

Board of Agriculture Meeting Minutes

Holiday Inn Express, Astoria, Oregon - September 9-10, 2010

Wednesday September 9, 2010

State Board of Agriculture called to order at 10:30 a.m. by Chair Bob Levy.

Board members present: Bernie Faber, Doug Krahmer, Pat Dudley, Tom Fessler, Bob Levy, Stephen Van Mouwerik, Lynn Youngbar, Tracey Liskey, Jan Kerns (Absent: Sonny Ramaswamy)

ODA staff present: Katy Coba, Lisa Charpiloz Hanson, Lauren Henderson, Dalton Hobbs, Bruce Pokarney, Jim Johnson, Ray Jaindl, Madeline MacGregor, Dave Wilkinson, Steve Riley, Sheila Marcoe

Other guests: Ken Bailey, Lynn Voigt, Chris Mertz, Michele Knaus, Nan Evans, Rick George, Mike Seppa, Mary Lou Soscia, Dick Pederson, Bill Blosser, Jane O'Keefe, Daily Astorian reporter Deeda Schroeder

Meeting minutes approved: Minutes from the June 2010 Board of Agriculture meeting were approved. Motion by Bernie Faber; seconded by Tracey Liskey. Motion carried.

Measure 76 overview: Nan Evans, Nature Conservancy: The following is a summary of Evan's presentation to the board (For more information on Measure 76, please refer to <http://www.nature.org/wherewework/northamerica/states/oregon/about/art29747.html>):

Evans outlined the crucial elements of M-76

- Clean water
- Well maintained parks
- Healthy habitats for fish and wildlife

Oregon voters approved the Parks and Natural Resources Fund in 1998. M-76 would renew the existing dedication of 15 percent of lottery funds to parks and natural resources with some ballot amendments. There would be no tax increases involved and no cuts to vital services.

The Nature Conservancy believes there will be more transparency and efficiency. Dedicated funds are needed to protect and restore water quality, parks, fish, and wildlife habitats. The measure's proposed changes include clear statements of purpose and outcomes for funding expenditures and outline the following benefits for the state's natural resources:

- Protects and improves water quality
- Secures long term protection
- Restores and maintains
- Maintains diversity

- Involves people in voluntary activism
- Remedies conditions that are limiting

Additionally, the proposed language replaces the phrase “critical fish and wildlife; native salmonoids, and removes capital and non-capital expenditure categories in current constitutional language.

The changes also create new expenditure categories for grants and natural resources agency support by incorporating the following:

- Carrying out projects to protect or restore natural watershed functions to improve water quality or stream flows.
- Carries out resource assessment, planning, design, engineering, technological assistance, monitoring, and research.
- Develops, implements, and updates state strategies to prevent or detect, and control or eradicate invasive species or wildlife habitats that impair water quality.
- Supports local delivery of programs or projects, including watershed restoration.
- Pays state agency costs of administering sub-sections of the amendments.
- Increases agency accountability
 - Requires the cost of administrative grants to be paid from agency operational funds, not the grants funds
 - Requires programmatic and fiscal audits

Discussion: ODA Director Coba noted that the Secretary of State audits the ODA, but that the M-76 proposed programmatic audits would be additional and require more effort on the part of the ODA. Currently, the Oregon Watershed Enhancement Board is the lead. There could also be a shortfall if the split between agencies is skewed. As a result, state agencies will experience a possible nine percent budget reduction in natural resources management dollars. Evans said that state agencies could be partners and receive funding through grant proposals.

Toxics reduction strategies: Ray Jaindl, Administrator ODA Natural Resources Division; Steve Riley, ODA Pesticides Division; Mary Lou Soscia, Environmental Protection Agency (EPA); Dick Pederson, Bill Blosser, and Jane O’Keefe, Department of Environmental Quality (DEQ): The EPA and DEQ staff were in attendance for the ODA presentation and perspective on toxics reduction regulations and offered to answer any questions from the board following the ODA presentation.

ODA’s Ray Jaindl and Steve Riley discussed the following (for full text, please refer to handouts “North Coast Agricultural Water Quality Management Area Plan and Regulations,” and “Pesticides and Water Quality in Oregon.”):

- The area plan was developed by the ODA in 2000 in accordance with the Agricultural Water Quality Management Act of 1993.
- Clatsop, Columbia, Tillamook, and West Multnomah Soil and Water Conservation Districts (SWCDs) and a panel of local landowners helped craft the area plan.
- The area plan is a tool that addresses:
 - Geographic area of the plan and its boundaries

- Local water quality concerns in the plan area
- Goals and implementation strategies to encourage conservation and improve water quality
- Optional management practices that landowners may implement to improve water quality.
- Major concerns identified for the North Coast area include
 - Temperature
 - Dissolved oxygen
 - Bacteria
 - Sedimentation
- The North Coast Area regulations require landowners to:
 - Allow regeneration and growth of riparian vegetation for shade and bank stability.
 - Prevent sediment delivery to waters of the state through appropriate construction, use, and maintenance of drainage and irrigation ditches.
 - Ensure tide gates open and close as designed
 - Control erosion above the soil loss tolerance factor
 - Eliminate the placement, delivery, or sloughing of waste into waters of the state

Riley also presented a PowerPoint presentation on pesticides and water quality in Oregon. DEQ Director Dick Pederson, and DEQ staff Bill Blosser and Jane O'Keefe also spoke about toxics and fish consumption rates. Major points included:

- Priority persistent pollutants (P-3)
 - Requirements to Oregon's 52 municipal wastewater treatment plants to monitor for P-3 pollutants
 - Develop reduction plans by July 2011 for detected P-3 pollutants in effluent above trigger levels
 - P-3 list includes 16 currently used agricultural pesticides
- Three major initiatives influencing ODA resources
 - SB 737
 - Toxics reduction strategy
 - Water quality standards rulemaking
- DEQ toxics reduction strategy overall goal
 - Develop an integrated cross-media (water, air, land) approach to reducing high priority toxins in Oregon.
 - Emphasis on reducing toxic chemicals at their source
 - Priority focus list includes 14 currently used agricultural pesticides
- Water quality standards rulemaking, three key initiatives
 - Revise standards for human health based on a fish consumption rate (FCR) of 175 grams per day
 - Implementation of the standards in Clean Water Act (CWA) programs
 - Consider strategies that reduce toxics from sources not regulated under the CWA
 - Direct impact on one to three currently used agricultural pesticides
- ODA has two divisions with water quality responsibilities

- Natural Resources Division (NRD); historically has not addressed pesticides in water.
- Pesticides Division

ODA does not want to duplicate services from the two divisions, however, they are forced to address legislative issues. They have also been delegated to by the EPA to design and implement pesticide management programs in conjunction with the DEQ, Department of Forestry, and Department of Human Services.

In 2007 a team was established to operate under a Memorandum of Understanding (MOU). The interagency team's role was to coordinate and facilitate activities to prevent and/or reduce currently registered pesticides in both surface and groundwater resulting from both agricultural and non-agricultural uses.

The Oregon water quality team has been together for three years and focuses on four key questions:

- Which pesticides have the biggest impact and risk?
- Which watersheds are vulnerable?
- What does monitoring reveal?
- How can we optimize resources to prevent and reduce pesticides in water?

Solutions to the four questions include:

- Which pesticides have the biggest impact and risk:
 - 57 EPA-designated pesticides of interest and concern
 - SB 737
 - DEQ toxics reduction strategy
 - Standards rulemaking and fish consumption rate
- Which watersheds are the most vulnerable:
 - Five Oregon water basins account for 90 percent of non-fumigant pesticide use
 - Middle Columbia
 - Willamette
 - Lower Columbia
 - South Oregon Coast
 - Middle Snake and Boise
- What does monitoring tell us:
 - Herbicides are below benchmarks but still a high number of detections
 - Insecticides have fewer detections but tend to be more toxic to aquatics
 - Fungicides, both "Tilt" and "Headline" were detected in five sub-basins
- What resources are available to reduce and prevent pesticides in water:
 - From ODA:
 - Outreach
 - Registration, labeling, training, and certification
 - Use restrictions
 - AgWQM area plan and rules
 - Enforcement

- From DEQ:
 - Outreach
 - PSPs
 - GWMAAs
 - Monitoring
 - BMPs
 - TMDLs
 - Enforcement
 - From DHS:
 - Outreach
 - Safe Drinking Water Act
 - Enforcement
 - From ODF:
 - Education
 - BMPs
 - Revise forest practice rules
- Overall, the first emphasis is on voluntary prevention and reduction; awareness of issues and options; and good use practices through labels, application equipment, and best management practices.
- In summary:
 - Pesticides are commonly detected in Oregon streams: most at low concentrations, significantly below aquatic life benchmarks.
 - Interagency team collaboration on pesticides in water: ODA Pesticides Division is the lead facilitating agency.
 - ODA Pesticides Division has the authority and the mechanisms to address pesticide-related water quality.
- Challenges ahead:
 - How to address the chronic presence of a pesticide that does not exceed a water quality standard or established benchmark.
 - How to address mixtures of pesticides detected at low concentrations.
 - How to leverage stretched resources to:
 - Conduct consistent monitoring
 - Expand monitoring to include urban pesticide use
 - Expand monitoring to include ground water studies
 - Conduct basin vulnerability assessments
 - Conduct outreach and education efforts

Thursday September 10, 2010

Board members present: Bernie Faber, Doug Krahmer, Pat Dudley, Bob Levy, Stephen Van Mouwerik, Lynn Youngbar, Tracey Liskey, Jan Kerns (Absent: Tom Fessler, Sonny Ramaswamy)

ODA staff present: Katy Coba, Lauren Henderson, Lisa Charpilloz Hanson, Dalton Hobbs, Bruce Pokarney, Jim Johnson, Ray Jaindl, Madeline MacGregor, Jim Johnson, Brent Searle

Other guests: Ken Bailey, Lynn Voigt, Chris Mertz, Michele Knaus, Rick George, Mike Seppa, Mary Lou Soscia, Mike Dickerson, Al Pazar, David Szymanski, Jim Krahn, Daily Astorian reporter Deeda Schroeder

Local Astoria industry panel discussion: ODA Assistant Director Dalton Hobbs; Mike Dickerson, Enterprise Cascadia; Al Pazar, local fishery industry; David Szymanski, Lewis and Clark National Historical site: Assistant Director Hobbs introduced the panel. Dickerson gave a PPT presentation on trends and innovations in rural economic development. Enterprise Cascadia is involved in the Astoria fishing community per the following:

Enterprise Cascadia is a certified non-profit Community Development Financial Institution (CDFI) serving urban and rural communities of Oregon and Washington. Enterprise strengthens family, ecological and economic resilience through consulting, financial and business assistance to entrepreneurs, non-profits and others that deliver economic, social and/or environmental benefits to local communities and the larger region.

Since 1995 the Enterprise team has delivered non-bank investment capital and expert services in new ways to rural people and places experiencing the end of a long tradition of prosperity based on resource abundance. Starting in 2007, these same investment and consulting products were extended to urban communities like Seattle and Portland. Enterprise's products are designed to accelerate the emergence of new traditions for achieving and sustaining prosperity from natural resources.

Enterprise has:

- invested \$60 million in 400 businesses, social and civic ventures that represent new strategies for economic security and ecological health.
- provided over 200 clients with expert advice in matters concerning business strategy, non-profit organizational capacity, new product development, and real estate development.
- made capital investments and services affecting more than 3,058 jobs, and leveraged an additional \$255 million in investment by others.

In 2007 Enterprise merged with Cascadia Revolving Fund and became Enterprise Cascadia, the largest non-bank CDFI in the Pacific Northwest with more than \$70 million in capital assets under management.

Dickerson says that historically Astoria is about fishing, forestry, and trade. Challenges in economic revitalization exist in part to the fact that Astoria cannot be built “upwards” due to the geographical barriers of its steep hillsides. Even though the city has seen an ebb and flow in industry, it still retains an active and vital economic structure.

As a participant in coastal economic restructuring, small towns and cities along the coast are pulling together in what is termed “rural community development,” although additional challenges arise when defining rural, that may limit what communities can accomplish. Astoria and Seaside have retained tourist-based economies but also embrace and rely on fishing and farming to define their infrastructure.

The risks that Cascadia Enterprises define include:

- An inability to focus on what matters in the regulatory and sub-regulatory arena
- Petty politics resulting in false choices and lose/lose situations
- Loss of resources based on infrastructure
- Loss of community identity
- Running out of money; chasing dollars but not thinking about what the community needs
- Reluctance to innovate; difficult to innovate when the local economy is suffering

Assistant Director Hobbs briefed the board on the history of the Astoria fishing and port infrastructure citing the loss of the foundations such as the grain tower. Al Pazar spoke about how many “fishing towns” have turned into boutique towns and felt the loss of entrepreneurship, thus forcing the innovators to become true artisans once again.

Ways that Astorian fishers have re-energized include:

- Developing their own labels
- Developing their own marketing campaigns

David Szymanski spoke about the National Park Service’s (NPS) role in the Pacific Columbia region. The NPS encompasses:

- Six national parks in the region
- It’s mission is to be a steward and partner of shared knowledge
- Primary areas which are served include Clatsop Oregon and Washington’s Pacific County
- The agency serves over two million visitors, 8,000 local children and is the area’s largest provider of experiential education, totaling 2.1 million children annually.
- Provides a pathway for community involvement through tideland restoration and transportation enhancement funding
- Sustains programs with real places and real people
- Provides new tools for economic resilience

- Offers the opportunities to engage students in practical hands-on study and for them to learn how their community functions through:
 - Economic resilience
 - Family resilience
 - Ecological resilience
- The NPS proposes approaches that:
 - Sustain investment in heritage sectors that create opportunities and foster community
 - Builds capacity and facilitates collaboration in a sub-region defined by a shared economy, not lines on a map.
 - Connects stories
- Questions for the future:
 - What is the heritage and culture we want to present?
 - How do we describe the community fabric of our place?
 - How do we avoid individual competition and best position the area as an economic growth region?
 - Can our “new normal” be growth in both amenity and traditional resource jobs?
 - Where is the shared economy?

Al Pazar discussed the region’s recurrent genetic fish sampling and how it helps to mark the river, location, and fisherman where fish are caught. Funding for the project helped 200 fishermen retain their businesses. The project created built-in kiosks at participating supermarkets and provided consumers answers about the source of their locally caught seafood, bringing them closer to the source. The Oregon Salmon Commission has led an incredible effort for the research to the barcode ID system. Beyond the consumer, researchers use the data to monitor how many fish are caught in each region for innovative adaptive management techniques. The Oregon Crab Commission reports that Oregon crabs are flourishing. Dungeness are the single most valuable species and accounts for 20 percent of all seafood sold in the state.

State of Oregon Agriculture: Board of Agriculture Report for the Legislature: ODA

Special Assistant to the Director Brent Searle: The board’s report was reviewed in the subcommittee meetings. Each committee compiled suggestions and edits and the ODA Director’s Office staff reviewed the proposed changes. For more information on the report, please contact Brent Searle in the ODA Director’s Office, 503-986-4558 or email to: bsearle@oda.state.or.us A final draft of the report will be published in hard copy and placed on the ODA web site when it becomes final.

ODA legislative concepts and budget update: The ODA Director’s Office: Director Katy Coba; Deputy Director Lisa Charpillioz Hanson; Assistant Director Lauren Henderson:

The executive staff presented a list of proposed budget cuts required by the Governor’s Office. See the ODA web site at: <http://www.oregon.gov/ODA/budget.shtml> for complete text of the proposed 2009-2011 budget proposal for details. Items discussed among the board members included:

- Fund sweeps and how they affect ODA programs
- ODA’s desire to move away from General Fund dollars

The discussion also centered on legislative concepts for the agency to move forward in the 2011 session. Items of interest included fee increases in the following ODA programs:

- Confined Animal Feeding Operation (CAFO) Program
- Shellfish Program
- Food Safety Division
- Animal Health and Identification Division
- Commodity Inspection Division

Proposed statute changes include:

- Consistent inspection authority
- “Slow-pay/no-pay”
- NPDES (for certain pesticide uses and grass seed industry)
- Firewood regulations (pertaining to Invasive Species Council request)

Director Coba summarized the ODA Policy Options Packages (POPs). Areas and programs targeted include:

- IT maintenance
- Climate change research
- Renewable energy position funding
- Agency fee adjustments
- Food Safety Division staff changes
- Animal Health and Identification Division fees for pet food proposal
- Water quality monitoring
- CREP program funding for dedicated staff position
- CAFO fees
- PURS program reestablishment
- Pesticides Division additional staff
- NPDES-focused staff needed

The ODA “cut-list” was also summarized for the board. A 25 percent cut-list for the 2011 - 2013 budget session is required from all state agencies including the ODA. Unfortunately, once the funds have been reduced, even on a one-time basis, they will be lost forever. It is a likely scenario that the 2010 legislative session will be devoted to the state’s budget.

For ODA, other issues that will come to the forefront will include:

- Poultry processing facility availability
- Farmers’ markets
- Raw milk
- Agritourism

Board subcommittee reports

- ***Natural Resources, Doug Kraemer:*** Doug Kraemer reported on the Oregon Department Fish & Wildlife (ODF&W) agency core areas approach to the habitat migration for the

greater sage grouse in Oregon. For complete details, please visit:
<http://www.dfw.state.or.us/wildlife/sagegrouse/>

A summary follows below:

- The goal of the core area recommendations is to protect essential habitats to meet the objectives identified in the Greater Sage Grouse Conservation Plan. The objective is to avoid, minimize, or mitigate for impacts on sage grouse habitats from energy development, its associated infrastructure, or other industrial and commercial developments.
 - ODF&W's core area approach is consistent with range-wide efforts to map important population strongholds by the Western Association of Fish and Wildlife Agencies.
 - The strength of the core area approach is that it uses biological information to identify important habitats with the objective of protecting the highest density breeding areas.
 - An additional complimentary method was used to approximate seasonal use ranges referred to as "connectivity corridors." Using known seasonal movements and ranges, local and seasonal connectivity corridors were estimated.
- **Land use, Pat Dudley and Jan Kerns:** Kerns and Dudley reported that the committee had spent most of their meeting reviewing the State Board of Agriculture report and making proposed edits discussed in the meeting at large. In addition, the board also discussed the following:

- Amendment needed to Board Resolution #163, permitting uses on high value farmlands. Text as follows:
 - **Background:** Whereas high-value agricultural soils compose less than 8 percent of Oregon's total lands and less than 6 percent of the elands located outside of urban growth boundaries that are also designated for agricultural use under statewide planning goal 3.

Whereas 40 percent of the high-value agricultural soils found in Oregon are located in the Willamette Valley.

Whereas 70 percent of Oregon's population resides in the Willamette Valley and is expected to increase by over 1.7 million people in the next 40 years.

Whereas over 50 land uses are permitted in the exclusive farm use zones, up from five land uses that were initially established by state law.

Whereas increasingly there are cases of non-farm land uses and related activities presenting compatibility issues with farming practices and presenting implications to rural infrastructure and services.

Be it resolved that: The Oregon State board of Agriculture does not support the inclusion of additional non-farm permitted uses on high-value farmland as defined in ORS 195.300(10) and recommends a reexamination of current permitted uses with the goal of reducing those permitted uses.

This action repeals and replaces State Board of Agriculture resolution #163.

Moved by: Tracey Liskey

Seconded by: Doug Krahmer

Motion carried: No dissenting vote. Absent from vote: Tom Fessler

- Water use in the John Day area: rulemaking and action items are necessary.
 - Willamette Valley water supply: Water Resources Department should report to the full board, as the ODA is a major stakeholder.
 - Aggregate mining: need to develop resolution
 - Sage grouse and siting of transmission lines; impacts to private lands
 - Utility siting: permitted on EFUs, yet there is an imbalance in the current system.
 - Agritourism and EFU zones: the Oregon Wine Association will have developed something for the new Legislature by November 2010, but their piece will only apply to wineries, not events. ODA received a request from Representative Brian Clem for possible legislation in November.
- ***Marketing and Food Safety, Lauren Henderson and Lynn Youngbar:*** It was reported that Representative Brian Clem's committee has been reviewing farmers' market producer/processing issues and made recommendations for foods processed in small batches. ODA has neither opposed nor made recommendations from an agency standpoint. The legislative council has drafted a bill. The Oregon Farmers' Market Association has not decided whether they support the initiative or not. The focus is on defining what "farm direct" marketing includes, and expanding what can be sold. High acid or acidified foods (canned) are high on the list to be reviewed.
 - ***Government relations, Lisa Hanson:*** The committee mostly spent its time reviewing the State Board of Agriculture report to the Legislature. In addition to the report edits, the committee discussed a letter from the board to be sent to the EPA regarding the herbicide atrazine. Chair Levy said that any letters sent to the EPA should be based on scientific data and not from an emotional standpoint. The board agreed to draft a letter.

Action item: A letter supporting atrazine will be drafted, signed by the board, and sent to the EPA's Administrator Lisa Jackson.

Moved by: Bernie Faber

Seconded by: Jan Kerns

Motion carried: No dissenting vote. Absent from vote: Tom Fessler

- **OWEB, Dan Carver:** Carver reported on how OWEB is preparing for how much funding will be allotted to the districts and councils. Measure 76 was discussed, and Nan Evans covered that topic in her presentation to the board. OWEB is spending an increased amount of dollars on monitoring already. OWEB knows that the voters will want to know what the results were from the measure's passage and OWEB will extract data from multiple agencies and organizations even though it will prove difficult. In order to support M-76 fully, federal funding will be necessary.

Conclusions of meeting:

- Work on resolutions in the government relations subcommittee regarding tax policies
- Marketing and Food Safety committees have resolutions to work on
- Natural Resources subcommittee needs to work on the Agricultural Water Quality Act and land use resolutions

A discussion by the board on meeting feedback cited the following:

- Small farms
- Measure 66 funds and sustaining salmon and coastal Coho programs
- Defining the goals of the ODA Ag Water Quality Program
- Reconciling the need for water quality in the face of diminished public funds

Agenda items suggested for the next meeting include:

- A presentation from the Water Resources Department authorization in the Willamette Valley
- The Farm Service Agency, Lyn Voight (Most likely in February or March)
- DEQ, Forestry, and the Clean Water Act: focus on point sources versus non-point sources and the Forest Practices Act. It is probably best to invite the Attorney Generals Office to define to the board.
- Specialty Crop Grant review and awards cycle by Katie Pearmine, ODA
- Oregon's Hunger Initiative: what role the ODA might play
- Presentation from the Oregon Environmental Council and joint dinner
- Raw milk issue: report from the subcommittee to the full board
- Welcome to new Board of Agriculture members
- Update from the Port of Portland on closure of locks, Sequential B-5, and container issues

Next meeting: November 30, December 1 and 2, 2010 at Port of Portland Corporate Headquarters, PDX, Portland

Meeting adjourned