

MICHIGAN COMMISSION OF AGRICULTURE AND RURAL DEVELOPMENT

Constitution Hall
Atrium Level, ConCon Conference Room
525 West Allegan Street
Lansing, Michigan 48933

MEETING MINUTES SEPTEMBER 17, 2014

PRESENT:

Diane Hanson, Chairperson, Michigan Commission of Agriculture and Rural Development
Trever Meachum, Vice Chair, Michigan Commission of Agriculture and Rural Development
Fred Walcott, Secretary, Michigan Commission of Agriculture and Rural Development
Dru Montri, Member, Michigan Commission of Agriculture and Rural Development
Gordon Wenk, Chief Deputy Director, Michigan Department of Agriculture and Rural Development

EXCUSED:

Bob Kennedy, Past Chair, Michigan Commission of Agriculture and Rural Development

CALL TO ORDER AND ROLL CALL

Chairperson Hanson called the meeting of the Commission of Agriculture and Rural Development to order at 9:03 a.m. on September 17, 2014. Commissioner Walcott called the roll with Commissioners Hanson, Meachum, Walcott, and Montri, and Chief Deputy Director Wenk present.

APPROVAL OF AGENDA

MOTION: COMMISSIONER MONTRI MOVED TO APPROVE THE MEETING AGENDA FOR SEPTEMBER 17, 2014. SECONDED BY COMMISSIONER MEACHUM. MOTION CARRIED.

APPROVAL OF JULY 22, 2014, MEETING MINUTES

MOTION: COMMISSIONER MEACHUM MOVED TO APPROVE THE JULY 22, 2014, MEETING MINUTES. SECONDED BY COMMISSIONER WALCOTT. MOTION CARRIED.

NEXT SCHEDULED MEETING

The next scheduled meeting will be held on Wednesday, November 12, in the ConCon Conference Room, Constitution Hall, 525 West Allegan, Lansing, Michigan.

COMMISSIONER COMMENTS AND TRAVEL

Commissioner Montri reported yesterday was the initial Urban Livestock Workgroup meeting, during which process and decision making were discussed. She will be out of state for the next week. Approximately 7,600 people are expected to attend this year's final farmers market at the Capitol from 10:00 a.m.-3:00 p.m. on September 25 and she invited

everyone to join this event highlighting Michigan's agriculture diversity. The Michigan Farmers Market Association has been hosting field days on various farms across the state and two of those are upcoming on September 29 in Battle Creek at Green Garden and in Ste. Saint Marie on October 13.

In October, she will be attending the American Farmland Trust Conference in Lexington, Kentucky, during which she will share the ways Michigan has been working to increase access to healthy foods at farmers markets – another opportunity to highlight to a national audience the good work we are doing here in Michigan. She invited everyone to attend the upcoming Michigan Good Food Summit to be held October 28 here in the Lansing area.

Relative to crops, their farming operation is now completely planted for the winter season.

Commissioner Walcott reported he traveled to Roscommon August 27 to present to the Quality of Life (QOL) Leadership Academy participants on the role of the Commission, which was followed by an enthusiastic question and answer period. The meeting proved informative for the session participants, as well as for him.

Because of the recent rainfall, grain crops are three weeks behind in his area and heat is needed to finish out the year. Many growers are becoming discouraged by current grain prices. In the livestock sector, milk and hog prices have tapered off, with beef remaining stable at a more positive level.

Commissioner Meachum reported he recently met with Michigan Department of Agriculture and Rural Development (MDARD) staff Mike DiBernardo and Jodi Gruner to discuss a value added opportunity with plums. There is a large interest in the brewing and distilling industry using that fruit. As a fresh-market plum grower, his operation has a problem marketing number two plums and this could be a good opportunity for plum growers across the state.

In terms of weather, his area is also behind in grain crops and there is a great deal of disease pressure in soybeans resulting from the abundant rainfall. Apple harvest is in full swing and the cool mornings are bringing the vegetable harvest to a close.

Commissioner Hanson reported she attended the July Chatham Experiment Station open house, which was a good event, and noted another open house is being held next Sunday. She also attended two field days, one in Menominee County and another in Delta County; both events were sponsored by Michigan State University (MSU) and focused on foliage. This afternoon, she will be attending the Great Lakes Leadership Academy event being held at the Capitol.

The Upper Peninsula (UP) State Fair was held in August, with exceptional attendance. Because one day offered free admission to veterans and scouts, revenue was somewhat less than in previous years.

Weather has been cool in the UP, with six inches of rain in the last 12 days. Because of that, grain harvest is two-three weeks behind and is progressing slowly, with potato harvest having just begun. There have been no killing frosts to date.

In addition to travel previously mentioned, Commissioners Hanson, Meachum, Walcott, and Montri traveled to attend today's meeting. There was no other travel submitted for approval.

MOTION: COMMISSIONER WALCOTT MOVED TO APPROVE THE COMMISSIONERS' TRAVEL. SECONDED BY COMMISSIONER MONTRI. MOTION CARRIED.

DIRECTOR'S REPORT

Chief Deputy Director Wenk reported the Director is in Detroit today, participating in the VernDale Products ribbon cutting ceremony for the opening of their new Weaver Street plant. The department has been working closely with VernDale and the Michigan Economic Development Corporation (MEDC) during this project's long process of repurposing an abandoned factory building. VernDale Products is the only roller dryer powdered milk plant remaining in the U.S., producing the powdered milk used in high-end chocolates.

Mr. Wenk reported he was a guest of the Consul of Mexico in Detroit last evening for a celebration of the 204th Anniversary of the Independence of Mexico. MDARD has been in conversations with the Consul, who will be in Lansing next week to discuss issues around seasonal agriculture labor.

Tomorrow is the Michigan Harvest Gathering Kick-off, at which he will be speaking. During this annual fall campaign, State of Michigan employees generously donate food and dollars to help provide for Michigan's food banks.

Mr. Wenk reported the Director attended the National Association of Departments of Agriculture (NASDA) last week, which she advised included a very productive meeting with the Food and Drug Administration (FDA) regarding implementation of the Food Safety Modernization Act (FSMA). They were able to establish a framework for moving forward and identifying involvement by the individual states. Also, a speaker from the International Dairy Foods Association reported that ten years ago, exported dairy products were less than six percent of the total. Today, 70 percent of the growth in domestic dairy production goes to exports. Michigan has seen a significant increase in dairy exports and MDARD's 2014 Exporter of the Year was Continental Dairy.

The initial meeting of the Urban Livestock Workgroup was held yesterday, creating a good start to that effort. They will be meeting again later in the year to begin developing recommendations.

The Western Lake Erie Basin (WLEB) has been in the news lately with respect to algal bloom and toxicity caused in some of the drinking water in Toledo and parts of southeast Michigan. The efforts accomplished through the Michigan Agriculture Environmental Assurance Program (MAEAP), the Conservation Reserve Enhancement Program (CREP), and the Conservation Districts have helped to favorably position Michigan's producers relative to reducing phosphorus load in the basin. The Environmental Protection Agency (EPA) advised MDARD they are interested in providing additional funding to help support Michigan's additional activity being accomplished in the WLEB. One effort is to develop a

pilot public/private partnership with crop advisors to encourage practice of the 4-R (right source, right rate, right time, right place) strategy, which could later be applied across the state.

The department is moving a fee increase package forward in an effort to gain interest during the Legislature's lame duck session. This is part of the department's effort to stabilize funding in a number of program areas. A large number of fees have not been increased for 25 years and an attempt is being made to raise those to a reasonable level. Specific fees being considered are livestock feed, pesticides, and fertilizers to stabilize those programs. Also, because the compliance rate on food safety initial inspections is low and additional staff visits could assist operations to come into compliance, a fee increase for that effort is also being sought. Additionally, staff members in all of these areas are serving as consultants to new businesses, helping them through the regulatory process and advising on how best to establish their operations. This has been an important asset in helping the agriculture industry grow in Michigan. However, because that business activity takes away from inspection time, the department is hoping to bring the programs to a level that can better support all activities. The department has met with its stakeholders and is in the process of meeting individually with legislators.

The Employee Awards Ceremony will be held at 2:00 p.m. on November 13 at the Michigan Library and Historical Center in Lansing. Employees will be recognized for their years of service, as well as the Everyday Hero, Leadership, Team Excellence, and Front Line Ambassador awards. If any of the Commissioners are available to join the event, please let Cheri Ayers know and appropriate arrangements will be made.

Commissioner Meachum asked if meeting minutes from the Urban Livestock Workgroup would be made available to the Commission or if simply a presentation would be made when recommendations are final. Commissioner Montri advised much of the meeting yesterday focused on decision making and the process toward developing recommendations by March 15 of next year. Mr. Wenk advised a conversation at the conclusion of each meeting is planned to determine what information would be helpful to share. Commissioner Hanson requested that information be shared with the Commission as well. Mr. Wenk assured that would happen.

DIRECTOR'S TRAVEL

Director Clover Adams has no new out-of-state travel planned in the near future.

PUBLIC COMMENT (AGENDA ITEMS ONLY)

Wendy Banka, Michigan Small Farm Council, shared pages 148 and 220 from the proposed changes to the MAEAP Standards, noting under the High Risk column on each, it states, "The farm has been determined to be a Category 4 location and is not eligible for MAEAP Livestock or Farmstead verification." She noted the Category 4 site could be anywhere from one to 50 animal units and agreed that 50 animal units in that category should not be MAEAP verified. However, she feels this eliminates the small animal unit operations from seeking MAEAP verification, even though they would not be a "high risk significant hazard." She feels it is not working to incorporate the Generally Accepted Agricultural and Management Practices (GAAMPs) changes into the MAEAP standards.

She encouraged the Commission to not accept that change as proposed and instead breakup the number of animal units being considered.

Randy Zeilinger, Michigan Small Farm Council, advised most of his crops did well this year, particularly his honey crop. His Category 4 farm operation is MAEAP Livestock System verified. The proposed changes to the MAEAP Standards will likely adversely affect him and he asked the Commission to take that into consideration. As soon as his hoop house is constructed, he will be working toward his Cropping System verification. Construction of that hoop house was made possible by a U.S. Department of Agriculture (USDA) and Natural Resources Conservation Service (NRCS) grant in his urban food desert. He feels topics discussed here are typically geared toward Michigan's large agricultural operations and these also affect the small scale Category 3 and Category 4 facilities. Because the smaller scale operations have a better handle on their management, he asked that be taken into consideration when the MAEAP Standards are considered.

Commissioner Montri asked if he were concerned only about the MAEAP Livestock System. Mr. Zeilinger advised he is concerned that if the livestock part is approved, it will negate his ability to obtain the Cropping System and he will be subject to the whims of local government. In response to question from Commissioners Hanson and Montri, Mr. Zeilinger advised if the change to the Category 4 portion of the Livestock System is in place when his verification is due for renewal in 2016, he would not be re-verified.

Commissioner Hanson advised, due to extenuating circumstances, she was making an exception for the next speaker to come forward during the first Public Comment period.

Jim Casha, State Fairgrounds Development Coalition, advised he fell in love with agriculture many years ago while attending the Michigan State Fair. He advised the State Fairgrounds Development Coalition is comprised of a group of people from across the state who are interested in what the state is doing with the 163-acre property. Having been given to the citizens of Michigan in 1905 by J. L. Hudson, the Michigan State Fair Grounds has over 100 years of agricultural history. In 1921, the land was transferred to the State of Michigan by the Michigan Agricultural Society, with an attached resolution stating the land is to be used to hold an annual fair. In 2009, Governor Granholm shut down the fair, which the Coalition feels was a mistake in a state that has so much to offer for agriculture. The land sits at a prime location for a regional transportation hub at Eight Mile and Woodward, with a rail line on the eastern boundary that runs from Chicago. It makes no sense to give away this property.

He shared a copy of the legislative analysis of House Bill 5719 which would grant the Commission the right to designate a Michigan State Fair and to relieve the state of its obligation to hold an annual fair by repealing Public 361. He also shared a copy of the State Fair Development Coalition executive summary. He asked the Commission to investigate the situation and help create opportunities for our youth. A year around agricultural exhibition center could be created on the former fair grounds.

In response to inquiry from Commissioners Montri and Meachum, Mr. Casha confirmed House Bill 5719 has not yet gone to committee and there is still time for the Commission to influence what happens.

FARMLAND PRESERVATION PERMANENT AGRICULTURAL CONSERVATION EASEMENT REQUEST FOR ACREAGE REMOVAL: Rich Harlow and Elizabeth Juras, Farmland Preservation Program, Environmental Stewardship Division

Mr. Harlow noted as reported last month, the department received a request from the Michigan Department of Transportation (MDOT) to remove a 3.05 acre parcel from a permanent conservation easement in Saginaw County, which is needed for critical replacement of two bridges, one over the Flint River and the other over the Birch Run drain. He reported that Andrew Philp from MDOT is unable to join the meeting today due to a death in the family.

The statute dictates that release of land from a conservation easement purchased by MDARD requires approval by the Commission of Agriculture and Rural Development, the local unit of government, and the Department of Natural Resources (MDNR). As reported at the previous meeting, MDARD is supportive of the recommendation, rather than having to displace three families who prefer to remain in their homes. MDNR has now also submitted a memo indicating its approval.

During their previous meeting, the Commission requested MDOT provide additional documents regarding the request, which included a letter of support from Spaulding Township, updated figures on the cost of the two project alternatives, and a letter of support from the landowner. Mr. Harlow reported the purchase of the land from John Leach, the landowner who entered into the permanent conservation easement with MDARD, has been completed and the land is now owned by William and Cherie Bremer. The requested information was provided to the Commission in their meeting packets, as well as additional information provided today.

In response to questions from Commissioner Meachum, Ms. Juras advised the original owner decided not to submit a letter; but expressed that he understands MDOT's proposal is the best solution and appreciates their reasoning. Mr. Harlow advised the amount of payment for the land remains in negotiation and noted the Agriculture Preservation Fund would also receive a payment from MDOT for tax credits that had been claimed, as well as for value of the development rights on the parcel. Commissioner Meachum requested those economics be shared with the Commission when they become available. Mr. Harlow advised he will ensure that happens.

MOTION: COMMISSIONER WALCOTT MOVED TO APPROVE THE RELEASE OF 3.05 ACRES FROM THE PERMANENT CONSERVATION EASEMENT AS DISCUSSED TO PROVIDE FOR THE SAGINAW COUNTY MICHIGAN DEPARTMENT OF TRANSPORTATION BRIDGE PROJECT. SECONDED BY COMMISSIONER MEACHUM. MOTION CARRIED.

FOOD PROCESSING GENERALLY ACCEPTED PROCESSING PRACTICES (GAPPs): Jim Johnson, Division Director, Environmental Stewardship Division; Terry Morrison, Executive Director, Michigan Food Processors Association; Ray VanDriessche, Director of Community and Government Relations, Michigan Sugar Company; and Tim Brian, President, Smeltzer Orchard Company, LLC

Mr. Johnson introduced several individuals from the food processing industry joining him today for discussion of the Food Processing Generally Accepted Processing Practices (GAPPs), who included Terry Morrison, Executive Director of the Michigan Food Processing Association, Tim Brian, President of Smeltzer Orchard Company, LLC, and Ray VanDriessche, Director of Community and Government Relations with Michigan Sugar Company.

Mr. Johnson noted that as reported during the Commission's previous meeting, efforts on nuisance conditions in the food processing industry have resulted in creation of the Food Processing Generally Accepted Processing Practices (GAPPs). The Right to Process Act was enacted in 1998 to provide an opportunity for nuisance protection for food processing operations and the creation of GAPPs that would be reviewed and approved by the Commission on an annual basis. The GAPPs address nuisance conditions and not activities that violate law related to natural resource and environmental protection. This is not a food safety issue, but is purely what is happening around the outside of the buildings that could create nuisance conditions for those in the neighborhood. Similar to challenges in the agricultural world, many of these food processing facilities were built in rural areas close to where food was being grown and the towns later built up around them, creating some of the same nuisance complaint situations that many farmers are facing.

Having had two months to review and contemplate the initial two GAPPs documents, those related to noise and odor, approval by the Commission was requested as the accepted set of standards for the next year. Work will continue on the GAPPs, including how to consider fugitive dust issues.

Mr. VanDriessche added the GAPPs process does not exempt processors from any regulatory compliance obligations. The oldest of the four Michigan Sugar Company facilities was built in 1898 and the newest in 1901, and the community has definitely built up around them since that time. They attempt to do everything possible to be a good neighbor, but there are certain things that are part of a processing facility that cannot be avoided. Since it takes a great deal of time to address nuisance complaints received, they are looking forward to the GAPPs process giving them some relief. They appreciate the Commission's review and potential passage of the GAPPs.

Commissioner Montri asked if there would be consideration of having the meat processing industry represented in the future. Mr. Johnson advised that representatives from that industry, as well as milling, were invited to participate in order to create as broad a committee representation as possible; however, they have chosen to not be involved at this point in time. Once the GAPPs are established, it is hoped those other industries will recognize the value and become involved.

In response to inquiry from Commissioner Meachum, Mr. Johnson advised that Cottage Food, packing shed, and integrated agricultural operations will also be covered under the GAPPs. The process will involve adhering to a certain set of standards and expectations of those operations.

Mr. Brian noted some items are fairly simple, for example the backup signals of the trucks, and those are the types of things being addressed.

Mr. Johnson introduced Mr. Matt Eugster, representing Varnum Law, who also is a member of the committee. The department has appreciated his legal guidance throughout the process.

MOTION: COMMISSIONER MEACHUM MOVED TO APPROVE THE GENERALLY ACCEPTED FRUIT, VEGETABLE, DAIRY, MEAT, AND GRAIN PROCESSING PRACTICES FOR NOISE AND ODOR AS PRESENTED. SECONDED BY COMMISSIONER WALCOTT. MOTION CARRIED.

MICHIGAN AGRICULTURE ENVIRONMENTAL ASSURANCE PROGRAM (MAEAP) STANDARDS PROPOSED REVISIONS: Jerry May, MSU Senior Extension Educator and Chair, MAEAP Livestock System Standards Work Group; and Jim Johnson, Division Director, and Jan Wilford, MAEAP Program Manager, Environmental Stewardship Division

Mr. Johnson introduced Jerry May, who is the MAEAP Livestock Systems Committee Chair and also serves on the MAEAP Advisory Council and the Site Selection GAAMP Committee. He is very involved with livestock within the agriculture realm.

Mr. Johnson noted that MAEAP was codified in 2011 and through revision to NREPA (Natural Resources and Environmental Protection Act) Part 87, required the Commission approve the standards for MAEAP verification on an annual basis. As discussed in July, there are some recommended changes to those standards as provided to the Commission at that time in the summary sheets, along with the blocked section format utilized when working with producers. Each system can be considered for approval individually, or they can be approached as an entire group.

Mr. Johnson noted one small correction to the documents. In the summary of Livestock Systems Standards in Section 5.05, it is indicated the standard for storing solid manures is a structure with a floor of concrete or equivalent material. The boxed portion, which indicates the portion that is acceptable for verification, should be boxed for both the low and medium risk categories.

Commissioner Montri asked how the documents are used when working with producers who are color blind. Mr. Johnson advised he has yet to encounter that situation; however, most of the verification process is accomplished through the assistance of a technician who walks the producer through the program, question by question.

In response to inquiry from Commissioner Montri regarding Category 4 sites, Mr. Johnson confirmed those operations will no longer be considered for MAEAP verification in the Livestock and Farmstead Systems. One of the baseline standards within the MAEAP program is conformance to the GAAMPs, and following considerable discussion around this issue, the committee determined that to verify someone in Livestock or Farmstead who is not in conformance with GAAMPs would be a considerable violation of a basic tenant of the program. Commissioner Montri noted with the very complex tension between a nuisance issue with Right to Farm (RTF) and an environmental issue with MAEAP, she feels there would be potential for Category 4 operations to be following environmentally sound practices.

Dr. May agreed, but advised that GAAMPs are the minimum standard and MAEAP is the gold standard, and in the committee, they always ensure items are in compliance with GAAMPs. The end result of the Urban Livestock Workgroup might be a new GAAMP that could provide reference for Category 4 operations to allow for MAEAP verification. The standards as presented today merely delay those verifications until the guidelines are established for reference. Commissioner Montri noted she sees it as an issue when as a Commission the creation of solution-oriented approaches for urban livestock was requested and if something stating they can no longer be MAEAP verified is approved, there seems to be a conflict. Mr. May advised they will greatly appreciate the guidelines to be able to have that required reference. He also noted that there are three separate systems and an operation will always have an opportunity to be verified in the systems for which it can comply, and one system does not impact the other.

Commissioner Meachum expressed concern if the language were revised to allow that a Category 4 site could be verified in the Livestock or Farmstead System, it could cause confusion in zoning and court issues as a defense against a RTF determination.

Ms. Wilford advised if the standards are approved as presented, farms currently MAEAP verified will retain that verification for the duration of their three-year period. During the re-verification process, the operation would be examined based on the standards in place at that time. Standards are evaluated annually and change as new information becomes available. As Commissioner Meachum pointed out, consistency between the GAAMPs and MAEAP is important to provide clarity to farmers, public officials, townships, and to neighbors that there is a difference between the two programs. The overlap is the environmental practices and those need to be consistent with the RTF GAAMPs. Conformance with GAAMPs and RTF protection is determined by a court of law, but we want to position farmers as well as possible to avoid any confusion. The committee is very aware of the Urban Livestock Workgroup's ongoing process and felt it was the appropriate place to continue discussions related to respective GAAMPs and their involvement in sound environmental practices. Mr. Johnson concurred that through the Urban Livestock Workgroup and that set of recommendations, there is hope that some of the current issues will be solved.

In response to inquiry from Commissioner Walcott, Mr. Johnson confirmed a farm could lose its MAEAP verification, but if in conformance to GAAMPs, would still have RTF protection. RTF and MAEAP are both voluntary programs.

Commissioner Montri asked what is at risk if the Livestock and Farmstead Systems are not approved until after recommendations are made by the Urban Livestock Workgroup. Mr. Johnson advised it would place the department in the same situation it had been previously in terms of how that might be used in a court of law to justify livestock in an extremely tight urban setting. The Commission did a great job in April of considering that issue and creating something that is real, and in MDARD's experiences over the summer, that has worked extremely well. Ms. Wilford advised if the Commission decided to not move on both of those systems, the new agreement MDARD has with the Michigan Department of Environmental Quality (MDEQ) regarding well isolation distances would be mute and the department would lose flexibility with regulators that it has worked over two years to incorporate into the standards. The summary of changes also reflects several changes in

law and it would mean those also would not be included in the new risk assessments. In addition, clarification work accomplished through the standards committees would not be available.

Commissioner Walcott noted the Commission should not jeopardize the verification or re-verification of operations in other categories; it is important to keep those moving forward. Time already spent on the program should be considered as well. There is an avenue for the urban farm livestock situation and there is a process for adjusting the MAEAP standards in the future. Commissioner Montri agreed it should move forward, but did not want to exclude urban farms while trying to support that conversation. Commissioner Hanson reiterated the Commission has the opportunity to re-review the MAEAP Standards and all of the other operations cannot be jeopardized. Commissioners Walcott and Meachum concurred.

MOTION: COMMISSIONER MONTRI MOVED TO APPROVE THE REVISIONS TO THE MICHIGAN AGRICULTURE ENVIRONMENTAL ASSURANCE PROGRAM FIELD CROP AND VEGETABLE, NURSERY, GREENHOUSE, FRUIT, AND FOREST, WETLAND, AND WILDLIFE HABITAT SYSTEM STANDARDS AS PRESENTED. SECONDED BY COMMISSIONER MEACHUM. MOTION CARRIED.

Mr. May suggested revising section 14.02 in the Livestock and Farmstead Systems to add “pending further review” to recognize this is under further study and the information is not yet available to allow for verification of those Category 4 sites. Mr. Johnson pointed out recommendations from the Urban Livestock Workgroup will be simply recommendations requiring subsequent action, whether that is within the GAAMP process or legislatively. Commissioner Meachum noted the suggested revision to section 14.02 is too specific until recommendations of the Urban Livestock Workgroup are known and suggested changing “is not” to “may” be eligible.

Following further discussion, Mr. Wenk reminded the Commissioners there is an advisory committee which they have tasked to actually consider this language. That group spent considerable time and effort on this issue and the language as proposed is their recommendation. The basic tenant of MAEAP has always been to be in conformance with the RTF GAAMPs. Any change between MAEAP and RTF creates an entire set of complexities which then generates confusion across the countryside, in the courts, and for MDARD staff. He appreciates the work of the Urban Livestock Workgroup and hopes those recommendations will provide some guidance for the future. However, here is where we are today based on changes to the GAAMPs made by the Commission earlier this year. He recommended the Commission approve the Livestock and Farmstead Systems as proposed, with the understanding the recommendations of the Urban Livestock Workgroup will be presented to the Advisory Committee for potential future proposed GAAMPs and MAEAP Standards changes.

Following additional discussion, Commissioner Montri advised she would be patient in addressing verification for Category 4 sites until the process of the Urban Livestock Workgroup is complete.

MOTION: COMMISSIONER MEACHUM MOVED TO APPROVE THE REVISIONS TO THE MICHIGAN AGRICULTURE ENVIRONMENTAL ASSURANCE PROGRAM LIVESTOCK AND FARMSTEAD SYSTEM STANDARDS AS PRESENTED. SECONDED BY COMMISSIONER WALCOTT. MOTION CARRIED.

RECESS AND RECONVENE

Chairperson Hanson recessed the meeting at 10:43 a.m. for a brief break. She reconvened the meeting at 10:50 a.m.

AQUATIC INVASIVE SPECIES ORDER: Nicholas Popoff, Supervisor, Aquatic Species and Regulatory Affairs Unit, Michigan Department of Natural Resources (MDNR); and Mike Bryan, Nursery and Export Specialist, Pesticide and Plant Pest Management Division

Mr. Popoff advised that he and Mike Bryan would be sharing information today about aquatic invasive species (AIS), some tools and requirements under Part 413 of NREPA that can help stop the spread of AIS, and a commitment Governor Snyder made last year.

An invasive species is defined as a species that is not native and whose introduction causes, or is likely to cause, economic or environmental harm or harm to human health. The State of Michigan spends considerable money managing and controlling AIS, totaling nearly \$100 million each year. The QOL group has an approved AIS State Management Plan, as well as an AIS Core Team. The focus is prevention, early detection, and control or eradication.

Species can be listed as prohibited or restricted under Part 413 of NREPA and need to meet certain criteria. The Commission of Agriculture and Rural Development has authority for plants and insects and MDNR has authority over all other organisms. To list a species as prohibited or restricted, consultation is required between MDNR and the Commission of Agriculture and Rural Development.

There is a regional AIS commitment through Governor Snyder's participation in the Council of Great Lakes Governors and Premiers. In 2013, that group created an AIS Task Force and agreed to a list of 16 species across the Great Lakes Basins, termed the "least wanted species list." They also agreed to prevent introduction and spread of these species, to foster mutual aid across the states and provinces, and to use whatever measures they possess to prohibit those 16 species.

The "least wanted list" includes eight fish, three invertebrates, and five plants. Seven of those are currently not listed as prohibited in Michigan, with nine being already prohibited. The seven species not currently listed are not currently in live trade in Michigan, but all are a climate match to Michigan and could easily survive here. Six fall under MDNR authority and one under authority of the Commission of Agriculture and Rural Development. The Governor is committed to listing these seven as prohibited.

Mr. Bryan advised the one plant species on the "least wanted list" is called water soldier and during their next meeting, the Commission will be considering a formal order prohibiting that species. This species is native to Europe and portions of Asia and the only known wild population in North America exists in the Trent River in Ontario. It forms dense mats of

floating vegetation that would disrupt boating, crowd out other vegetation, and degrade property values. It is a human health hazard in that the leaves have very sharp edges that can cut anyone coming in contact with the plant. The nursery industry has no concerns with the species being listed as prohibited.

Mr. Popoff advised the six species of fish and invertebrates include stone moroko (belonging to minnow family), zander (close relative to walleye), wels catfish (large, voracious predator), killer shrimp (voracious and aggressive predator), yabby (crayfish species), and golden mussel (similar to zebra mussels already devastating the Great Lakes).

An additional consideration is the red swamp crayfish, which is a large food market species that is native to the Gulf Coast and up the Mississippi River into Illinois. There is concern because they can be easily imported live and could be released into the wild. They are also distributed to pet shops and purchased as bait. They have caused problems in other states because the species is impossible to eradicate. MDNR is recommending red swamp crayfish be listed as prohibited. The Michigan Restaurant Association advised this would have no impact on their industry, because there is a surrogate crayfish native to Michigan that is raised for food export.

Another consideration is the rusty crayfish, which is currently prohibited under Part 413. However, it is now widespread and naturalized. MDNR is recommending the listing be amended from prohibited to restricted. This would allow people to possess them in limited capacity as a food source.

In November, an order will be presented to the Commission for water soldier. Likewise, an order will be presented to MDNR in November for action. He and Mr. Bryan will also be presenting before the Natural Resources Commission next month.

WATER AND ITS ECONOMIC ADVANTAGE FOR MICHIGAN'S FOOD AND AGRICULTURE SYSTEM: Jon Bartholic, Director, Institute of Water Research, Michigan State University (MSU); Howard Reeves, Research Hydrologist, United States Geological Survey (USGS) Michigan Water Science Center; and Jim Milne, Chief of the Great Lakes Shorelands Unit and Water Use Program Manager, Michigan Department of Environmental Quality (MDEQ)

Mr. Wenk noted these presenters today are part of the Commission's policy focus topic on water and its economic advantage for Michigan's food and agriculture system. These water use experts will be providing valuable background information on the topic.

Dr. Bartholic advised he will be reporting on a variety of water issues that will provide a background for more informed decisions in the future. He explained the concept of the water cycle, noting 25-35 inches of annual rainfall will result in a high degree of evaporation into the air. What remains is only a few inches per year that actually goes into runoff to streamflow or recharge to groundwater. Because wells originate from the recharge, this is where agriculture is involved. Annual precipitation in Michigan varies from 38-40 inches in the southwest part of the state to 29-30 in the thumb area. Evapotranspiration is highly variable depending upon the vegetation in a given local, and the groundwater recharge in many areas is only 5-9 inches per year, which requires irrigation for viable agriculture. The July-August timeframe requires the highest level of irrigation and causes concern with

maintaining sufficient flow to ensure the aquatic system survives in those areas. Experts are trying to examine the entire system to enable management of water and its multiple uses in the state.

When considering water quantity, we can work together in Michigan to provide a system that is fair, equitable, and assures sustainable water resources. Presentations such as this, the Water Use Council, and activities throughout the state are extremely important as we consider water issues. However, the demand for water will increase as the world's population is expected to expand from its current seven billion to nine billion by 2050. Agricultural exports in Michigan are growing to meet that need. The Governor of California recently announced there would be no more irrigation withdrawal from groundwater, creating even more opportunity for food to be produced in Michigan. We have a great potential, but the wisdom to do that wisely and sustainably is an interesting challenge. It appears that implications of water overdraw are becoming apparent, such as in Ottawa County where saline is coming from deeper depths and affecting much of the water quality in that area.

Ottawa County has experienced several issues related to its groundwater supply over the last few years. The primary issues include a reduction in static water levels and water pressure in some areas, as well as sodium chloride levels that are increasing above recommended drinking water standards. A recent study indicates that "water mining" is causing groundwater levels to decline in some areas, which is also causing sodium chloride "upwelling" in certain areas. These issues are causing varying degrees of problems for groundwater users (residents and farmers) in Ottawa County and other areas of the state. As residential development and agricultural irrigation needs continue to expand, the demand on Michigan's groundwater supply will continue to increase. This could intensify shortages of usable groundwater in Ottawa County (and other areas with similar geologic conditions) if further steps are not taken to understand and protect our groundwater supply.

Michigan has let the way in developing a water withdrawal assessment tool (WWAT) that resulted from the Great Lakes Compact which established a new water management process. WWAT is a screening tool to evaluate the potential impact of large quantity withdrawals. This is where the real challenge lies. Watersheds that are fully subscribed in the WWAT's accounting database may convene a local Water Users Committee to determine how resources will be shared among users. Serious consideration needs to be given to overall effectiveness of committees, including their strengths, roles, and limitations, as well how to best provide them with critical data and guidance moving forward.

Additional activities need to be considered holistically, such as the expanding use of agricultural tile drainage to increase production that is removing water from the land and increasing the chance of flooding in the spring and decreasing the water recharge levels. We need to consider those types of trends in maintaining a sustainable system. We may also want to consider water management systems created in other states who are more water limited, such as Arizona's Active Management Areas and Nebraska's Water Resource Areas. Monitoring is a critical issue and can allow citizens an avenue to be more involved in helping through current technology available.

The quality of water will also be affected by the growing world population. We are aware of numerous quality issues and algae growths, such as the Saginaw Bay area, which clearly indicate agriculture is one of the sources causing the high levels of phosphorus. And there also are numerous impaired inland water bodies in the state caused by phosphorus runoff. There are opportunities through MAEAP, NRCS, and other agencies to work with farmers to improve these situations.

MSU has developed two systems to help provide more information to various watershed groups, including ELUCID (Environmental Learning Using Computer Interactive Decisions) which demonstrates how the computer age can assist with these types of decisions. Different themes are available, such as water quality, land protection, and urban planning. It empowers technicians to have more information at their fingertips, allow specific review of all varying factors, and easily work with the landowner to target practices that will result in improvements. This system is also linked with the next one – the Great Lakes Watershed Management System which provides baseline non-point source pollution model estimates at the field level, and through the computer, looks at different practices and calculates the changes possible in a particular area. Details of baseline change results are recorded for each specific area that can be accumulated over time to review the total impact in a particular watershed. MAEAP technicians were instrumental in development of these systems. As demonstrated by the situation in Ottawa County, we can better manage the system for sustainability and optimizing the continued agricultural expansion. The tools available – www.elucid.iwr.msu.edu and www.iwr.msu.edu/glwms – can help a variety of people better understand the situation.

There is an increasing pressure on agriculture for food which presents our state with a great opportunity. Michigan has a great reputation for addressing water quality issues and the information technology assistance available will enhance that capability. Assuring sustainable water resources is a concept upon which both users of water directly and those who indirectly enjoy the gifts of abundant clean water can work collaboratively.

In response to inquiry from Commissioners Walcott and Hanson, Dr. Bartholic advised a uniform sampling approach was utilized in Ottawa County. The average well depth experiencing problems in that area is 200-300 feet. Hope College developed a test strip that will measure sodium content, a picture of which can then be uploaded to the database to help analyze data over time. There are many new techniques being employed in Ottawa County that will help develop strategies across the state. The databases also collect information from the UP, as well as include digitized information from previous years, which has also been included in various system studies.

Dr. Howard Reeves advised the U.S. Geological Survey (USGS) was founded in 1879, is the science agency within the Department of Interior, and has no regulatory responsibilities. It serves the nation by providing reliable scientific information to describe and understand the earth; minimize loss of life and property from natural disasters; manage water, biological, energy, and mineral resources; and enhance and protect our quality of life. Most states have a water science center that works with local stakeholders. Michigan's main office is in Lansing whose staff conducts studies of water resources, while the field offices in Lansing, Grayling, and Escanaba focus on data collection. Their budget is about \$6 million annually. Activities are funded by joint agreements with state, local, and tribal

agencies; USGS appropriations, including the USGS Cooperative Water Program that provides matching funds for local projects; and projects with other federal agencies, including the Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers.

Various hydrologic studies include water resource evaluations in Ingham, Eaton, Clinton, and Kalamazoo Counties; water quality evaluations of Silver Lake, Bear Lake, harmful algal blooms, avian botulism and other microbial health studies, and Great Lakes Restoration Initiative studies; flood inundation studies in Lansing; and science support to the water-withdrawal assessment process, Michigan Water Use Advisory Council, Council of Great Lakes Governors, and other regional partners. Studies are driven by the local and state needs at any point in time.

The first USGS streamgauge just turned 125 years old and was established on the Rio Grande River in 1889 in Embudo, New Mexico, to evaluate potential for crop irrigation. A streamgauge is the location where stream stage (water level) is measured at regular intervals, typically every 15 minutes. Periodically, hydrological technicians measure the streamflow at the location by measuring the velocity of water at many locations across the stream. Streamflow is then related to stream stage – called a rating curve for streamgauge. This must be completed periodically because stream channels change as the sediment is moved, creating changes in the relationship between stream stage and flow.

Traditionally, a streamgauge report is published annually. It is now delivered online and many gauges can be viewed in real time. As people review the information, they can see if a particular area is above or below average at any given time. Reports and maps produced can also depict a specific area's potential to support agriculture irrigation.

Streamgauge data is used for numerous reasons including flood planning and warning, drought monitoring; design of bridges, roads, culverts, water treatment plants, and navigation control structures; water-resource planning; operation of locks and dams; power production; water quality assessment; habitat assessment; and recreation. In addition, supporting information has been published in recent years to help individuals understand implications of the data. Various examples were reviewed, including international streamgauge projects and baseflow estimation.

Groundwater-level monitoring is a simpler, direct measurement of depth to water in a well that can display in real time much like streamgauge data. It is used to monitor drought, flood, and water quality. It is combined with other data to estimate water budget. Examples of water level response in specific wells were reviewed, demonstrating how quickly a well can recover from drought conditions, how conditions compare to long-term average levels, and impacts of large capacity wells. Data from as many sources as possible is utilized to help understand how water is moving through the system. This type of data is extremely useful in predicting how a particular system will react to future development and different variables. Our water resources are integrally tied to many things that affect us every day – energy, food, health, and ecosystem function. USGS is attempting to provide the scientific information for those making decisions about water's role in those different areas.

Mr. Milne advised he would be presenting an overview of Michigan's Water Use regulations under Part 327, including the WWAT, site specific reviews (SSRs) and the permit process, water use trends in Michigan, recommendations made by the Southwest Michigan Water Resources Council, the current statewide Water Use Advisory Council, and some of the Water Use Program current and future needs.

Part 327 of NREPA is Michigan's statute to implement the Great Lakes Compact. It prohibits Adverse Resource Impact (ARI) and it defines the average resource impact for rivers and streams in terms of impacts to fish populations and decreases in the stream's index flow. Index flow is the stream's median flow during the low flow summer months. Different management zones of increasing risk, A, B, C, and D, are triggered as the stream index flow in watersheds is depleted toward the point where an ARI is likely to occur, which is Zone D.

The online WWAT is designed to estimate the likely impact of a water withdrawal on nearby streams and rivers. Use of WWAT is required of anyone proposing to make a new or increased large quantity withdrawal from the waters of the state, including all groundwater and surface water resources, prior to beginning the withdrawal. The WWAT is used to determine if a proposed withdrawal is likely to cause an ARI and to register the withdrawal. If the proposed withdrawal results indicate either Zone A or B, the water user is able to register their withdrawal, print a confirmation, and no formal MDEQ SSR is required. If the tool indicates either Zone C (approaching an ARI) or Zone D (likely to cause an ARI), the user is not able to implement the withdrawal without obtaining an SSR authorization by MDEQ, which can be requested online.

An SSR uses the best geologic, hydrologic, and other information available and may include updating the stream index flow. If unable to authorize the withdrawal, staff will work with the applicant to determine if the request can be modified to avoid an ARI. The applicant also can submit additional data to MDEQ for review. If an authorization is issued in Zone B (cold transitional) or C (approaching point where an ARI is likely), the statute requires notification of other registered water users in that watershed, as well as local units of governments and the local health department.

A permit is required for withdrawals over two million gallons per day. After five years, MDEQ has issued ten permits, most for regional public water authorities. None to date have been issued for agricultural irrigation systems. The applicant must demonstrate compliance with the Great Lakes Compact, pay a \$2,000 application fee, may include measures to prevent an ARI, and has administrative appeal rights.

The WWAT was recently transferred from MSU to the State of Michigan's network, which required a change in the website address to <http://www.deq.state.mi.us/wwat>. Users going to the old site will be redirected to the new site for an indefinite period. Some improvements to the user interface were also made to create a more user-friendly format.

If an ARI occurs and there is not a Water User Committee already formed, MDEQ is required to convene a meeting of all registered users and permit holders to facilitate a voluntary agreement to avoid the ARI. To date, none of these actions have been taken in

Michigan. The Water Use Advisory Council currently has a Water User Workgroup to develop ways to provide advice to those groups on how to form a committee.

He provided an overview of water use trends in Michigan, noting after five years in the program, there are nearly 19,000 WWAT registrations, over 700 SSRs, and only 14 denials. In year five, about 60 percent of the proposed withdrawals were authorized by the tool and the percentage has been increasing. Statewide there are over 2,700 irrigation registrations with over 1,400 of those being in southwest Michigan. Overall, irrigation accounts for over 93 percent of all registrations statewide.

He reviewed a map depicting status of the various watersheds in Michigan. There are over 4,300 Zone A and 827 Zone B watersheds. There are 92 Zone C, which are those approaching an ARI and it is time to form a Water Use Committee. There are 42 stressed watersheds, which are those either at or beyond the ARI line, and no more water is available. Those must be resolved back beyond the ARI line, which could be accomplished through surface or groundwater monitoring, modifying some of the existing withdrawals, negotiations with user groups, or other means.

There is considerable water demand in southwest Michigan and it is beginning to increase in west-central and central Michigan as well. A Southwest Michigan Water Resources Council stakeholder group was formed for the Kalamazoo and St. Joseph River watersheds. Interests represented include agriculture, environmental groups, industry, municipal water supplies, well drillers, and state and federal agencies. Their final report was presented to MDEQ Director Wyant in April. The Council's recommendations included (1) SSR process must be improved through additional stream flow and hydrogeology data collection, (2) regional models should be developed that better fit conditions in southwest Michigan, and (3) additional data collection should be a public-private collaboration.

MDEQ Director Wyant convened the Water Use Advisory Council (WUA), which also is a very diverse working group representing the various stakeholders. Several workgroups were formed to advise the Council, including Technical Underpinnings, Monitoring, Water User Groups, Water Conservation, and Inland Lakes Adverse Resource Impact. The Council's final report is expected this December.

Current and future needs for the Water Use Program on which all parties agree include (1) continued stakeholder involvement after the WUAC; (2) additional data collection for stream flow, lake levels, glacial, and hydrogeology; (3) provide additional assistance to form Water User Groups in Zone C and depleted watersheds, and (4) improve documentation and share some of that information online.

In response to inquiry from Commissioner Meachum, Mr. Milne advised when an individual receives the letter advising a new water use withdrawal in their watershed has been approved, it is a matter of formality at that point and there would be no repeal process available. The best recourse for interested parties would be to form the Water Users Committee and Ad Hoc Subcommittee of local residents.

Commissioner Walcott asked if MDEQ has access to the water use information farmers submit annually. Mr. Milne advised much of the information farmers send to MDARD is

confidential. MDEQ does receive general statics on aggregate water use, although specific locations are protected.

The Commissioners thanked each of the presenters for their very interesting and most informative presentations.

COMMISSIONER ISSUES

Commissioner Montri was excused from the meeting for an out-of-state trip.

Commissioner Meachum shared concerns of field-grown tomato producers in his area around the push in the last several years toward development of hydroponic tomato industry in Michigan, noting public funds have been devoted to help support those expansions. There also was a large push-back from retailers for field-grown tomatoes because they could obtain a year around supply from a hydroponic greenhouse. Many field-grown tomato producers feel that trend could put them out of the tomato business. It is difficult to compete when the competition is being subsidized.

Commissioner Walcott advised many of the local farmers in his area are concerned the poor condition of roads and bridges will have an adverse effect on the upcoming harvest because of anticipated restrictions. Commissioner Meachum also noted concern with mailboxes now being on both sides of the road and with some of the newer farming equipment, an operator is sometimes faced with the choice of hitting a mailbox or colliding with an oncoming car whose driver is not paying attention. Commissioner Meachum advised everyone can continue to encourage the fall safety campaigns that focus on the farming season.

PUBLIC COMMENT

Ray Swan, Monroe County, Erie Township, Michigan, reported he has experienced difficulties with the RTF program. He has requested an on-site inspection, has not received consistent response, and still needs assistance. As of 2:00 p.m. Monday, he will be MAEAP certified in the Cropping and Farmstead Systems. He asked the Commission to please check into what is not happening.

Commissioner Hanson requested Mr. Wenk investigate the situation, respond to Mr. Swan, and share the information with the Commission. Commissioner Meachum advised he was under the impression that tomorrow there will be an equipment auction held at Mr. Swan's property and asked how the township can seize his equipment. Mr. Swan advised it is considered a blight ordinance issue. He is hoping to enter the agri-tourism business using his wide collection of farm equipment for demonstrations, especially with youth in mind. He was hoping to obtain the help of RTF, but that has not happened.

Daniel Poon, Washtenaw Food Policy Council, noted he observed tension with the urban livestock agriculture situation. He realizes there must be consistency, but feels the Commission could do more to protect the interests of the people already verified through an internal guideline within the MAEAP program to provide for expeditious re-verification of producers following recommendations of the Urban Livestock Workgroup. Commissioner Meachum pointed out it would be difficult to discuss something in light of not yet knowing the content of the Workgroup recommendations. Commissioner Hanson added the

Commission looks forward to the Workgroup's recommendations and ask Mr. Poon to join them in being patient for that process to develop.

Mr. Poon also expressed concern regarding the RTF Act in general because GAAMPs are being passed as guidelines and may not have the force they need to bind the courts to hold a farmer not liable under a nuisance suit.

Wendy Banka, Michigan Small Farm Council, brought forward the issue of there not being enough poultry and meat processors in Michigan. She travels to Fowlerville for that service and must make an appointment three weeks out. She recently discovered that many of her favorite places to eat source their food from Gordon Foods, even though they would like to source locally. She encouraged MDARD to support a system of county-wide USDA meat and poultry processors, which would encourage expansion by local producers.

Commissioner Hanson advised that MDARD is already working that issue; in particular, Mike DiBernardo has recently been successful in bringing additional meat processing capacity to the UP. Ms. Banka added that if there were more information available on how to start and operate such a business, more individuals may take advantage of that opportunity. Commissioner Hanson advised Mr. DiBernardo is also working on that aspect and she could contact him for additional information. Commissioner Meachum also suggested the opportunity could be presented to her Small Farm Council to perhaps spur some local interest through that avenue.

Randy Zeilinger, Michigan Small Farm Council, asked how many issues have been raised to the department since the GAAMPs vote in April. He reported that on May 1, his local ordinance officer was knocking on his door advising he needed to inspect his property because the "RTF law has been repealed." What that generated for him was a contempt of court complaint based simply on a judge's opinion, and he was found guilty of a crime. Instead of having a concentrated set of guidelines for the entire state to follow, confusion has resulted because it is now dealt with at the local level, with potentially over 1,700 different interpretations of the actual RTF law.

Mr. Wenk reported there has been an increase in interest and questions as a result of recent revisions to the Site Selection GAAMP and the department has been conducting an outreach effort to visit with townships to explain what the new guidelines within the GAAMP mean and how they should be implemented. MDARD has completed 11 site determinations, and of those, six sites were within the guidelines to keep livestock because they were located where agriculture is allowed by right. Two of the livestock facilities were in zoned districts that do not allow for agriculture use, but were not considered primarily residential as defined in the GAAMP, and therefore, were determined to be Category 3 and approved as livestock locations with fewer than 50 animal units. Three facilities appeared to be Category 4 sites not suitable for livestock.

Because the quickest response for site determinations is for individuals to work directly with the RTF Program office, they are being encouraged to seek that route. Following review of all available information, the department initially advises the facility in which category they appear to be, and if desired, the department can move forward with a category determination, which requires an on-site inspection. Once a category determination is

made, notification must also be shared with local municipalities. Mr. Johnson advised that a number of the requests have come from MAEAP technicians working in the field.

ADJOURN

**MOTION: COMMISSIONER WALCOTT MOVED TO ADJOURN THE MEETING.
COMMISSIONER MEACHUM SECONDED. MOTION CARRIED.**

The meeting was adjourned at 12:23 p.m.

Attachments:

- A) *Agenda*
- B) *Agriculture and Rural Development Commission Meeting Minutes July 22, 2014*
- C) *Director Jamie Clover Adams – Issues of Interest Report*
- D) *Public Comment-Wendy Banka: Pages 148 and 220, proposed changes to the MAEAP Standards*
- E) *Public Comment-James Casha: Legislative Analysis HB 5719 and State Fair Development Coalition Executive Summary*
- F) *Conservation Easement Memo Sept. 9, 2014 with Spaulding Township Letter of Support*
- G) *William and Cherie Bremer Letter of Support*
- H) *MDNR Memo of Support*
- I) *Generally Accepted Fruit, Vegetable, Dairy, Meat, and Grain Processing Practices for Noise and Odor*
- J) *Revised Michigan Agriculture Environmental Assurance Program Standards*
- K) *Invasive Species Order Memo*
- L) *Invasive Species Order Presentation*
- M) *Water Soldier Brochure*
- N) *Water and its Economic Advantage for Michigan's Food and Ag System Presentation, Jon Bartholic*
- O) *Exploring the Issues Related to Water Summary, Jon Bartholic*
- P) *Overview of USGS Stream and Groundwater Monitoring Presentation, Howard Reeves*
- Q) *Michigan's Water Use Program Presentation, Jim Milne*
- R) *Legislative Status – September 2014*