale of the entire State Fairgrounds.

The Drain Code has been referred back to committee.

The fertilizer bill to update the fertilizer act was introduced by Senator Kuipers.

There is interest in both the House and Senate about gas stations, both the Motor Fuel Quality Act and the Weights and Measures Act. There are bills on the Senate side to require MDA to post, on MDA's internet site, those stations that have violated and have repeated violations. There is a bill in the House Agriculture Committee next week to look at signage at gas stations to ensure that the posted prices are consistent on both sides of the sign. There will be bills introduced on penalties; increasing the penalties for violations of both acts, early next week or the following week.

Rep. Nitz's bill on biodiesel, requiring that 20 percent of diesel sold in the State of Michigan be biodiesel, will come up for committee testimony on June 22. We would need a significant amount of new resources to purchase testing equipment and to train staff to do the testing.

One of the racino bills has passed the Senate, in a modified version, and is now in conference committee.

The House has introduced three bills on Emerald Ash Borer tax credits; one of them addressed toward nurseries, one toward small businesses and the other for an income tax credit for individuals who have lost trees or have paid to have them removed. The bills have passed the House.

The Common Sense Consumption Act has passed the House. Rep. Palsrok introduced the bill to prevent lawsuits against food manufacturers, restaurants and grocery stores.

A resolution has passed the House on Sudden Oak Death (SOD). Introduced by Rep. Milosch from Monroe County, it calls on MDA to remain vigilant against SOD.

Rep. Gaffney introduced the state cookie bill upon the request of 4th grade students from his district. The bill is one sentence that reads "The treasure cookie is the official state cookie."

The legislature will be focusing on budget before leaving for the summer.

Commissioner Darling asked how much interest there is with the "junk food in the schools" legislation. It is a moneymaker for the schools as quite often they have privatized the food service in the school district and locally they are wondering how to change from the junk food to more healthy choices with the concern over childhood obesity. Mr. Deacon responded that Sen. Bernero, from the Lansing area, has been the champion on this and is continuing to work it very aggressively. There was a House version up for testimony and then was pulled from the agenda this past week.

Director Wyant added the he had received a call from a newspaper in Louisville, that Annette Bacola is a leading candidate to become racing commissioner in Kentucky.

Annual Review – GAAMPS: Vicki Pontz, Director, Environmental Stewardship Division

Ms. Pontz presented seven Generally Accepted Agriculture Management Practices for annual review: Manure Management and Utilization; Site Selection and Odor Control for New and Expanding Livestock Production Facilities; Nutrient Utilization; Pesticide Utilization and Pest Control; Care of Farm Animals; Cranberry Production and Irrigation Water Use.

Ms. Pontz indicated that the chairs for each of the GAAMP committees will be present at the July meeting to review specific changes, but explained briefly what the changes encompass.

In the Manure Management and Utilization GAAMP, the primary change is to bring into the Right to Farm Guidelines, the understanding of the comprehensive nutrient management plan when that is required versus a manure management system plan which has traditionally be required under Right to Farm. The other change is to bring the GAAMP up to date relative to the natural pollution discharge elimination system and PDES permits and how that fits and who is required to get those permits.

That same change is being made in the Site Selection GAAMP and more clarifying language will be presented next month. MDA is working with DEQ to coordinator the site selection process with the new individual permit process at DEQ. There were two public hearing earlier this week on individual permits and it was apparent that there is confusion between what MDA approves, relative to the actual siting of the livestock facility, and what DEQ approves through the National Pollution Elimination Discharge System (NPEDS) permit.

In response to the forestry industry to come up with a GAAMP for the land application of wood ash, there was a change in the Nutrient Utilization GAAMP. Additionally, a change in response to the sugar beet industry and other root-type vegetables, to allow the bi-product from processing after a soil wash off to be land applied back onto the land.

The remainder of the GAAMPs have no changes. Cranberry Production and Irrigation Water Use were recently passed, but this is just to put them on the same timeline with the other GAAMPs for annual review.

There is a tentative public hearing set for June 30 at the State Library of Michigan from 9-11 a.m. to look at the three GAAMPs that have major changes and from 11 a.m.-noon for the remaining GAAMPs. If a motion is passed today to move through the process, tomorrow the proposed changes will be posted on the MDA website, a press release will go out

informing the public that they are available for review and that will also set in motion the June 30 public hearing.

MOTION: MOTION BY COMMISSIONER BYRUM TO BEGIN ANNUAL REVIEW FOR THE GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES FOR MANURE MANAGEMENT AND UTILIZATION; SITE SELECTION AND ODOR CONTROL FOR NEW AND EXPANDING LIVESTOCK PRODUCTION FACILITIES; NUTRIENT UTILIZATION; PESTICIDE UTILIZATION AND PEST CONTROL; CARE OF FARM ANIMALS; CRANBERRY PRODUCTION AND IRRIGATION WATER USE. SECONDED BY COMMISSION DARLING. MOTION CARRIED UNANIMOUSLY.

Director Wyant referred to the tour of the sugar plant the previous day and amount of soil that is washed from the beets prior to processing.

Ms. Pontz discussed that this would address the ability to take the soil and wash water and land apply it. MDA staff has been working with DEQ.

Director Wyant indicated that MDA continues to be asked by processing facilities to have Generally Accepted Management Practices that cover the process at the facilities. The management practice of taking by-product and applying it on the land is being reinforced in this GAAMP. Specifically, it states that the dry soil removed from the sugar beets (or other root vegetable) before processing, can be returned to the field where the crops were harvested without obtaining a permit from DEQ.

Commission Byrum commented that there were two issues. One is the soil that comes off prior to processing and that is what is being addressed specifically. The other is that when soil is washed off the beets during the process, and run through sedimentation ponds can it be excavated and then land applied.

Ms. Pontz indicated that issue was covered in the next paragraph, stating that soil that is removed by washing with unadulterated water and collected in some type of storage pond or other facility can also be air dried and returned to fields with a DEQ permit if no chemical additives are made to the soil water slurry during the process.

Commissioners Byrum and Darling commended staff for reviewing and working on this issue.

Ms. Pontz indicated that staff is continuing to work on a number of things with DEQ and how they fit into their solid waste management act, an ag use alternative that still must be approved through them and a permitting process.

Plant Health Update: Ken Rauscher, Director, Pesticide and Plant Pest Management Division; April Hunt, Agri-Chemical Engineer

Mr. Rauscher requested approval to move forward with amendments to Regulation 637, Pesticide Use. It's a primary rule under Act 451, part 83 that deals with defining a lot of guidelines and criteria for pesticide use. The rule was last amended in 1995. Mr. Rauscher distributed a list of items to be reviewed for amendment. There will be a review process with a rules advisory committee, chaired by Brian Rowe, and will include members of the pesticide industry, general public, environmental groups, MSU representatives and other state agencies.

Rules 14 and 15 deal with (Integrated Pest Management) IPM in schools and public buildings. About six months ago, Act 24 was passed that moved a large portion of the IPM in schools and public buildings into this statute so there is a need to adjust the rule and support the statute. In addition, IPM requirements in day care centers were added.

Over the last nine years, the need has occurred for adjustments to definitions.

Rule 4, which deals with general standards for pesticide use, requires an adjustment for vehicle identification.

Rule 5 has to do with notification of pesticide applications. There is a need to make adjustments and provide guidance relative to distances from an application where there would still be an opportunity for notification.

Rule 6 and 7 has to do with mix and load pads. As technology has changed, pesticides have changed. In one case a pesticide is being mixed with anhydrous ammonia so it is really not appropriate to require it be mixed on a mixed load pad.

Relative to personal protective equipment in Rule 9, the lawn care industry has raised the issue of what is reasonable protective equipment in hot weather. Applicators may be put at risk by being required to wear certain types of equipment so there is a need to redefine and adjust the requirements.

Rule 11 that covers drift management plans, posting and notification relative to the aquatic industry needs alignment.

Rule 16 deals with the requirement for organic farm registry. Since this rule was created, we now have a Michigan Organic Products Act and the industry is looking for specific notification relative to organic production facilities. We will coordinate this rule with the Organic Products Act.

MOTION: MOTION FROM COMMISSION DARLING TO INITIATE THE RULE MAKING PROCESS TO UPDATE REGULATION 637. SECONDED BY COMMISSIONER BYRUM. MOTION CARRIED UNANIMOUSLY.

Mr. Rauscher indicated that there would be two additional opportunities for the Commission to review each of the rules. After the public hearing a report will be presented and then again before it is filed with the Secretary of State for formal promulgation.

Director Wyant reiterated the process: the rule making process is initiated, there is an informal drafting process which is then taken to public hearing, then back to the Commission for review, then through the formal review process and back to the Commission for final approval.

Regulation 641, Fertilizer Bulk Storage, was promulgated in 1999. The phase-in period is almost over for very large tanks (100,000 gallon plus tanks.) Part of the regulation requires diking. Diking is possible with very large tanks, however, when you have one and two million-gallon tanks, sometimes diking is not practical. These amendments offer an opportunity to adopt new technology. Part of that technology is the use of bladders. A bladder is a liner within a steel tank, as opposed to a dike on the outside of the tank and makes practical sense. It eliminates the cracking and winter heaving of storages and eliminates some of the concern about managing storm water.

Currently, the rule requires only diking. This amendment provides a second option. April Hunt has done initial work relative to the amendments of Regulation 641. She met with a small advisory group earlier this week to review an initial set of standards that have been distributed to the Commissioners called "Bulk Fertilizer Bladder System." That advisory group will meet a couple more times.

"Definitions" is an item included in the amendments. There is a set of definitions in the original Regulation, but there is a need for specific

definitions. Also included in the amendments is prior department approval for large volume tanks.

Storage tank instruction and inspection is also included in the amendment. In addition, there are American Petroleum Institute (API) standards and siting considerations specifically for these very large tanks as well as synthetic liner standards and bladder system installation that ensures qualified installers. Valve installation and security and overflow protection and leak detection systems, inspection and maintenance and site remediation are covered as well.

Ms. Hunt and the committee will begin a more formal process finalizing the draft rules and initiating the rule making process.

Director Wyant asked for the status of the bladder amendments. Mr. Rauscher responded that they are in the very initial stages of the amendment language and that they are asking for approval to move forward in the rule making process.

Commission Darling asked if the request for a motion should also include Regulation 642 as there is similar language in both. Ms. Hunt stated that Regulation 642 is the Farm Fertilizer Storage Rules and in Regulation 642 there is a reference that any tank over 100,000 gallons are to refer to Regulation 641 for those requirements.

(Note: the floor was yielded to John Cnudde for public comment.)

Public Comment: John Cnudde, Crop Production Services

Representing the ag input industries, Mr. Cnudde indicated support of the amendments. Reiterating what Mr. Rauscher said about the storm water issue this would alleviate that problem quite a bit. As a point of reference, a 73-foot diameter, one and a half million-gallon tank needs a dike 160 x 220 x 6 feet deep. The water is difficult to manage and one of the biggest problems the industry has if they do not do it correctly.

Commissioner Byrum commended Ms. Hunt, Mr. Rauscher and the Department for being very responsive on this issue.

**MOTION: MOTION BY COMMISSIONER MAITLAND TO
MOVE FORWARD WITH THE RULE MAKING
PROCESS FOR REGULATION 641. SECONDED**

BY COMMISSIONER BYRUM. MOTION CARRIED UNANIMOUSLY.

Emerald Ash Borer. Mr. Rauscher recognized Pat Lockwood, Policy Coordinator for Emerald Ash Borer (EAB) and gave an update on EAB activities with a PowerPoint presentation.

He reported that a lot of effort had gone into surveys. Over one million acres have been surveyed, much in southeast Michigan, outside of the core. Staff has conducted additional surveys across the state at sawmills, new construction sites, nurseries, etc., covering almost 800,000 trees and 113,000 survey points. Most of the area is still negative relative to EAB.

Staff is into the second week of establishing trap trees for EAB statewide. Ash trees between five and eight inches in diameter are being girdled. An area of the bark is removed, tanglefoot is applied to a saran wrap band around it, meant to detract the adults. The trees will be monitored until the end of the year at which time the trees will be removed. The trees are primarily in right-of-ways; county roads, state roads, etc. The numbers of traps per township are denser as you go toward the core. Approximately 60 teams (120 people) are setting traps. We anticipate this being done by the end of June.

Outlying areas are being managed in two different ways: removal of all ash trees within one half mile and as we approach the adult emergent season, modified to tree removal within 100 yards of the infestation and 100 yards of girdled trees to act as traps beyond that.

Mr. Rauscher discussed eradication projects that are completed in Shields, Delta Township in Eaton County, Marshall in Calhoun County, St. Joseph in Berrien County, and a location in Kent County. There is currently work being done at a location in Roscommon County at St. Helen. In addition, there are locations being considered for containment: one in St. Clair County along the St. Clair River; a significant containment in Ingham County in the East Lansing area; a location in Potterville in Eaton County; some containment in Monroe County along the Ohio border; a location in Branch County in Quincy and a couple of locations in Lenawee County.

Commissioner Maitland asked if all trees removed are checked for infestation. Mr. Rauscher responded that they are not. Typically, MSU has come in at sites and look at how many of the trees in that site are infested. At the first year site in Shields, 140 trees were removed and four were infested. At a multi-year site there was a higher rate of infestation.

Mr. Rauscher discussed the infestation in Windsor, Canada and the survey work done. He also discussed the firebreak area that has been put in by removing 120,000 trees.

Ohio has had five infestations, relatively small infestations except for the one southwest of Toledo.

The EAB program has worked on outreach through MSU and their extension offices. MDA, DNR and USDA have done a significant amount of outreach to the public in terms of press releases and EAB Awareness Week (May 24-28) that included radio messages, magazine and newspaper articles. There was also a display at the State Capitol on May 25. Most of the outreach has been regarding the movement of firewood.

The Firewood Blitz was held at four major arteries coming out of the quarantine area in Michigan. This was a significant effort to get information out and collect firewood that was illegally moved from the area. In addition, there is a significant effort going on in campgrounds, with the Forest Service, state campgrounds and private campgrounds. DNR is working with state and federal campground contacts, distributing information and providing information to campers in those sites.

There is a legislative tour being planned for the end of June or early July.

Commissioner Jousma-Miller asked who was responsible for enforcement. Mr. Rauscher responded that MDA and USDA are responsible. It is a very difficult job, and education is the best approach. Commissioner Jousma-Miller asked if other agencies could be asked to help in the enforcement effort. Ms. Lockwood will be addressing that issue in an upcoming meeting with other state agencies.

Questionnaires were passed out at the blitz location and approximately 60 percent of the people recognized the pest and 50 percent knew there was a quarantine in place.

There was an opportunity to apply for assistance through the Federal Emergency Management Agency (FEMA) for tree removal in southeast Michigan. The Governor had declared the six county core area a disaster area.

There was \$1.2 million appropriated for tree removal in southeast Michigan as part of the appropriation process through Senators Levin and Stabenow. Communities have been allowed to apply to access the funding and a formula will be determined and the money distributed.

The funding for the eradication project is emergency funding from the Commodity Credit Corporation. The first component (\$11 million) was received from the Office of Management & Budget (OMB) in January that took us through the end of May. However, we did not get a commitment on the additional \$16.5 million that was needed until recently. That money is now available through January 2005. Funding for this project will be an ongoing issue.

Commissioner Pridgeon asked how many new sites had been located. Mr. Rauscher said that there has been one confirmed new site in Bath in Clinton County. There were a couple of additional sites in Hillsdale County and a couple in Shiawassee County. Commissioner Pridgeon asked if the new sites were connected or separate incidents. Mr. Rauscher reported that almost all of the outlying sites are disconnected sites and early on seemed to be associated with nursery stock or firewood.

There are two sites in Indiana near the state line. One is a campground that is being contained and the other is an Amish sawmill where wood had been moved from a family member.

Commissioner Darling stated that there has been nationwide coverage that elevates awareness. The next step would be to keep abreast of the latest research and use that knowledge to help control or eradicate the pest.

Mr. Rauscher said he would ask Deb McCulloch (MSU) to report on the research on trapping, pesticides and other things going on with EAB, at the July Commission meeting.

Pat Lockwood reported that there are continuous meetings occurring with a tremendous number of partners brainstorming over process and funding. She complimented Director Wyant and Dan Beattie (from the Governor's staff in Washington) on pushing forward on funding. There is also work being done with the Department of Management & Budget to discuss how we can work with municipalities to help the individual homeowners who are faced with the daunting task of removing the trees at \$500 to \$1,000 each.

In response to a question from Commissioner Maitland, Mr. Rauscher responded that campers are being checked upon check-in at campgrounds.

Public Comment

E.B. Brown, Michigan Association of Fairs & Exhibitions: At one of their association meetings earlier this spring, one of the fairs raised a question about firewood and wood carvers. Through Barb Hensinger and the Fairs, Exhibitions & Racing Division at MDA, a letter was sent out to the member fairs alerting the fair managers and fair boards about wood carvers traveling through the core area and also non-fair related camping at the fairgrounds.

RECESS:

The meeting recessed at 11:30 a.m.

RECONVENE:

The meeting reconvened at 12:33 P.M.

Animal Health Update: Dr. Nancy Frank, Interim Director, Animal Industry Division

Dr. Frank gave an update on the Bovine TB program. June 1 was the implementation date for split state status and zoning. The first cattle sale at the Livestock Market Sale in Gaylord was on June 2 and went well. All animals that came in had an ID and movement permit. The activities at the Mackinac Bridge are going well. The schedule is unannounced and random so there are no set hours and things are working well on that program.

The focus this summer will be testing and enforcement. Working on the application for free status for the Upper Peninsula (UP) is also a major focus. Work will continue on the electronic identification program. One of the next phases is obtaining funding to purchase electronic ID for all cattle in the UP; that will be an advantage when applying for free status.

Michigan Emergency Veterinary Network (VetNet). One of the components of VetNet is a veterinary corps. The first training was held May 18. A group of veterinarians were trained to respond in the event of a major animal disease outbreak. They were trained on the incident command system and advanced bio-security. Approximately 60 veterinarians attended and there is a waiting list for another training to be held in the fall. Media also attended with good publicity as a result.

BSE: The National Enhanced Surveillance Program is moving ahead. In Michigan, USDA is taking the lead, although we are definitely participating. Dr. George Winegar, an MDA veterinarian, is focusing specifically on this issue. He will start next week visiting all the slaughter facilities to make sure they know about the enhanced BSE surveillance program and

providing additional information about BSE. He will be visiting USDA inspected and custom exempt facilities.

We are ready to move into our new office at the MSU Diagnostic Center for Population and Animal Health (DCPAH). We have one office with three cubicles and one MDA staff member will be based there.

West Nile Virus: There is minimal activity on the disease at this point. There have been a few positive crows; given all the mosquitoes this year there is concern with what might happen later in the summer. Many horses have been vaccinated so we do not anticipate as much trouble as the first year. Vaccine availability is not a problem.

Cervid Registration Program: We are preparing to transfer the program to DNR, the deadline is the middle of next week.

Director Wyant commented that the MSU Diagnostic Center for Population and Animal Health is now open. The operating agreement between MSU and the State where MDA will have three cubicles and DNR will have a significant presence is being finalized. All indications are that MSU will hold an open house and ribbon cutting later this summer.

Commission Jousma-Miller asked for clarification regarding funding for the electronic identification tag system for the UP. Dr. Frank responded that Kevin Kirk is putting together a funding proposal for USDA for next year. Commission Jousma-Miller commented that she and Dr. Ben Bartlett would be available to accompany Mr. Kirk if he would like to hold a series of meetings in the UP to explain the process.

There was a brief discussion about the national animal identification program.

Director Wyant thanked Dr. Frank for stepping in and filling the role of State Veterinarian as we move forward to fill that position.

GAAMP for Food Processing: Herb Wilson, Vice President of Operations, Michigan Sugar and Dick Leach, Director of Community & Government Relations, Michigan Sugar

Michigan Sugar is an agricultural processor that is owned by approximately 1,000 farmers growing sugar beets on about 125,000 acres, generally in the mid-Michigan area.

Mr. Wilson spoke to the Commission regarding the Michigan Agricultural Processing Act (1998 PA 381). Generally, their interpretation of the act is that the Commission is to define generally accepted processing practices in relation to agricultural processing, thereby providing a major protection against nuisance complaints concerning processing (e.g. noise, odor, dust, fumes, waste water and other items included in the act.)

The act suggests that there are several resources that should be called upon for information to develop these generally accepted processing practices. Michigan Sugar wrote a letter to the Commission in May requesting that action be taken to complete the process. Mr. Wilson stated it was his understanding that work was begun, but not completed. Until the processing practices are defined and adopted by the Commission, the act can do little to help provide a measure of protection that is needed and deserved by all agricultural processing.

Mr. Wilson asked that this be moved back "to the front burner". In the May letter, it was suggested that a committee with a make up that follows the act would be a way to start again.

As a company, they are beginning to experience some nuisance complaints. In addition, in the last 100 years, they have made advancements in improving dust, noise, odor, etc. They continue to improve their practices as it is important as neighbors to everyone.

Mr. Leach indicated that the factories have been there over 100 years, but as people move into the area, they do not realize that companies like Michigan Sugar are located there, have been there and will continue to do what needs to be done. The companies that are there present a definite economic impact to the area. They provide jobs, a tax base for local units of government, and are important to the communities where the factories are located. When you begin looking at nuisance complaints, such as air quality, protection is needed so that the companies can say that this law has accepted the practices.

Director Wyant summarized that Right to Process was passed and we entered into a process. The initial process was to obtain an inventory of all the food laws and environmental laws. It is more complicated when you compare it to the Right to Farm Act. The Right to Farm Act was passed without a lot of specific on-farm regulation. Right to Farm has evolved from nuisance protection to a broader based environmental response. Right to Farm, over time, has become more complex as we have pre-empted local ordinances and MDA has a memorandum of understanding (MOU) with DEQ. We are the first responders making a

determination about nuisance issues and trying to determine its environmental impact.

The group was set up, and laws were inventoried. A broader group was brought in (DEQ was a part of that), and there was concern that it was trying to go further than the intent of the act. There was more of a regulatory approach in some of the discussions than simple nuisance protection. Director Wyant indicated that the Right to Process law is intended to define broad practices that if you are following generally accepted manufacturing practices, you should be protected from nuisance. It is not to supplant environmental protection regulations. If we could get back to the point where we limit the practices to dust, noise, odor, movement of trucks, etc., these are normal practices. If you are violating an environmental statute, MDA would not have precedent over that statute.

Commission Byrum commented that he felt the way the process should operate is that an involved group from the industry should develop a core set of issues and develop ideas internally before going to the broader group.

(Note: floor was yielded to Ray Van Driessche for public comment on this issue.)

Public Comment: Ray Van Driessche, Monitor Sugarbeet Growers Association

Mr. Van Driessche supported the comments by Mr. Wilson and Mr. Leach in regarding to the Right to Process and the importance to the industry. He indicated that Monitor Sugar has had problems with alleged violations with DEQ. Currently there is an outstanding \$75,000 assessment by DEQ against Monitor because of a retention basin they were putting in. There is also a request for a class action suit over odor.

Mr. Van Driessche stated that Monitor Sugar has spent over \$20 million over the last 12 years on environmental updates. He commented that the right to process is extremely important.

MOTION: MOTION BY COMMISSION BYRUM TO PROCEED WITH A WORK GROUP TO ATTEMPT TO CREATE RIGHT TO PROCESS STANDARDS. SECONDED BY COMMISSIONER MAITLAND. MOTION CARRIED UNANIMOUSLY.

Director Wyant commented that there is an opportunity to get the process started and build on it. There needs to be an initial framework designed,

narrowing down the issues that appear to be the most potential nuisances and draft general language the Commission could support.

Director Wyant recognized former Commission John Spero. Mr. Spero thanked the Commission for coming to the Frankenmuth area and encouraged the Commission to continue to meet outside Lansing. He discussed the diverse rural communities and how important they are to agriculture.

(Note: Floor was yielded to Ray Van Driessche, Executive Director, Monitor Sugar Beet Growers Association.)

Public Comment: Ray Van Driessche, Executive Director, Monitor Sugar Beet Growers Association

Mr. Van Driessche thanked the Commission for the time to update them on activities at Monitor Sugar. Six weeks ago, the parent company of Monitor Sugar announced that Monitor Sugar was for sale. The growers have always expressed an interest in purchasing the facility. There is a short timeframe, they would like the deal closed by September 30, 2004. The growers have hired a consultant, Randon Wilson from Salt Lake City, UT, who has put together 17 beet processing facility purchases and put together the last five or six co-ops that have been organized in the sugarbeet industry. The growers have been contacted about the acreage commitment to the co-op and dollars for the feasibility study. Currently there is about a 45,000-acre commitment from the growers.

The main concern is to keep the allocation in the State of Michigan. Other companies have gone into areas and bought the allocation and closed down the facilities, essentially losing the industry. In most cases it has been at facilities that were already shut down for other reasons. That has been done in Texas and Washington. There are about 700,000 tons of block stocks right now in the United States that cannot be sold because of allocations. Allocations have become a much sought after item. Rent alone on an allocation has gone from \$3 to \$6 per hundredweight. It is possible that someone could come in and pay the price to take the allocation out of the area. We are very determined to make sure that doesn't happen and we have the opportunity to keep it here and buy it as growers. He indicated they are meeting with staff from MEDC and looking at grants through USDA Rural Development. Mr. Van Driessche thanked MDA for continued support.

He commented about an issue in the state of Wyoming where they are looking at having available to the beet operations, a state royalty in-kind gas discount. The state receives the discount from the federal

government and Wyoming is looking at making some of that discount available to the sugar beet industry. One of the difficulties for Monitor was switching from a coal burning facility to a gas burning facility. They were paying \$2.50 for gas, it has now been up as high as \$7.65. He questioned whether it was something Michigan could look at.

Mr. Van Driessche will provide the Commission with a copy of the letter.

Rural Partnership Council: Tom Guthrie, Michigan Integrated Food & Farming Systems; Mike Green

Mr. Guthrie gave a brief history about the Rural Partners of Michigan. It was formerly the Rural Development Council that evolved from federal legislation in the late 1980's and brought to Michigan by then Congressman Schuette. There was a group of partners that included MDA, MSU, Michigan Farm Bureau and other organizations that came together to embrace the state Rural Development Council as part of a national rural partnership. From the early effort, emphasis was, for a time, farmland preservation under Dr. David Skjarlund. Six entities represent the core of Michigan's Rural Partners: local, state and national agencies, non-profit organizations, for-profit organizations and tribal governments. Each entity has a place for four members on the council, as well as six other places that the council may fill with specific areas of expertise.

The Michigan Rural Development Council had agreements with the National Rural Partnership and with MDA. Since 2002 the state organization has been in a rebuilding mode. They have become a non-profit organization and developed a set of bylaws and operational principles that give the board members more of a say in the direction in what they would like to see the Council do.

In the past four years, some responsibilities fell to the Michigan Integrated Food & Farming Systems (MIFFS). There have been successes with the K.I. Sawyer Air Force Base and the revitalization of the rural community, working with the Grayling Fish Hatchery, health care in St. Joseph County, and helping other communities with sewers and water systems.

There has been some funding secured from Washington, DC that has allowed them to be productive. MIFFS has contracted Michael Green has re-energized people associated with the Council. Mr. Guthrie feels there is a future for the work the Council does and the work they have the capacity to do.

Mr. Green discussed learning about Rural Partners and the need for increasing awareness about Rural Partners. When he took the job, he

was challenged with three things: re-establish the Council; increase others perception of Rural Partners; and to re-establish a funding mechanism. Currently, Rural Partners operates on a \$50,000 grant from the federal government.

He discussed meetings held with representatives of industry and government regarding Rural Partners and the support he received for continuing the mission of Rural Partners.

Mr. Green felt that a resolution from the legislature reaffirming that Rural Partners is a viable organization that can speak out for rural Michigan would be helpful. He spoke with Rick Johnson, Speaker of the House, who was supportive and staff helped draft a resolution to be introduced. There are a number of legislators who have voiced their support and Mr. Green would like support from the Commission on the resolution.

Mr. Green would also like support in requesting funding from the state legislature, suggesting boilerplate language. Rep. Johnson has drafted an amendment to the agriculture budget.

Mr. Guthrie stated that all requests and reporting now goes through the state office of USDA Rural Development.

Director Wyant asked for clarification on who had administered grant monies and administrative duties. Mr. Guthrie responded that the money came through Rural Partners, the 501c3 non-profit organization, who has contracted MIFFS for executive direction, who in turn, has hired Mike Green to help provide those services.

Director Wyant discussed the history of Rural Partners as it relates to MDA and summarized his understanding of the present request.

Commissioner Darling stated that he respects and supports the mission of Rural Partners, but would encourage the Commission not to commit to a formal resolution at this time. He suggested we refer back to staff to incorporate the history and needs into some type of resolution or letter of support and look at that at the July meeting.

Commission Byrum commented that he would like to see the work plan and priorities, as well as accomplishments. He indicated that Mr. Green has done a lot of work, and that everyone on the Commission supports the concept in general, but would like to see the specifics of the new direction.

Mr. Guthrie stated that he would provide the Commission with the work plan submitted to the USDA Rural Development Office.

Mr. Green asked that MDA provide positive comments to help support the resolution. Commissioner Byrum stated that the Department could take a position generally supportive of the impending organization and clarification of roles, responsibilities and priorities and the plan of work.

Commissioner Darling commented the Department has always been supportive of rural Michigan and the rural development of Michigan because it benefits the economy.

Director Wyant recapped that the Commission is very supportive of the rural-private partnership collaboration with respect to the Rural Development Council and they are encouraging the further development of a work plan in order to understand it and give it a formal endorsement. At this point, the Commission supports the Rural Development Council as a general concept.

Public Comment:

Charlie Kline: Mr. Kline addressed the Commission regarding funding for the county and state fairs. There are about 90 fairs in Michigan. Fair attendance last year was a reported five million people. Fairs are volunteer operations and they need help with management. In a recent audit report, 42 percent of the fairs lost money. We are very dependent on the support of MDA. The Commission has always been supportive. Close to \$10 million of the agriculture budget goes to the fairs. That includes horse racing and 4-H projects, it passes through and the fair does not get any of that. Mr. Kline stated that he felt the fair should get five or 10 percent for administration. The records show that there are about 225,000 4-H Club members in the state. There are about 30,000 volunteer leaders. Sen. Gast used to say that was the states best expense. It works out to about \$8 per youngster. The first fair starts in Marion this Sunday, with fairs the rest of the summer. He encouraged the Commissioners to attend fairs this summer. He thanked the Commission for their support, asked for continued support and indicated the dire need for assistance with management at the fairs.

Director Wyant commended Mr. Kline for his dedication to the fair industry and encouraged him to continue to bring these types of issues to the attention of the Commission.

Sue Bila, Executive Director, Michigan Festivals & Events Association (MFEA). Ms. Bila thanked MDA for the support they have

received. There is special advertising in place for the UP State Fair. The questions that come into their office on a regular basis are when are the fair events happening and what do they have. With the contribution of the previous grant line items, they have been able to produce 500,000 brochures which have all been distributed. Additionally, they were able to put together a program with the commodity groups and McDonald's producing an activity book. 205,000 books were produced. McDonald's wants to repeat a similar program next year. The new website is on the brochure and connects directly to MDA's website to access fair information and farm market & u-pick operations. The web address is www.michiganfun.us.

They were also able to partner with the Detroit newspapers. A 20-page tabloid was produced and 102,000 copies were distributed in southeast Michigan. They also have requested another partnership next year.

All of this has grown from the initial grant received through MDA. In addition, MFEA will be receiving grant money from USDA Rural Development for promotion and economic impact studies. MFEA has just completed a 5-year strategic plan and they are very excited to implement it.

Commission Jousma-Miller commented the Detroit News had a survey of "Michigan's Best" on April 28. Readers responded. The best county fair recognized in Michigan was the UP State Fair. The best warm and cozy bed & breakfast in the State of Michigan was the Kipling House. The UP was also recognized for pasties, campgrounds and other items.

ADJOURNMENT

MOTION: COMMISSIONER BYRUM MOVED TO ADJOURN THE MEETING. COMMISSIONER MAITLAND SECONDED. MOTION CARRIED UNANIMOUSLY.

Meeting was adjourned at 2:03 p.m.

ATTACHMENTS

A - Agenda

B - April 1, 2004 meeting minutes

C - Commission Resolutions

-Bob Tarrant

-Dr. Joan Arnoldi

D – Legislative Report

E – Annual GAAMPs Review Documents

-Manure Management and Utilization

*-Site Selection and Odor Control for New and Expanding Livestock
Production Facilities*

-Nutrient Utilization

-Pesticide Utilization and Pest Control

-Care of Farm Animals

-Cranberry Production

-Irrigation Water Use

F – Letter from Michigan Sugar Regarding Right to Process GAAMP

G – Plant Health Update

-Bulk Fertilizer Bladder System

-Background Bladder Systems in Large Fertilizer Storage Tanks

-Memo Request for Rulemaking – Regulation 637

*-Memo Amendments to Regulation 641, Commercial Fertilizer
Bulk Storage*

-Regulation No. 641, Commercial Fertilizer Bulk Storage

H – Rural Partnership Council draft resolution