COMMISSION ON MARINE RESOURCES

COMMISSION MEETING

Tuesday, June 21, 2016
9:00 a.m.
Bolton State Building Auditorium
1141 Bayview Avenue
Biloxi, Mississippi 39530

Commission Members:

Richard Gollott, Chairman

Shelby Drummond, Vice Chairman

Steve Bosarge

Ron Harmon

Ernie Zimmerman

Also Present:

Jamie M. Miller, Executive Director DMR
Sandy Chestnut, Esq., Assistant Attorney General

COMMISSIONER GOLLOTT: Good morning everyone. I would like to call this meeting to order.

First thing on the agenda is the Pledge of Allegiance and I'm going to ask Jamie Miller to lead us.

(Whereupon, the Pledge of Allegiance was recited.)

COMMISSIONER GOLLOTT: Next, we have approval of the minutes.

Do I have a motion, or any modifications to the minutes?

COMMISSIONER DRUMMOND: So moved, Mr. Chairman.

COMMISSIONER GOLLOTT: We have a motion.

Do we have a second?

COMMISSIONER ZIMMERMAN: Second.

COMMISSIONER GOLLOTT: All those in favor say aye.

(All in favor.)

COMMISSIONER GOLLOTT: Opposed?

(None opposed.)

COMMISSIONER GOLLOTT: Motion carries.

COMMISSIONER GOLLOTT: Next, approval of the agenda.

I would like to make a modification to the agenda. Under F, I would like to move five to four and four to five.

Do we have any other modifications?

(No response.)

COMMISSIONER GOLLOTT: If not, can I have a motion to approve the agenda?

COMMISSIONER ZIMMERMAN: I would like to move to change the agenda, as you discussed, Mr. Chairman.

COMMISSIONER GOLLOTT: We have a motion to approve it as modified.

Do I have a second?

COMMISSIONER BOSARGE: So seconded.

COMMISSIONER GOLLOTT: We have a motion and a second.

All those in favor say aye.

(All in favor.)

COMMISSIONER GOLLOTT: Opposed?

(None opposed.)

COMMISSIONER GOLLOTT: Motion carries.

Next on the agenda we have the Executive Director's report.

JAMIE MILLER: Thank you, Chairman Gollott.

As you know, this is Commissioner Shelby's last meeting to serve on the Commission, and we wanted to take just a moment to recognize his service and, also, his career. I would like to take that opportunity, now, during my report.

We had to go deep into the archives to find all of Shelby's history and career, but we finally got it all together.

If you give me just a moment and recognize some of these pictures on the screen, I'm just going to read a few comments about his career and service.

Shelby B. Drummond retired, in 2003, with forty years of service with the National Marine Fisheries Service in NOAA, under the Department of Commerce.

He began his career in Pascagoula in 1963 with the Bureau of Commercial Fisheries, the predecessor to the National Marine Fisheries Service, going to sea on a NOAA ship.

Drummond attended Ole Miss and graduated from Delta State University with a B.S. degree in Biology and some later graduate work through the Gulf Coast Research Lab in Ocean Springs.

He has published scientific papers in his fields of interest, including being a co-author of the Gulf of Mexico Shrimp Atlas that was published in 1969.

He was among those nationwide recognized for thirty years of employment with NOAA, on NOAA's thirtieth anniversary.

Shelby Drummond served sixteen years on the Gulf of Mexico Fisheries Management Council Special Ground Fish

Scientific and Statistical Committee.

In 2004, Commissioner Drummond was appointed to the Commission on Marine Resources by then Governor Haley Barbour.

He has served the State of Mississippi well through the most challenging times in the Agency's history, including Hurricane Katrina and the BP oil spill.

He is well liked by his colleagues on the Commission, as well as Agency staff. He is known for being well dressed and his quick wit.

Commissioner Drummond, on behalf of the Commission on Marine Resources, the department staff and myself, we would like to present you with a plaque and thank you for your twelve years of service to this agency and our state. You are going to be missed.

Our only request is that you not give up on teaching Commissioner Gollott how to catch speckled trout.

At this time, I would like to give other Commissioners an opportunity and you first, but let me present you with this plaque on behalf of the Commissioners and the agency.

Commissioner Shelby, you may want to speak first, before your colleagues speak, or you may want to reserve your comments to hear what they have to say about you.

COMMISSIONER DRUMMOND: I would like to say a few words, Jamie.

First of all, I didn't know it was going to be so quick, but it is.

Should I sit down, or stand up?

JAMIE MILLER: If you sit down, they can hear you through the microphone.

COMMISSIONER DRUMMOND: First of all, I would like to thank the DMR staff. That includes legal people, Fisheries group, our Coastal Resources group, our Environmental group, and our administrative group. All these people have been good to me, and I appreciate it very much.

I also would like to thank the fishermen that have come to all these meetings over the years since I've been here. They have contributed to the meetings, and the Commission is quite thankful for that. They had some good ideas. They helped the Commission in making decisions. I thank all the fishermen and the citizens that have attended the meetings over the years.

I also would like to thank WLOX. They have covered the meetings, ever since I've been here. Doug is covering us today. Steve, I don't think missed many of our meetings.

There are some good things and bad things, and

those have been mentioned, but sad things seem to crop up at this time and they are really significant. Those include Katrina that just about devastated our beautiful Mississippi Coast and it also devastated our infrastructure in the fishing industry, but they have seemed to come back.

Then, low and behold, here comes the oil spill, and we really don't know what affect it is going to have in the years to come. Hopefully, it won't have any affect.

I would like to say, right now, that this Commission over the years has met, they have done some real good things and maybe not so good things, but today I brag on this Commission. They have done the commercial fishing industry and the sport fishing industry really well, and I'm appreciative of that because I had some function in that.

Today, I bid farewell to this Commission. It is something I enjoyed doing, and I look forward, with a lot of enthusiasm, to what this Commission will bring forward.

Thank you very much.

COMMISSIONER GOLLOTT: Well, since Shelby just about took up the whole meeting with his speech, I'll just say it has been a pleasure serving with Shelby. I never knew what he was going to do. He kept me on my feet all

the time. I hate to see him go.

We thank you for your service, Shelby.

COMMISSIONER DRUMMOND: Thank you.

COMMISSIONER GOLLOTT: Anyone else?

COMMISSIONER BOSARGE: I just want to say that I've known Shelby for a long because he was involved -- well, he worked for the Fishery service and I've been involved back and forth with them. It was a pleasure being in his presence back then and the things that he did to help my industry especially.

It has been a real pleasure working with him. It has been an honor and a privilege.

I hope that you can have a little more time to do a little more fishing, Shelby.

We will miss you and we will miss the comical side of you. You keep us going. Good luck.

COMMISSIONER DRUMMOND: Thank you, Steve.

COMMISSIONER GOLLOTT: Next, I would like to recognize Senator Mike Seymour who snuck in. I didn't see him. He just came in. You are welcome, senator.

MIKE SEYMOUR: Thank you.

COMMISSIONER GOLLOTT: Next, we've got Marine Patrol, Keith Davis.

RUSTY PITTMAN: Good morning Mr. Chairman, Commissioners, Director Miller, Ms. Chestnut.

First of all, it's a happy day and a sad day.

The happy day is it's great to see Commissioner Zimmerman back with us.

It's a sad day that Commissioner Drummond, it's your last day and your last meeting. We have enjoyed working with you the last twelve years.

I do want to thank you for one thing. You are one of a few Commissioners, in the last twelve years, that when I walked up here, you never asked me to please stand up when I'm speaking to you. Thank you so much for that.

On the citation report, there are a few things I would like to mention.

You will notice, on page two, under Miscellaneous Commercial Seafood Violation Citations -- we have never seen this -- possession of Spiny Tail Lobster, and I don't know of any Spiny Tail Lobster around here, but it was during a closed season. It's a Federally closed season for Spiny Tail Lobster from April to August, and this fisherman was in possession of that, when the officer checked.

COMMISSIONER GOLLOTT: Where did he come from?

RUSTY PITTMAN: I would like to find the fisherman so I could ask him that. I even talked to Scott in Alabama and he would like to know that, too.

COMMISSIONER GOLLOTT: Do you think the guy just

bought it and brought it on his boat to eat?

COMMISSIONER BOSARGE: I can tell you down there around the mouth of the Mississippi River -- I don't where he was caught -- every now and then you will catch a Spiny Tail Lobster. It's just the way the bottom is and the holes. You fall off in one of those holes just right, and, at times, you will come up with a Spiny Tail Lobster. That's the only time I've seen Spiny Tail Lobster in the Gulf.

I did not realize that closure covered the whole Gulf. That's one of the questions I had for you.

RUSTY PITTMAN: It does. I checked on that to make sure, and it does.

Also, under Fishing Violations, it has a prohibited species. That has to do with that Dusky Shark at the rodeo over in Hancock County.

COMMISSIONER BOSARGE: I was curious, Rusty. One of the questions I had was when it comes to the reef fish and the fish out in Federal waters, are those still just State citations?

I get a little confused, when we do the administrative penalties.

RUSTY PITTMAN: This one actually could have gone to NOAA. I think we did do a pack and sent it to NOAA to let them handle this one.

COMMISSIONER BOSARGE: I see Red Snapper, Triggerfish, Amberjack.

RUSTY PITTMAN: Right, and, of course, those cases will come to State Court. The Red Snapper and Triggerfish will come to State Court. NOAA doesn't like to deal with those.

Also, total citations are a little bit down from last year. One reason is for the Courtesy Citation Program that we started. When we write a courtesy citation, it's usually for a minor violation. We hope to educate the public, and we would rather write a courtesy citation than a criminal citation where they have to go to court.

Now, of course, if we check the same people over again and they are in violation again, they will be written a citation.

As you can see, we have written, this year, eight hundred and twenty-one courtesy citations.

Also, if you compare the stops we had last year with the stops we have this year, we are fifteen thousand stops above last year's stops. We are out enforcing every day, every weekend. You will see us everywhere on all the waterways.

We are kind of really looking at it as compliance is going up a little bit, especially in the

boat-and-water safety category. Our boat-and-water safety violations have dropped.

Then, on our JEA patrols, we had a total man hours of five hundred and twenty-four, and we did issue fourteen enforcement action reports to NOAA, but some of those are going to probably be minor violations.

Again, Commission Drummond, I hate to see you go. Enjoyed the last twelve years working with you, and Jan asked me to ask you to line us up a dove hunt this fall.

Now, I would like to turn it over to Chief Davis.

COMMISSIONER GOLLOTT: Rusty, one minute before you go. I've got a question for you.

I was asked the other day, have you still got your Loaner Life Jacket Program in place?

RUSTY PITTMAN: We do still have it in place. As a matter of fact, we purchased some more life jackets about a month ago. Some of them that haven't been returned, those are the ones that had to go to court to pay the fine.

COMMISSIONER GOLLOTT: That's a good program. Thank you.

RUSTY PITTMAN: Thank you.

Chief Davis.

KEITH DAVIS: Good morning Commissioners. I'm here today to do a special presentation, or recognition.

Before I get into the recognition, I would like to point out that the Director of the Gulf Coast Research Laboratory is here with us today. Monty Graham and his staff, I would like to recognize them.

With the summer season upon us, people are chomping at the bit to get out and enjoy the Mississippi Gulf Coast and the environment.

As we have said in other meetings, we would like to remind people that this is the time to make sure that your safety equipment is in place and you have a good plan. Today's recognition involves dusting off those plans and safety.

The Gulf Coast Research Laboratory actually rescued two individuals, and I would like to just kind of give you an overview of what happened that day.

On Wednesday, May 18th, the University of Southern Mississippi Gulf Coast Research Lab employees, Paul Beaugez and Aaron Lamey were aboard the research vessel Miss Peetsy B with a group of South Park Elementary students from Vicksburg, Mississippi, on an educational shrimping tour.

A day that should have been filled with excitement and adventure for students quickly turned into

a rescue operation, when Captain Beaugez and crew noticed two kayakers in distress south of Ocean Springs.

The kayakers were not equipped with personal flotation devices, at the time. The vessel was submerged, causing them to stroke to remain afloat.

Captain Beaugez and Crewman Lamey realized immediately that the boaters were in a life-threatening situation.

Captain Beaugez and Crewman Lamey quickly positioned themselves and their vessel, gathering lifesaving equipment to retrieve the victims from the choppy sea conditions.

The elementary students onboard, their trip seemed as if it was going to be a disaster. However, it was saved by quick response and due diligence of Captain Beaugez and Crewman Lamey.

Instead of a disaster day, the students witnessed heroic efforts that displayed the importance of quick decision-making abilities and how being prepared for emergencies on the water can save lives.

It is with great honor that the Mississippi Department of Marine Resources recognizes Captain Paul Beaugez and Crewman Aaron Lamey for their lifesaving efforts shown on May 18th, 2016. Both have proven themselves as assets to not only the University of

Southern Mississippi Gulf Coast Research Laboratory, but to the citizens of the State of Mississippi.

Please join me in recognizing these two individuals for their efforts that day.

I'm presenting them with two Certificates of Appreciation on behalf of Director Jamie Miller and the Mississippi Department of Marine Resources, Marine Patrol Division.

Congratulations.

PAUL BEAUGEZ: Thank you.

AARON LAMEY: Thank you.

KEITH DAVIS: Thank you Commissioners for indulging us.

COMMISSIONER GOLLOTT: Next, we have Marine Fisheries, better known as the Joe Jewell show.

JOE JEWELL: Thank you Chairman Gollott.

I would also like to take a few moments to recognize the contributions that Commissioner Drummond has made.

I have known Commissioner Drummond for almost three decades now, and I would like to acknowledge the scientific contribution that he has made here in Mississippi in our scientific community.

I also would like to acknowledge that Shelby is one of the few Commissioners that looks up to me in my

role here at the DMR.

I would also like to recognize one of the people in his career that kept him straight and kept him on the narrow path. Ms. Diane Hill Cantrell is here, his executive secretary for just over a couple of decades.

Do you recognize her, Shelby?

COMMISSIONER DRUMMOND: I do. Thank you.

JOE JEWELL: And we appreciate all that you have contributed here in your career and tenure on the Marine Commission, Shelby. Thank you.

COMMISSIONER DRUMMOND: Thank you, Joe.

JOE JEWELL: That being said, I'm going to go into the agenda.

As you know, I give some updates on some relevant things that are occurring here in Marine Fisheries and at the DMR.

First up, I would like to give a brief update on the progress we are making on our flagship, the Conservationist.

As I noted last Commission meeting, we ordered the overhead winches. They have come in and they are currently being installed.

The pumps for the water system, they are in and they are being installed. These are the large pumps that will wash over the shell and cultch material.

The engine, as I noted last Commission meeting, has been installed, is in place, and all the electrical and wiring and all the other ancillary equipment is being installed on the engine. Enough progress is being made on the engine installation that they are likely going to start testing the motors next week.

The paint process has begun. That will probably start later this week, or early next week.

Shortly thereafter, the windows, doors, electrical and wheelhouse work will begin.

Our next update is the commercial quota.

Flounder, the commercial quota is seventy-four thousand pounds. To date, we have three thousand four hundred and ninety-four pounds harvested.

Red Drum, the overall quota is sixty thousand pounds divided up into three periods; January through April, May through August, and September through December. Twenty thousand pounds each period. To date, we have harvested thirty-five thousand six hundred and seventy-nine pounds.

Spotted Seatrout, the quota is fifty thousand pounds. We are currently at twenty-eight thousand seven hundred and twenty-one pounds.

Next, I will give you a brief report on the Spotted Seatrout Stock Assessment.

As reported at the last Commission meeting, the Spotted Seatrout Stock Assessment was sent out for external peer review on Friday, April 29th. We gave a thirty day deadline. That put it somewhere towards the end of May. There was the Memorial Day weekend. So we just left it at May 31st.

We have received all three external reviews. These reviews have been assessed by the internal DMR review committee and sent on to the GCRL component of the Joint Stock Assessment Committee for consideration and processing. We are still on track for the overall presentation for the July Commission meeting.

Next, I want to give a brief update of the 2016 Red Snapper season.

As you know, the Commission voted on the State season which started May the 27th and runs through September the 5th, for a total of a hundred and two days. It essentially runs from Memorial Day through Labor Day.

The Federal season for recreational was June 1st through June 9th which is, again, one of the shortest recreational seasons we have had on record.

Because of tropical storm Colin, the Feds extended the season for a couple of days. It runs June 1st through June the 11th, for eleven days.

The Federal season, the charter-for-hire season

is June the 1st through June the 16th.

I do want to update the Commission. We have done several press releases. The information was posted on our web page. We targeted three upper counties, Pearl River, Stone and Greene. We also targeted the metro Jackson area. We added TV and radio stations in Alabama and Louisiana. We have done this for Mississippi residents.

We also did it for those residents in Alabama and Louisiana and the eastern and western portions of the Coast so that we get the information out to those residents so they would be aware of our program.

I want to give the Commission some of the data results to date through June 17th which is the past Friday. This is the grand total for all components of the Fisheries.

The average weight is about five point eight pounds. The average length is about twenty-one and a half inches. Trips take by all groups is about eleven hundred. The number of anglers is just over four thousand. The number of fish harvested is about fifty-nine hundred. The total weight harvested by all groups, at this point, is about thirty-four thousand six hundred pounds.

Next, I want to give a summary of the shrimp season, where we are.

I want to give a little background, before I get into the details of the Mississippi season.

Louisiana opened their waters for shrimping, on both sides of the river, on May the 23rd. Their State law is a hundred count per pound.

Alabama opened their season on June 1st this year and, from now on, they will open on June 1st. It's a State law. They no longer open on count per pound. It's just open on June the 1st.

Mississippi opened theirs on June the 6th, after sampling showed the average brown shrimp size, in the Mississippi Sound, had exceeded the legal size of sixty-eight per pound.

A little history behind that. Since 1975, Mississippi's average opening date is about June the 10th. Since Katrina, the average opening date is about June the 8th. We opened on about average that we have over the past ten years.

We estimate there to be about two hundred and fifty-five boats working that opening day. We didn't get as accurate a count as we normally do because we had bad weather and the plane wasn't able to get up. We relied heavily on our boat count. We had two boats out in the Sound counting that day.

The average number of vessels counted on opening

day, since 2006, not including 2010, is about two hundred and sixty-nine. The lower number of boats could be attributed to the bad weather and the low shrimp prices.

With that being said, we will go into the actual agenda items, and the first up will be Mr. Scott Gordon giving a presentation on the Shell Retention Fee in the legal program.

JAMIE MILLER: Scott, before you start, let me remind everybody in the audience if you would like to make a public comment on any of the agenda items, or just general public comments, we would ask that you fill out the form that is in the back of the room. On that form, it asks you to identify the agenda item that you would like to speak to, and the Commission will recognize you during that agenda item.

If you do not choose to speak on a specific agenda item, then, we will wait until the end of the meeting under general comments.

If you would like to speak, please make sure you fill out a form and we will have someone bring it to us.

Thank you.

SCOTT GORDON: Good morning, Mr. Chairman, Commissioners, Counselor Chestnut and especially Vice-Chairman Drummond.

I truly appreciate your service to the State of

Mississippi and it is sad to see you leave the Commission.

The Commission had requested that we look into and report on the Shell Collection versus Shell Retention Fees, the definitions. There was some confusion over what our practices are. That's what the purpose of this presentation is.

I want to go over some of the laws. I'm not going to dwell too much on this, but 49-15-7 says that all oyster, clam cay shells and other shells are declared to be property of the State.

You can see right here "All shells" -- and it goes into a long definition -- "being upon, or under the bottom of, or under the tidewaters within the territorial jurisdiction of the State of Mississippi, and all beds, banks and accumulations of such shells within such territorial jurisdiction on, or under, the bottoms of such waters, or surrounded by such waters, being the property of the State of Mississippi are hereby further declared to be the property of the State of Mississippi under the jurisdiction of the Commission" (indicating slide).

That leaves no doubt shells that are in, or on, or under, the waters of the State of Mississippi belong to the State. This statute goes back quite a number of years and the main purpose of this is to establish ownership of the shells so there is no question.

There are still some remnants in the statute. 49-15-38 sets forth culling requirements, collection and planting of shells, penalties and fees for failure to deliver shells.

The last two-thirds of this are really relics that are in the statute.

If you look in Section 3, this says that any person, firm, or corporation, failing, or refusing, to pay the shell retention fee required under Section 49-15-46 to the department, they would be guilty and they could be fined and what the penalties would be for that.

In 49-15-46, this sets up the licensing and fees for the vessels engaged in catching, taking, carrying, or transporting, oysters, and, then, also, down here, shell retention fees (indicating slide).

If you skip down to Chapter 6 in this section, "The Commission shall assess and collect a shell retention fee for the shells taken from waters within the territorial jurisdiction of the State of Mississippi as follows", and it sets up a schedule for that (indicating slide).

The commercial and the recreational harvesters, they would have to pay fifteen cents per sack on the day of harvest. The initial oyster processor, fifteen cents per sack paid to the department no later than the tenth

day of the month following the purchase on forms submitted by the department (indicating slide).

We actually are collecting both in our check stations from the harvesters that day, and, then, from the trip tickets, we will collect another portion from the dealers.

Then, there are some provisions in here, if they are transporting their catch out of state, how much they would have to pay, and commercial harvesters not selling their oysters to a Mississippi dealer, how much they would have to pay.

Then, finally, in 49-15-46, "Funds received from the shell retention fee shall be paid into a special fund in the State Treasury to be appropriated by the Legislature for use by the Commission to further oyster production in this state which includes plantings of oysters and/or cultch material" (indicating slide).

I think this is where some of the confusion came in. This particular section 49-15-15(3d) of the Mississippi Code had been repealed sometime in the past.

This also said that one hundred percent of all the oyster shells produced from oysters taken from the public reefs are declared to be the nontransferable property of the State of Mississippi, and all persons, firms, or corporations -- shall deliver to the Commission

one hundred percent of the oyster shells taken, or processed, by such person, firm, or corporation, delivery of the same to be at the place of business of the oyster processor, dealer, or factory. The Commission shall order that such shells be spread on the public reefs of the state to improve the oyster beds. Seems like a good idea.

COMMISSIONER GOLLOTT: Has that been --

SCOTT GORDON: (Interposing) That particular section is repealed, and that was replaced by the shell retention fee, or what we call in lieu of tax.

COMMISSIONER GOLLOTT: Scott, excuse me. I thought we went to the legislature this year and asked them to let the Commission set the fees on these oyster shells because we weren't getting enough money to even half pay for the cost of the shells, now.

SCOTT GORDON: I don't believe that had passed.

JAMIE MILLER: That legislative proposal did get introduced. It did not pass out of committee.

SCOTT GORDON: When I took over the Shellfish Program -- this is going a long time back -- we used to collect the shells from the dealers. We had to have a stockpile location. We had a front end loader and a flatbed trailer to haul it around on, and a seven cubic yard dump truck.

We would keep up with who is buying the oysters

and how much they owe us, and it was a pretty big accounting feat to keep up with all of that.

When we did collect these, we would stockpile them and, when we got enough, we would load them up on the Conservationist.

I'm hoping, as soon as the Conservationist gets back in service, we are going to be putting it to work. we will probably be doing some of this and also cultivating some of the reefs and maybe relaying some oysters to different areas (indicating photographs).

It was a pretty lengthy process to go through, getting oysters from all over the Coast, wherever the processors happened to be, and transporting them to our stockpile site, and, then, moving them from there to where the Conservationist was, getting that loaded, and, then, going to the location where you are going to put the shells out. That was a pretty ambitious process, and we did that to the best of our ability.

This is an alternate way that we have used successfully where we would go out on contract to get a company to provide us with the suitable cultch material, and, then, they would deploy it onsite. For any of the larger activities, this is the most efficient way to go.

If you look at the logistics -- I chose for this just looking at a two hundred and seventy-five thousand

sack season. That's a mediocre oyster season when we are back to normal -- with two hundred and seventy-five thousand sacks of oysters, that's five hundred and forty-four thousand five hundred cubic feet of shell per year. That translates into twenty thousand one hundred and sixty-six cubic yards of shell per year.

With our seven cubic yard dump truck, that's two thousand eight hundred and eighty-one loads by the dump truck.

That also converts to the Conservationist can handle about sixty-six cubic yards of material. That would be three hundred and five loads with the Conservationist, and that took about fifteen hours per load to load it and get it deployed. So we are talking about five hundred and seventy-two days a year.

With my last calculations, there were three hundred and sixty-five days a year. The legislature allows us to get off State holidays and weekends and things like that.

As you can see, that's why we went to the Shell Retention Fee, and I have seen where we collected all the shell from the dealers and, if you are not collecting them all equally and fairly getting the same amount, and there was no way to get all of them.

Sometimes in Pearl River County, we would have

somebody that would have a few cubic yards of shell. If we didn't get it from there, then, somebody else would feel that we are not being fair to them.

The Shell Retention Fee, even though it may have its faults and it may need to be adjusted, I think it is the best way for us to go.

I thought you would enjoy this picture. I think Shelby is in here somewhere. That might be him leaning on the shovel.

Are there any questions?

COMMISSIONER GOLLOTT: Aren't shells the very best cultch material that we can possibly get, Scott?

SCOTT GORDON: I believe so. They do best, when they are not containing oysters, to grow more oysters.

COMMISSIONER GOLLOTT: We should really work on trying to get more of these shells back.

SCOTT GORDON: We put out as much oyster shell as we can get our hands on. Right now, we are in the permit process, trying to get permitted to do some of these cultch plant activities. We are about a year into the process. We are going to do our best to try to get out as much cultch material, including oyster shells, as we can.

COMMISSIONER GOLLOTT: Do you know right offhand what it costs us to bed a cubic yard of oyster shells?

SCOTT GORDON: Of oyster shells?

COMMISSIONER GOLLOTT: Any cultch material.

SCOTT GORDON: I think the last time we've been in the sixty to seventy dollars a cubic yard range for the contractor to provide and deploy on location that, and I think that's pretty decent.

If you look around the country, they are a lot more costly. We do it as efficiently as possible. We are soliciting bids, right now, for a cultch plant under the Bonnet Carre.

COMMISSIONER GOLLOTT: Where I'm going with this is how much are we collecting?

Are we even coming close to collecting enough to buy them and rebed them?

SCOTT GORDON: No, but, if you were to increase it to the amount that it would be to replace shell-for-shell, we are not going to be able to be competitive against all the other states with the cost of our shell. You would be looking at maybe four, or five, dollars per sack Shell Retention Fee.

COMMISSIONER BOSARGE: Scott.

SCOTT GORDON: Yes, sir.

COMMISSIONER BOSARGE: In talking with some of the fishermen over the years, they have mentioned to me -- when we talked about shells and shell retention fees and

planting shells, I have had a vast majority of those fishermen say that they would love to have the opportunity to be able to take their shells, or the equivalent of their shells, back out and plant them back on the reefs themselves.

I know that would probably be a logistical nightmare maybe, but something maybe to think about that would be beneficial to both.

SCOTT GORDON: That is one of the things that has been discussed in our Oyster Stewardship Program, to get them involved with doing that because, a lot of times, those oysters are going to be shucked either the same day they are harvested, or the next day, and there is a lot of small live oysters that may remain on those shells. If we could get those quickly and put them out back on the reef, that would be the ideal situation, but there are some logistical problems with that, also.

COMMISSIONER BOSARGE: Give it some thought and see if there is a way, whether you have to stockpile shells close to the checkout station where, with their ten sack limit, they could get their ten sacks of shells maybe in lieu of the retention fee, or something.

In other words, it would save money for the state and those guys, they would really like to put the shells kind of where they want them within the range.

SCOTT GORDON: If they weren't fresh shells that still had live either seed, or spat, on them, the timing is very critical when you are putting out the cultch material because you want to be able to catch the spat, unless, like I said, you already have seed, or spat, on the shell that you are putting out, live seed, or spat.

COMMISSIONER BOSARGE: I think their thoughts were more, instead of continuing just to take material away, to be able to put material back as they take it off.

COMMISSIONER GOLLOTT: Sounds like the State would make money by letting them do it. It wouldn't cost us nearly as much per cubic yard to let the fishermen put them back out, if we let them put them where they wanted to on the reefs, or something like that.

SCOTT GORDON: Well, there is so much that could be added to the discussion, but we can certainly continue to look into it and see if we can come up with something that is workable.

COMMISSIONER GOLLOTT: We need to come up with something, Scott. Thank you.

SCOTT GORDON: Thank you.

JOE JEWELL: Thank you, Scott.

Next up for the Commission's consideration are modifications to Title 22 Part 9.

As the Commission may remember, at the last

Commission meeting, we brought forth a proposal to modify Part 9 to incorporate specific requirements for the TailsnScales Program.

The Commission requested, at its last meeting, that we make some minor adjustments to the presentation and to the language to be incorporated into Part 9 and that I send that out to the Commissioners for their review.

I did that. I made those specific modifications to the language and I sent that out to the Commissioners to review. I received their input, and I will be presenting those modifications to the title and part that addresses specifically the detailed program requirements for the TailsnScales.

First up, in Section 100, these are requirements for private recreational fishermen reporting programs. These are very generalized ones, and they may include VMS, EFP's, trip tickets, onboard observer programs and any potential future programs.

In subsection 100.01, it requires compliance with the TailsnScales Program for private recreational fishermen harvesting Red Snapper. It makes the Captain of the vessel responsible for ensuring that someone onboard has the landing code from the TailsnScales Program.

Subsection 100.02 requires compliance with the

TailsnScales Program for private recreational fishermen harvesting any additional species and, again, makes the Captain of the vessel responsible for ensuring someone onboard has the landing code from the TailsnScales Program.

Section 101 requires charter and head boats reporting programs that include VMS, EFP, trip ticket, onboard observer programs and any other potential future programs.

Subsection 101.01 requires compliance with the TailsnScales Program for charter and head boat harvesting Red Snapper, makes the Captain of the vessel responsible for ensuring someone onboard has the landing code from the TailsnScales Program.

Subsection 101.02 requires compliance with the TailsnScales Program for charter and head boat harvesting any additional species and, again, makes the Captain of the vessel responsible for ensuring someone onboard has the landing code for the TailsnScales Program.

If the Commission agrees with that modified language, I need a motion to proceed with the Notice of Intent.

COMMISSIONER BOSARGE: I think you got it that time, Joe. I believe.

I will make the motion to proceed with Notice of

Intent for Title 22 Part 9.

COMMISSIONER GOLLOTT: We have a motion.

Do we have a second?

COMMISSIONER HARMON: I'll second that motion.

COMMISSIONER GOLLOTT: We have a motion and a second.

All those in favor say aye.

(All in favor.)

COMMISSIONER GOLLOTT: Opposed?

(None opposed.)

COMMISSIONER GOLLOTT: Motion carries.

JOE JEWELL: Thank you.

Next up is Mr. Matt Hill with modifications to Title 22 Part 7 for recreational Gag and Black Grouper.

MATT HILL: Thank you, Commissioner Bosarge.

Commissioners, Director Miller, Sandy, I'm up here today and, first, I would like to also express my appreciation to Commissioner Drummond. He has always been fair and reasonable to my staff and myself, and I appreciate that.

We have had some good times. We have had some bad times. We have had some very bad times, and he has always been fair to us, and I would like to acknowledge an appreciation for that.

COMMISSIONER DRUMMOND: Thank you.

MATT HILL: I'm up here today to discuss recreational size changes to Gag and Black Grouper. These occur in Title 22 Part 7 Chapter 8 of our rules and regulations.

On April 25th of 2016, we received a fisheries bulletin from NOAA NMFS to increase the size limit from twenty-two inches to twenty-four inches for both Gag and Black Grouper in Federal waters. This is expected to provide more opportunity for Gag and Black Grouper to mature before entering the fishery and creates consistent recreational size regulations with those developed by the South Atlantic Fishery Management Council and the state of Florida for Gag and Black Grouper.

The state of Florida is the leader in the research on both of these species. Alabama is expected to follow suit shortly to actually make these increases.

We have done this recently for Triggerfish. We went from twelve inches to fourteen inches. So this is a precedented move.

We do try to stay as consistent as possible, when it benefits our fishermen and the Commission sees that it benefits our fishery in some way, shape, or form.

We do have noncompliant seasons, as we know, but we try to keep our size limits and bag limits compliant with the Federal mainly for enforcement purposes.

This currently occurs in Chapter 8 Section 102 Subsection 102.10, recreational bag, possession and size limits, Gag and Black Grouper. They are both twenty-two inches. We are proposing to move that to twenty-four inches to total length.

We do this on a case-by-case basis. It gives the Commission the flexibility to decide whether the Federal bag, possession and size limits are appropriate and beneficial for the fishery and Mississippi's territorial waters.

If the Commission so desires to implement these changes in the State of Mississippi's territorial waters, a motion for Notice of Intent to amend Title 22 Part 7 Chapter 8 Section 102 Subsection 102.10, recreational size limits for Gag and Black Grouper from twenty-two inches to twenty-four inches.

COMMISSIONER GOLLOTT: Do I have a motion?

COMMISSIONER DRUMMOND: So moved, Mr. Chairman.

COMMISSIONER GOLLOTT: We have a motion.

Do we have a second?

COMMISSIONER BOSARGE: So seconded.

COMMISSIONER GOLLOTT: We have a motion and a second.

All those in favor say aye.

(All in favor.)

COMMISSIONER GOLLOTT: Opposed?

(None opposed.)

COMMISSIONER GOLLOTT: Motion carries.

MATT HILL: Thank you.

JOE JEWELL: Thank you, Matt.

Before I get started into the presentation, I want to take a few moments and make a couple of opening comments because there is a little bit of confusion going on, and I think a lot of it may be on my part.

There are a couple of processes that are currently going on, right now. There is currently a permit process for off-bottom aquaculture, and that is a separate process from what is going on with the modifications for Title 22 Part 13.

As the Commission previously heard, we requested a modification to Title 22 Part 9, to Title 22 Part 7 and you will hear a request for Title 22 Part 1.

These are standard operational changes that we routinely make to our regulations for a lot of different reasons and, again, we are going to ask for some regulatory changes to Part 13 which is part of our routine and standard operational procedures within the DMR, when certain events, or certain justification, occurs.

There have been some regulatory changes that have occurred at the ISSC, there have been some regulatory

changes that have occurred in state government in some of the statues, and, then, the Governor's Oyster Council has proposed some modifications and some additional changes to our overall oyster program.

With consideration of all of those, we have made some modifications to Part 13 to incorporate those.

Now, that is not part of the permit process that is occurring for off-bottom aquaculture. That is a separate process. That is independent of this process. Those two are, at this point, mutually exclusive. They don't overlap, but, at some point in the future, they will overlap.

If and should the permit process for off-bottom aquaculture proceed, these would be the rules that would be in place that would govern that process.

There are several people in the audience that I have spoken to that have a vested interest in the off-bottom aquaculture and they also have an interest in the regulatory process.

I want to make sure that we are all onboard and we understand that these, at this point, are two separate processes, as we proceed into the suggested changes for the modification of Part 13.

With that being said, I'm going to proceed into the proposed changes.

I thought I would try and provide sort of a road map, as we move into the regulatory changes. If you will notice, in the old Part 13, there were eleven chapters. In this one, there are twelve chapters. The only additional chapter is Chapter 9 which is Chapter 19 from Part 1 which is the reason why I had asked the Commission to modify the agenda to put 13 first, so that we could consider the movement of 19 into Part 13, as we move forward.

The ones that I have highlighted, the ones that are in yellow are where the substantive, or the important, changes occurred, and they are in Chapter 4, the requirements that apply to all aquaculture operations, and those will be in slides four through nine.

If you notice in Chapter 5, there is only one slide. There is only one change that occurs and it is in slide ten.

Another chapter where substantive changes occur is in Chapter 6, and these are the ones that apply specifically to molluscan shellfish aquaculture.

In chapter 7, these are the monitoring program requirements, and they occur in slides eighteen through twenty-one.

There is one change that occurs on slide twenty-two in Chapter 8.

Then, again, there are a lot of substantive changes that occur in Chapter 9. This is the old Chapter 19 in Part 1, but a lot of the changes that occur in Chapter 9 are simply rewording and reorganization changes that occur. There is not a lot of new stuff in there, although there is some new stuff.

With that said, let me unbind here and we will get started (indicating documents).

First up is Chapter 3 which are really minor changes. These are changes to the definition sections. It was simply alphabetized. There were four definitions before. Now, there are six. We included definitions of on-bottom aquaculture and off-bottom aquaculture.

Chapter 4, again, some of the substantive changes occur on this slide. We deleted language describing environmental assessments and buffers. These already exist and are under the authority of agencies such as the Corps of Engineers, DEQ and the U.S. Coast Guard. During the review process for any of these types of permits, or leases, these organizations will have the ability to establish and define and allow for those.

We reworded and reorganized sections of existing language addressing the responsibility of aquaculture operators to maintain discharge.

In this slide, we deleted language describing

environmental assessments and buffer zones. Again, very similar language because these are the authority of the Corps of Engineers, DEQ and the U.S. Coast Guard.

We reworded and reorganized language from other sections addressing lighting and marking of aquaculture facilities and moved them to this place.

On this slide, existing language that addressed DMR's approval of predator controls, we modified to allow for take of invertebrates such as crabs.

We deleted language describing buffers that are already in place. Again, this is the authority of agencies such as the Corps of Engineers, DEQ and the U.S. Coast Guard.

We removed language describing impacts to natural scenic qualities of coastal environments, and we did this because this language and this type of regulatory process already exists in the Coastal Program that is under the review of our Coastal Zone Management office.

This slide here, we reworded existing language ensuring that an environmental review remains part of all aquaculture plans.

Sections 100.05 and 100.08, and, then, continues on to the next slide through 100.06 and 100.07, these slides address gear rules and regulations that apply to all aquaculture activities. These include nets, gear loss

during storms, or hurricanes, that have to be reported to the DMR and recovered within thirty days, and all mooring, cages and nets have to be tagged so they can be retrieved by the owner.

100.09 through 100.11 address rules and regulations for transportation of shellfish in accordance with ISSC NSSP rules.

100.12 through 100.13 address requirements for chemical use and pollution controls.

100.14 addresses the process by which a lease from the Secretary of State is required for aquaculture operations on Public Trust Tidelands.

On this slide, we added language to comply with Federal guidelines, when live fish are involved in aquaculture.

103 reads, "All purchases of live fish, regardless of life stage, must be accompanied by a USDA accredited veterinarian signed 'Certificate of Veterinary Inspection', attesting to the good health of the species."

On this slide, the requirement of aquaculture operations which include support facilities shall not be located within two miles of a shoreline has been deleted. This particular language is found in two places in the regulation, 100.02 and 101.03.

There is no scientific, or regulatory, reason

for this requirement, and it could potentially restrict all off-bottom aquaculture operations.

Additionally, it requires all aquaculture operations to comply with all rules and regulations applying to oysters that are for human consumption, expands the species allowed for aquaculture to those in the Gulf of Mexico, but keeps in place the restrictions on species not native to the Gulf of Mexico.

Deleted sections have been reworded and reorganized and moved to other sections of this regulation. Examples are on-bottom and off-bottom aquaculture that are now defined in Chapter 3.

Removes a six-foot clearance and establishes a three-foot minimum as discussed on slide fourteen, a couple down from here. No clear scientific, or regulatory, reasoning for justification of this requirement. Such minimum requirement would not allow for near-shore aquaculture operations.

This slide describes the criteria for approving cultch materials that have been expanded, expanded guidelines and procedures for the type of material that may be considered for approval.

This slide, again, removed the six-foot clearance, also addressed here, reduced to three feet. Again, there is no clear scientific, or regulatory, reason

or justification for this requirement, and such minimum requirements would not allow for near-shore aquaculture operations. Also, previous language restricting racks and cages within two hundred feet of the shoreline is maintained.

These two sections have been reworded and reorganized and moved into other sections of this regulation (indicating slide).

This slide defines the rules for on-shore aquaculture facilities, addresses requirements that shell stock be free of diseases, or parasites, harmful to marine organism, except Dermo which is naturally occurring and almost impossible to eliminate, and defines the rules for discharge and requires the DEQ discharge permit.

Sections 103.05 through 103.06 addresses the intake and discharge pipes for onshore aquaculture facilities, and all the deleted sections have been reworded and reorganized into other sections of this regulation (indicating slide).

We are in Chapter 7, now, which is where a lot of substantive changes have occurred, and, on this slide and the following slide -- I will point these two out for you -- there has been a lot of deleted language, and a lot of this language, we had to find a balance between these. These are a lot of reporting and regulatory requirements.

we had to find a balance between the outcome of what we were requiring and the actual operational function of aquaculture as a concept.

Some of these reporting and monitoring requirements included -- I'm going to read some of them off to you -- Pre-Operational Surveys, a Bathymetric Survey, a Sediment Survey, a Marine Aquaculture Environmental Monitoring Program, a Hydrographic Survey, a Sediment Chemistry Survey and a Water Quality Survey.

The burden of all these reporting and monitoring requirements would make it almost impossible for an aquaculture facility to start up and some, not all of them, are already required and covered by other agencies such as the Corps of Engineers, the DEQ and the U.S. Coast Guard.

I do want to point out to the Commission that the DMR already has a hundred and sixty-eight water quality monitoring stations spread throughout the Mississippi Sound.

100.01 is rewording the existing language that addresses some records and monitoring requirements.

100.02, 100.03 and 100.04, this is reworded and some new language that addresses records and monitoring requirements, some of this new language.

100.02, "An accounting of the stock added and

harvested in a given month."

100.03, "Onshore aquaculture operators must maintain records of any transfers of brood stock, seed, gametes, or larvae."

100.04, "All records must be maintained for a minimum of two years and must be available to the MDMR for inspection."

This slide, this is new language that addresses ISSC requirements for shellfish aquaculture facilities.

101, "The MDMR will maintain the following records provided by the permittee, while the aquaculture operation continues."

101.01, "Construction and remodeling plans for any permitted aquaculture facility;"

101.02, "Aquaculture operational plans; and"

101.03, "Aquaculture permits."

102, "The MDMR will inspect commercial land-based and float aquaculture systems at least every six months."

Chapter 8, this is just one slide, and all this slide incorporates is just minor rewording of the language that is already here just to make it clearer.

Chapter 9, again, this is the last chapter that we made editorial and rewording changes to. This is the Chapter 19 of Part 1 that was moved here. It makes more

sense to move this chapter over to the leasing, and aquaculture is where all of it occurs.

Most of the language changes that occurred here are just organizational restructuring and rewording, but I will go through these for you.

This slide, it adds restricted areas to the potential lease areas. All these activities including, but not limited to, things like relays and harvesting must comply with all CMR, DMR and all ISSC NSSP rules and regulations for oysters that are for public consumption.

It increases the maximum leased acres from one hundred to five hundred acres to comply with State Statute 49-15-27. There have been some changes to some of our state statutes and we are simply complying with those regulations.

On this slide, it rewords and reorganizes existing language that addresses lease size and configuration. It reduces the quarter mile buffer to five hundred feet.

On this slide, Section 100.05 is reworded and reorganized with other sections of this regulation. It comes from the old Chapter 19 Section 108.0101.

Section 100.06 is new language that has been added that requires lease owners to keep leases active. The previous rule required a wetlands permit, prior to

granting a lease. The new rule requires all permits, prior to working the lease.

I will read that for you, 100.05, "No areas designated as toning reefs by this Part, nor areas defined as natural reefs by Mississippi Code 4915-3(g) as amended, nor areas within the boundaries of riparian property owners defined by Mississippi Code 49-15-9 as amended, shall be leased for oystering by the Mississippi Commission on Marine Resources."

100.06, "Leases must be active and engaged in shellfish aquaculture activities throughout their term. The applicant must not begin any activities on the lease, until they have obtained all applicable permits. Failure to obtain the requisite permits is evidence that the lease is not active."

This slide and the next slide rewords and reorganizes existing language from other sections that addresses lease requirements. It includes such things as must be a legal resident of Mississippi, and the DMR staff will review all applications to ensure that they meet all guidelines and are complete. It removes the fifteen-day public comment period which was part of the old Part 1.

In the old version of the State Statute, there had been a bidding process that included the fifteen-day public comment period.

The entire process was removed, in the updated version of the State Statute 49-15-27. We are simply updating this language to comply with the current version of the State Statute.

We reorganized and reworded existing language into this new section to help organize the rules.

On this slide, all these sections are existing language from Part 1 Chapter 19 that have been reworded and reorganized to address the terms and conditions of the lease. These include things like renewal and expiration of the lease.

The only changes that occur were the dates in 103.01.05 and 103.01.06 to match the current leases. The old dates were April 30th from 1989. We just updated that.

All these sections are existing language from Part 1 Chapter 19 that have been reworded and reorganized that addresses regulations concerning the marking of the lease.

This slide, this is reworded and reorganized language from the existing regulation dealing with the authority of the State of Mississippi, the termination for the lease, waivers and any special conditions, or limitation on granting the lease.

This section addresses the lease transfer process. Transfers are currently allowed. This section

describes the rules for a lease transfer and prohibits subleasing.

105. Preexisting language describing how a political subdivision can lease up to a thousand acres, and language describing how the Commission works with Coastal Port Commissioners to ensure that oyster beds are not located near channels.

This slide describes the rewording and reorganization from the existing regulation and addresses annual reporting on the lease activities.

The original rule required a report at the end of the lease which was for twenty-five years. Now, the report is annually.

The leaseholder must abide by all rules and regulations, titles and parts of the Marine Commission and State Statues of the State of Mississippi.

This is the point where I would ask for a motion, but, before I do that, I want to allow for the Commission to voice any concerns, or ask any questions, and I want to allow for the Commission to provide for any public comments, at this point.

COMMISSIONER GOLLOTT: Joe, is there anything in there -- and I was reading through it -- that would prohibit a landowner from raising oysters on their own riparian rights?

JOE JEWELL: As long as they went through the permit and lease process, they would be able to do that.

COMMISSIONER GOLLOTT: They wouldn't have to have a lease from the Secretary of State?

JOE JEWELL: I believe they would.

COMMISSIONER GOLLOTT: Since the law says they can raise oysters.

JOE JEWELL: Maybe not a lease, but they would have to go through the permit process because, ultimately, all the oysters that go through the public consumption process will have to go through a permit process where we are able to monitor their progress through that chain. I think maybe not a lease.

Is that right?

SANDY CHESTNUT: The legislature exempted private property owners from a lease for structures in the water. We would have to look at the wording of that legislation to see if it would also apply to the oyster industry as well. That is something we would have to look at for the exact wording on that.

JOE JEWELL: Within that seven hundred and fifty yards?

SANDY CHESTNUT: Right.

COMMISSIONER GOLLOTT: Could we table this until you and Sandy would have a chance to work out the wording

on that?

SANDY CHESTNUT: That would be a legislative change. That is something we would want to address with the Secretary of State's office and the legislature. That is something that would have to be done in statute.

COMMISSIONER GOLLOTT: So we should go forward with this?

SANDY CHESTNUT: Yes.

JOE JEWELL: That wouldn't be something necessarily that would prohibit this moving forward.

COMMISSIONER GOLLOTT: Any questions?

COMMISSIONER BOSARGE: I will go ahead and make your motion for Notice of Intent for Title 22 Part 13.

JAMIE MILLER: I'm sorry, Commissioner Bosarge.

Before we take Commission motions, Sandy, should we take public comments?

There were a few folks in the audience that had requested to comment on this agenda item, and I didn't want you to make a motion, until you heard their comments.

COMMISSIONER BOSARGE: I agree. I will hold my motion.

SANDY CHESTNUT: Yes. If there are comments pertaining directly to the regulations, we should hear those, now.

JAMIE MILLER: I've got two folks that have

submitted forms.

First is Nonnie DeBardeleben.

Do you still choose to speak?

NONNIE DeBARDELEBEN: I'm going to defer to Amanda.

JAMIE MILLER: Second on our list here is Amanda Tollison.

Come up to the microphone and if you don't mind stating your name and who you are representing.

AMANDA TOLLISON: Good morning Commissioners and Director Miller and Ms. Chestnut.

My name is Amanda Tollison. I am representing and here on behalf of former residents, landowners at Henderson Point, Gordon and Linda Cobb. They couldn't be here today. I wanted to make comments and provide those comments to the Commission, related to Title 22 Part 13.

As Mr. Jewell mentioned, of course, these are substantive changes and I really just wanted to express, on the Cobbs' behalf, that the changes that appear to be most significant and caused the most concern for the Cobbs would be the removal of the restriction, or prohibition, from having oyster aquaculture projects and operations within two miles of the shoreline. That is removed from both the on-bottom and off-bottom aquaculture.

I understand that he mentioned there was no

scientific reason for that two-mile prohibition, but, at one point in time, it was the Commission's thought process and concern that there needed to be a two-mile prohibition.

Just the removal of that has caused us the most concern, and we don't know yet what the affects, or unintended consequences, of that would be.

Since there are a lot of changes going on, we just wanted to make that point and express that concern.

Also, I think Mr. Jewell mentioned the removal of the site specific environmental assessment for aquaculture projects, and I think he mentioned that DEQ, Corps of Engineers and the Coast Guard may have processes that address that. I'm actually just not sure.

I'm familiar with the water quality process with DEQ and the Corps and the permits for discharges, but I certainly think that with the ongoing environmental assessments, or really with the ongoing water quality checks that are being done currently by DMR, that maybe the environmental assessment required to be done by DMR should still be part of the process.

In Chapter 6, there is a new section 102 that allows off-bottom aquaculture operations within seven hundred and fifty yards of the shoreline, under certain conditions. That could potentially be in conflict with

the riparian rights of owners, if it is within the seven hundred and fifty yards of the shoreline.

The conditions would be, under the new reg, that you have to allow for reasonable ingress and egress to the shoreline, but, even then, the racks and cages can be located within two hundred feet of the shoreline, if you apply for and are granted a variance.

Again, those are concerns that folks who live on the shore who enjoy the waters of Mississippi and the Bays and that would be our concerns that all of a sudden we now have the potential for off-bottom aquaculture operations within seven hundred and fifty feet, and even within two hundred feet, and even within that distance with a variance.

Also, the other change that was significant, in our minds, was that the changes to the regs in Part 6 allows aquaculture within waters of three feet, or deeper, as opposed to the six feet, or deeper, and, again, even variances for that can be allowed.

I just wanted to take this opportunity. I appreciate the opportunity to come before the Commission and express these concerns.

I think at some point in future, if the motion passes and these are submitted to the Secretary of State, we would, of course, at that time, at the appropriate time

ask for an oral proceeding and hopefully have more information to provide in that process, then.

I also would point out that the Administrative Procedures Act, in Section 25-43-3.105 does require an economic impact statement.

Once those rules, if they are presented and submitted to the Secretary of State and there is an oral proceeding, we would request, of course, that the DMR provide that Economic Impact Statement because, throughout the process thus far, I haven't seen that.

I just wanted to make those comments, and I appreciate your time.

COMMISSIONER GOLLOTT: Thank you, ma'am.

One of the things is that if an upland landowner wants to raise oysters on-bottom, or off-bottom, I think the law allows them to do that. I think it would be on a case-by-case basis. I don't think anyone could lease your riparian rights to raise oysters in front of your place, without you being involved. I don't think that is really relevant.

Do you want to make the motion again, Mr. Bosarge?

COMMISSIONER BOSARGE: Yes, I guess maybe, if Joe could address some of the points that she raised.

JOE JEWELL: I think I will let Counsel Morrison

address that, but I think the particular section in Chapter 12 that she is referring to is not conflicting with current lease owners and that language hasn't substantively changed, as I indicated, in the provision, and it actually would go to Commissioner Gollott's question about the riparian landowner's rights. It specifically addresses their rights and ability to engage in those activities, not conflicting with off-bottom activities.

I will let Counsel Morrison address the specifics of it, but, again, I don't think that that particular issue is enough, or would substantiate not moving forward with part of it.

Should the Commission move forward with the Notice of Intent, the minute that is voted on, it initiates that twenty-five day official comment period, it puts it on our web page, it gives public notice, it gives the Administrative Procedures Act, it gets published on the Secretary of State's bulletin. All those things will occur, once the Commission votes and approves the Notice of Intent.

SEAN MORRISON: Good morning Commissioners.

I can really only comment on Ms. Tollison's questions concerning Section 102, within the seven hundred and fifty yards.

In the old language, that was called near-shore aquaculture, and this is just a reflection of how some of this part was reorganized rather than changed. It is a perfect example of that. These sections were reorganized. We took away the distinctions between on-bottom near shore, on-bottom offshore, off-bottom near shore, et cetera.

Now, it's just anything that happens within seven hundred and fifty yards. Any off-bottom aquaculture that happens within seven hundred and fifty yards fall under these rules.

The rules themselves have not changed. Those rules still reflect what is in the current version, but they are reorganized a little bit to kind of make it clearer that if you are within seven hundred and fifty yards, if you are exercising your own riparian rights, or you have a lease with someone who has those riparian rights, then, you have to follow an additional two steps to make that happen.

JAMIE MILLER: What are the two steps you are referring to?

SEAN MORRISON: That has to do with arranging your cages in rows and allowing for passage through those rows, and, then, not be within two hundred feet of the shoreline.

JAMIE MILLER: The current regulation allows for an upland owner within his riparian area which is seven hundred and fifty yards from shore, without a lease from this Commission, or the Secretary of State's office, to participate in this, but they would still have to go through a permit process.

SEAN MORRISON: Currently, they just have to go through a permit process, and the lease for this type of situation goes only through the Secretary of State. We are not involved in that lease process, right now, but, again, that doesn't change. We haven't changed that. We just tried to make it a little bit clearer.

COMMISSIONER BOSARGE: Good deal.

I will put forth my motion for Notice of Intent for Title 22 Part 13.

I did have one question, Joe. I know in Alabama they have a program where the folks that live along the Bay are growing oysters in cages along their docks and everything.

Is that going to be available here in Mississippi, or do you foresee that?

JOE JEWELL: That is totally different.

COMMISSIONER BOSARGE: I know. That's why I put the motion before the question.

JOE JEWELL: That is a program and that is a

program we are familiar with, and that is a program that we are working with that particular group to try and bring here to Mississippi. We are actually very enthusiastic about that program.

We were sort of on the back end of it for this year. We tried to tag along with that group to try and bring that here in Mississippi.

We are working with Ocean Springs High School that has an aquaculture program, and we were trying to facilitate that happening this year, but we were a little late on the operational part of it.

COMMISSIONER BOSARGE: If I'm correct, the way that program works is the landowners that live along the Bay are allowed to grow oysters in the cages, and, then, at a certain point, the Alabama Marine people come and pick them up and take them out and transplant them onto a public reef?

JOE JEWELL: Public reef, that's correct, absolutely.

It is sort of an educational program for the public that allows the landowners with piers and docks to participate and understand the importance of oysters in the eco system, and, then, the marine resource agency in Mississippi would be the DMR. Once they reach that size and towards the end of the harvest season, we would go and

pick the oysters up and put them on public reefs.

COMMISSIONER BOSARGE: It looks like a win-win for everybody. Thank you, Joe.

COMMISSIONER GOLLOTT: We have a motion.

Do we have a second?

COMMISSIONER DRUMMOND: I'll second the motion, Mr. Chairman.

COMMISSIONER GOLLOTT: We have a motion and a second.

All those in favor say aye.

(All in favor.)

COMMISSIONER GOLLOTT: Opposed?

(None opposed.)

COMMISSIONER GOLLOTT: Motion carries.

Let's have about a fifteen minute break.

(Whereupon, a short recess was taken.)

COMMISSIONER GOLLOTT: I call the meeting back to order.

Joe Jewell, I believe it's still your show.

JOE JEWELL: Thank you, Chairman Gollott.

Next up for your consideration is the Final Notice for Title 22 Part 1.

We presented this as a Notice of Intent for the Commission at their last Commission meeting. The Commission passed the Notice of Intent, on May 17th. This

was filed with the administrative bulletin, on May the 18th. This is the filing notice with the Secretary of State. It was published on the DMR's web page, on May the 19th. This is the publishing information (indicating slide).

The legal notice appeared in the Sun Herald, on May the 26th (indicating slide).

Again, the Notice of Intent was published on May the 18th. The public comment period was May the 18th through June the 20th. It was about thirty-four days, thirty-three or thirty-four days. The public had notice that they could comment on the proposed changes to the regulation. To date, no public comments have been received (indicating slide).

I have read all of these regulatory changes into the public record, during the Notice of Intent. I'm just going to point out a couple of the major ones that have occurred. There are really two major regulatory changes that are going to occur in this change, here and here (indicating slide).

These are the management criteria changes that are proposed for the Biloxi Bay area that will allow for commercial oystering activities in Biloxi Bay. It will change the management criteria and the area description (indicating slide).

Then, again, the second major proposed regulatory change is the deletion of Chapter 19. As you heard previously before the break, we are proposing to move Chapter 19 into Title 22 Part 13. As it is incorporated, it would be Chapter 9 (indicating slide).

With that being said, I will need a motion for final adoption.

COMMISSIONER GOLLOTT: Joe, is this the one on on-bottom leasing?

JOE JEWELL: No. That was my previous presentation.

I do want to point out if the Commission has any suggestions, or modifications, to that part that you can make those to me during the public comment period, Part 13.

COMMISSIONER BOSARGE: I will make the motion for final adoption of regulatory changes to Title 22 Part 1.

COMMISSIONER GOLLOTT: We have a motion.

Do we have a second?

COMMISSIONER DRUMMOND: I'll second the motion, Mr. Chairman.

COMMISSIONER GOLLOTT: We have a motion and a second.

All those in favor say aye.

(All in favor.)

COMMISSIONER GOLLOTT: Opposed?

(None opposed.)

COMMISSIONER GOLLOTT: Motion carries.

Thank you.

JOE JEWELL: Thank you, Commissioners.

For final consideration under Marine Fisheries we have four State Finfish records for your consideration.

Mr. Jonathan Barr will be presenting those.

JONATHAN BARR: Good morning Director Miller, Ms. Chestnut and Commissioners.

We had four new records come in. All four were conventional tackle.

The first one is a Smooth Puffer, Lagocephalus laevigatus. The old record was five pounds point zero four ounces. The new record is six pounds six point four ounces. The angler is Mr. Todd Rosetti.

There is the fish. There is Mr. Rosetti with his fish (indicating photographs).

The next one is a Striped Burrfish, Chilomycterus schoepfii. The angler is Mr. David Floyd. The old record is one pound four ounces. The new record is one pound nine point sixty-five ounces.

There is Mr. Floyd with his fish (indicating photograph).

The third is actually a new record. It's a Keeltail Pomfret, Taractes rubescens. Mr. Jimmy Taylor caught this. It is fourteen pounds three point eighty-two ounces.

COMMISSIONER DRUMMOND: Is this guy a U.S. citizen?

JONATHAN BARR: Y'all know the guy?

COMMISSIONER GOLLOTT: I think you need to investigate this one further.

JONATHAN BARR: There is Mr. Taylor and his fish (indicating photograph).

The last and certainly not least is a forty-six year old record. This is a Red Drum, Sciaenops ocellatus. The old record is from 1970, forty-four pounds. The new record is fifty-two pounds two point four ounces. The angler is Mr. Antonio Rubio.

There is the fish. The picture doesn't do this fish justice. It was a monster.

There is Mr. Rubio and his fish (indicating photograph).

Do I have a motion to adopt?

COMMISSIONER ZIMMERMAN: I'll make a motion that we accept these four new records.

COMMISSIONER GOLLOTT: We have a motion.

Do we have a second to accept these new records?

COMMISSIONER DRUMMOND: I'll second the motion, Mr. Chairman.

COMMISSIONER GOLLOTT: We have a motion and a second.

All those in favor say aye.

(All in favor.)

COMMISSIONER GOLLOTT: Opposed?

(None opposed.)

COMMISSIONER GOLLOTT: Motion carries.

Thank you.

JOE JEWELL: We do have one more item on the agenda. It's a presentation by Dr. William Walton on oyster hatcheries and oyster management on the Mississippi Gulf Coast.

COMMISSIONER GOLLOTT: William, you have three minutes.

WILLIAM WALTON: Thank you very much for having me. I appreciate it. I appreciate the opportunity to talk to y'all.

I'm with the Mississippi-Alabama Sea Grant Consortium, but I also have the pleasure of working with the folks at GCRL USM and, of course, Department of Marine Resources.

Some of you know this better than I do. In the U.S., we import up to ninety percent of our seafood. We

have over ten billion dollars a year in seafood trade deficit, and about half of those imports are from aquaculture. As Americans, we are already eating farmed seafood.

I think we have to ask ourselves the question of where are we going to get that seafood from?

Are we going to get that seafood in the U.S. in Mississippi, or are we going to get that from somewhere else?

Let's think about what aquaculture is. When we think of aquaculture in the U.S., it's not that big. We are only fifteenth. As of 2012, we are only fifteen in global production, but we have been growing slightly, about eight percent a year.

What I want to show you is that when we think about aquaculture, a lot of people think about salmon. That's the one in the middle there and that's seventy-seven million dollars, but our success stories really have been oysters and clams (indicating slide).

As a country, oysters were a hundred and thirty-six million dollars. Clams were ninety-nine million dollars, but that is not happening here. That is primarily happening in the Pacific Northwest and the Northeast. That is where we are growing these shellfish.

You can see there, the Gulf of Mexico was only

thirteen percent of the aquaculture value (indicating slide).

Now, you can ask maybe we don't need aquaculture, and I just want to show you here that, as you know, in the Gulf in Mississippi, we have relied on two ways of getting oysters, either off of our public oyster reefs, tongs or dredges, or private oyster beds as we have talked about some of those leases, and that has worked great, but, as you know, they both rely on natural set and natural set goes up and down. We have good years and we have bad years, and those bad years can be very painful for the community.

It is also focused on a commodity market. Typically, we are getting those oysters and we are shucking those oysters. We are going through a lot of oysters, and one of our primary advantages is that we have a lot of oysters and we can sell them for less. That is how we have competed with places like Chesapeake Bay.

When we go down in abundance and we have those bad years, we lose customers. When we get shut down by an oil spill, we have lost customers that we have had trouble getting back.

What are the alternatives?

Well, oyster aquaculture provides options. I'm not here to sell you oyster aquaculture. This doesn't say

oyster aquaculture is the solution. It doesn't say oyster aquaculture should replace things. I think oyster aquaculture just gives us another tool, another way to produce oysters.

If we are trying to get more oysters in Mississippi, one thing to look at is can oyster aquaculture be a part of that.

I know that a lot of the discussion so far has focused on off-bottom, and I will talk about that. That is on the left there. That's my wife holding our first hundred thousand oyster seed. We had a small oyster farm in Cape Cod Bay, before we got smart and moved to the Gulf Coast and made our home here (indicating photograph).

You can grow off-bottom oysters. You are not going to feed the world with that, but you can create jobs locally on the Coast and you can have folks who can make incomes at that.

On the right we've got spat on shell, and that is for on-bottom culture, and I'm going to start with that (indicating photograph).

What is on-bottom aquaculture?

Well, in any case, that's just when you are growing your oysters directly on the bottom. You are not putting them in any cage, any container. You are just taking oysters and you are growing them on the bottom

(indicating photograph).

If you introduce hatcheries into this -- you can see we've got a hatchery on the left. That's actually in Maryland. Those are larvae tanks. They go out. They get oysters from the Bay. We could do the same here from the Sound. They bring those in and you induce those to spawn. That should be more romantic than it sounds, but, basically, you just change the temperature on them, and, if they are ready, they will spawn for you (indicating photographs).

So you get fertilized eggs that you can raise in those tanks where there are no predators. They have plenty of food and they have the right temperature and plenty of oxygen.

The tanks you are looking at there, it wouldn't be unusual if you were growing twelve to twenty million larvae in each of those tanks (indicating photograph).

After about a week to two weeks, you are going to get the critter that you see on the right there. That is actually an oyster at the end of it's larvae stage. It's got its foot out and it is looking for something to attach to (indicating photograph).

The beauty of a hatchery is that you can ball those up. So that picture in the lower right, that is about five million oysters that you can wrap up in

something about the size of a coffee filter and you can ship it. You can ship it from Perkinston down to the Coast. You can ship it to different locations (indicating photograph).

I will show you what you can do next with that. Those larvae are all looking for something to attach to. If you want to do spat on shell, you give them shell, or some other substraight. It could be limestone.

This is the laboratory in Maryland. You can see all of their setting tanks in the top left there, and you fill those with shell (indicating photograph).

When you start doing this on a large scale, you start to use some heavy equipment. You can use front end loaders and whatnot, but you are basically giving those larvae a chance to set on those shells in those tanks, and it takes about three days (indicating photographs).

They are specks, at that point. If you feed them for about a week, they will be a little bit bigger specks. The advantage in that is that you can take those shells -- this is well after a week. The shell on the left is an oyster shell that you can see is covered with spat that a graduate student has kindly marked with a blue marker there so you can start to see where they are (indicating photograph).

What you are trying to do is you are trying to

get shells that are covered with spat, and the low tech version is me on the right there, but you are trying to get those shells, and you can put them on barges, you can put them on trucks, and you can get them out to where you want them, and that could be a private reef, or that could be a public reef, but you can start unloading bushel after bushel of shell that is covered with spat, when it goes in the water (indicating photograph).

What are you going to do with that?

Well, several states, Mississippi included, Louisiana and Alabama, are looking at using spat on shell for stock enhancement. We are already putting shell out. Right now, we are putting shell out in the state and hoping it catches a set. Here, you are putting the shell out, but it has already caught a set before you put it out. Maybe it will catch another, but it has caught set before you put it out.

It's a reasonable question to ask, do we get more oysters off of our public reefs, if we use spat on shell?

In addition to the public sector, we certainly have private individuals who have leases who say, I would like to do this on my lease. I would like to grow a lot of oysters on my hundred acres, or five hundred acres. So we've got folks looking at that.

I'm sure if you go to some of your supermarkets here, if you look at shucked oysters, you will see they are many times from Washington State. Those are off of private beds where people have used spat on shell. That is how they are primarily growing their oysters in Washington State.

Then, there is this off-bottom aquaculture. Typically, this relies on hatchery seeds. You go back to that picture of the little bucket of a hundred thousand oyster seeds.

Here you are using gear, and there are some baskets floating in the water there to protect your oysters from predators and other losses, and you can see, anybody looking at that, that it is going to take money and time. This is not something that you go into lightly. The advantage is you can establish it in areas where oysters don't survive on the bottom (indicating photograph).

If you've got areas where the bottom is too soupy to put oysters on the bottom, or shell on the bottom, you can grow this over that because you are not using the bottom. You are using the water above it.

I know people talk about oysters not liking salt water. Oysters love salt water. They just don't like the predators and diseases that go with salt water.

It turns out that, when you grow an oyster from the day it is spawned to the day it goes to market, it's not unusual, in the Mississippi Sound, that we would see that in under twelve months.

If you grow an oyster in twelve months in a basket like this, you have protected it from predators. You heard about Dermo before. You are going to go to market before Dermo takes that oyster out. We find very high survival in these baskets (indicating photograph).

It does create jobs on the Coast. These are family-operated farms. Some people have worried that this might be big factory farms. There is not enough profit in here for this to be a factory farm. If you are going to make money at this, you have to be an owner/operator. You have to be one of the people working on the farm.

We've got some cases of people trying to do it. I don't think they are making any money, but they are creating jobs, if they do that, but the people who are successful at this are one of the people on the farm. It's a mom-and-pop farm operation, typically.

Over in Alabama, we have not seen any businessmen from China come in and try to do five hundred acres because there is not enough money in there for them.

It's a different market. These are live oysters that are served raw in the shell. I don't know if you can

read these prices. That's from a raw bar outside of Atlanta. There are oysters there for three dollars and fifteen cents each (indicating photograph).

That might sound crazy to you and you might not pay that much for oysters and I might not pay that much for oysters, but, if somebody wants to pay that much for a Mississippi oyster, I say God bless them. Let's let them pay for those.

Right now, folks from Virginia and Massachusetts and Washington State, they are growing those oysters. Those farmers are getting thirty to seventy cents per oyster and we're not.

Over in Alabama, where they have started this, those farmers are competing in that market and they are getting that wholesale price. We can achieve that in the Gulf of Mexico.

In addition to what the opportunities are in Mississippi, I just want to look at some of our neighbors.

I did not put Texas on here. Texas is not doing it.

Louisiana has three farms going.

Alabama has thirteen farms going, and I think they've got seed for about four to five million oysters this year.

In florida, they are at least now raising and

selling oysters using some type of off-bottom method.

When we talk about oysters, we think about some of the benefits to the eco system. Scientists use a lot of terms like provisioning and regulating. Basically, we can harvest oysters, they help filter the water, they protect the shoreline, they provide habitat, and, then, there is the traditional, the cultural benefit of having oysters on the water.

I want people working on the water, making a living off of the water harvesting oysters, and what we found is that off-bottom oyster farming is not new in the U.S. We are doing this on the west coast, we are doing this on the east coast, and we are starting to do it in other Gulf states.

We see crabs living in these baskets. We see shrimp. We see fish coming around here. Essentially, you are putting structure in the water and you are creating some benefits to the eco system with this farm.

When I look at off-bottom oyster farming going forward, I think we've got really a potential here in the Gulf and in Mississippi in particular for an environmentally friendly industry.

I would point out that a lot of the environmental groups like the Monterey Bay Seafood Watch actually give oyster farming a green light.

They give a yellow light to wild oyster harvesting, and I'm not crazy about that rating because I disagree with that. I think it should be a green light for wild oyster harvesting as well.

The Monterey Bay Seafood Watch recommends oyster farms. That is one of the things that they would like to see more of because what we found is you don't feed these oysters, your don't medicate these oysters, and it looks like you are creating habitat and helping to clear the water.

From my point of view, this is a world job creator. We can create jobs in communities on the water and help the environment.

With that, I am past three minutes, but, if it's alright, I will take any questions.

COMMISSIONER BOSARGE: Mr. Walton, it looks like a very worthwhile project. I'm on this off-bottom oyster farming.

How long is it from seed stock to harvest, or approximately?

WILLIAM WALTON: I don't want to oversell it because I don't want people to jump into it and think that they can do this.

Typically, I will say, in Mississippi Sound waters, we have seen from the day it is spawned to the day

it goes to market twelve months is a reasonable number.

I have seen it in much less. I have seen it in six to eight months. That's a three-inch oyster. That is a beautiful oyster that I would be proud to serve at home.

COMMISSIONER BOSARGE: And in the wild, it's about --

WILLIAM WALTON: (Interposing) Typically, it takes about a year. I will say that depends very much on the site. We can find sites where oysters don't grow well, and we can make mistakes, or we can crowd them and slow that down, but, if you are doing it right, you can do it in that time.

That is a picture of a Grand Bay oyster, by the way, grown on the other side of the state line, but that is the quality oyster that is being grown in baskets here.

COMMISSIONER BOSARGE: Thank you.

COMMISSIONER GOLLOTT: William, we visited the Alabama farm over there, and it seems like they said it would cost them, like, fifty cents an oyster; you had to get at least fifty cents an oyster to break even on it.

Is that correct?

WILLIAM WALTON: No. If I were running a farm, I would not sell for less than fifty cents an oyster. We estimated production cost at twenty to twenty-five cents an oyster.

It is not an oyster that is going to go to the shucking market. You cannot make money at that which also limits the quantity.

You cannot grow enough oysters this way that you are going to have enough for a shucking house. You would have to go back to that on-bottom solution. If you want quantity, I'm going to grow oysters on the bottom and I'm going to grow a lot of them.

If you want high quality oysters with high value, I would grow them off-bottom.

It has to go to a speciality market. They get called a niche product, but, to be honest, Virginia has now got something like a hundred million oysters in the water, and their primary market is to a market that is paying somewhere in that thirty-five, forty to fifty cents an oyster.

COMMISSIONER GOLLOTT: How much work is involved in this?

WILLIAM WALTON: That is a matter of opinion. I was talking to a tonger, and he was watching folks go down the lines and lift the baskets out of the water, and he just shook his head and he was, like, "That looks like a lot of work."

And one of the guys looked at him and was, like, "I've watched you tong and that looks like a lot of work."

It is work. Make no mistake. I think to run, like, a two-acre farm where you might be growing somewhere between a quarter of a million to half a million oysters, you are now talking about a full-time to maybe even a two person full-time job to do it. It is not something I would go lightly into.

Now, you can grow fifty thousand oysters as a part-time job, but, if you are going to start producing a high quantity of oysters, it's a full-time job.

One of the things that we have found is a stumbling block is the permitting because nobody wants to make the investment, if the permitting isn't clear, but the other one, of course, is the startup cost.

Some states have come up with loan programs, or other incentives for how to get farmers started because, once they get started, a lot of these folks work on the water, know how to operate a boat, know how to put in a full day of work, and they can make money, but they often need to get over that hurdle of how can they get started.

COMMISSIONER GOLLOTT: Roughly, what is the startup cost for this?

WILLIAM WALTON: It's huge. I would say for that number, I wouldn't be surprised if you are talking somewhere between thirty to fifty thousand dollars an acre.

Now, the people who sell you the gear want to amortize that over eight years. In our enterprise budgets, we round it down to five years just to kind of be on the conservative side.

You still have to have the money up front to pay. The person who is selling the gear doesn't want to have you pay him over five years. He wants the money right then.

COMMISSIONER BOSARGE: Could you describe the process from kind of start to finish?

WILLIAM WALTON: Sure.

In that hatchery, you are getting either those spat on shell which you put on the bottom, or those seed, the individual seed.

As a farmer, you are going to decide what size seed you want. They could be two millimeters which is a little bit bigger than a flake of pepper to maybe even thumbnail size, and you will pay for that. You will pay for that difference.

You will get those seed and you are going to put them in some type of basket, something that is a mesh container, and it is going to keep it off the bottom. It might be floating at the surface. It might be suspended partially off the bottom, but what we found is the key for us to make money at this for the folks we have worked with

so far is that you have to have some way to air dry those oysters.

If you just put oysters under water, if you put them in a cage on the bottom, that cage is going to foul up, the oyster drills are going to get on that cage and they are going to eat those oysters. We just don't see very good survival, or quality, come out of those.

If you have a basket that you can lift out of the water, or a cage you can flip up and let it dry in the sun, you can choose how often you do that. We would say once a week, and we do it overnight, like, for a day. You let them dry in the sun, and that will burn off any of the seaweed, or barnacles, that try to get on those, but the oysters will survive it.

That is work. You are doing that work every week, but you are never power washing everything. You are not scraping everything. You are not handling each oyster.

Because you don't feed them -- it's a little bit like growing things in a pot -- when you want them to grow more, if you had a thousand in a basket and they got big, you split that basket in half, and you dump half of those in a new basket and you keep doing that over and over.

What might start as ten baskets could end up as five hundred baskets of oysters.

You are primarily splitting them. You might be grading them by size. You are going to have some fast-growers and some slow growers. You are going to spend time probably sorting them and grading them, and you are going to have your fast ones separate from your slow ones, and, as you get close to market, you are going to start to separate out your product getting ready to go to market.

Like a typical oyster harvester, you would sack them and tag them and get them cold as soon as possible and get them to the restaurant.

COMMISSIONER BOSARGE: Good.

COMMISSIONER GOLLOTT: Anyone else?

(No response.)

COMMISSIONER GOLLOTT: Thank you. That was informative.

WILLIAM WALTON: Thank you. Appreciate it.

COMMISSIONER GOLLOTT: Mr. Jan Boyd, you have two minutes.

JAN BOYD: I think I can make that.

Good morning Mr. Chairman, Commissioners, Director Miller, Ms. Chestnut.

We have one action item for your consideration this morning. Chris Pickering will be our presenter on that one.

CHRIS PICKERING: I think it's pretty much good

afternoon, now.

I will be presenting the next action item on the agenda.

This is a request for a permit by the Mississippi Department of Marine Resources, DMR Number 090383. It is located on the Mississippi Sound, Heron Bay, St. Louis Bay, Back Bay of Biloxi, Davis Bayou, Graveline Bayou and Pascagoula Bay, in Hancock County, Harrison County and Jackson County, Mississippi. It is in the General Use District.

The project purpose and need is to restore reefs in the estuarine waters of the State of Mississippi through placement of cultch materials within the footprint of existing and historic reefs. These activities will be an asset to the estuarine environment, the species that inhabit estuaries in Mississippi water, and to local commercial and recreational fishermen.

The project description is to restore twenty-three thousand eight hundred and twenty-three acres of existing and historical oyster reefs. Phase one of a ten-year project will include thirty-five hundred acres.

Oyster shell, crushed concrete, or limestone cultch material, will be placed at a density of one hundred cubic yards per acre across each selected site, totaling no more than three hundred and fifty thousand

cubic yards of material. This density will ensure less than six inches of relief of cultch materials across the bottom of each restoration site.

Here is a diagram of the project. As you can see, the darker areas are currently our historic and existing reefs. You've got the Intracoastal Waterway, and these are disposal areas from dredge material.

Here is a zoomed-in area of the St. Louis Bay. This is a Federal navigation channel. There is a five hundred foot buffer on it.

Here you have the Back Bay of Biloxi. This is Deer Island, disposal area buffer and you have the Federal navigation channel, and, again, the dark areas are the oyster reefs.

This is Graveline Bayou oyster reefs and the Pascagoula Bay oyster reefs.

This project serves a higher public purpose, by restoring existing and historic oyster reefs for local recreational and commercial fishermen.

The applicant has requested change from a General Use District to a Special Use District, S-1, Natural and Artificial Oyster Reefs, in accordance with Chapter VIII, Section 2, Part 1.E.2.b.i. of the Mississippi Coastal Program, and has based this request on the assertion that no significant environmental impacts

would occur as a result of the use allowed, no feasible, alternative sites in the use designation being requested are available, the general public, as well as governmental entities, were notified of the activity, no significant conflicts with surrounding uses, or public access to coastal wetlands, would occur and the activity does not adversely affect the public interest in wetlands protection.

There was also a variance request to Chapter VIII, Section 2, Part III.O.1 which states, "Permanent filling of coastal wetlands because of potential adverse and cumulative environmental impacts is discouraged."

This was justified under Chapter VIII, Section 2, Part I.E.2.c.i., by stating that the impacts on coastal wetlands would be no worse than if the guidelines were followed.

There are no precedent setting effects expected, based on this project, since the sites have been historically utilized as oyster reefs.

Based on comments received from the Mississippi Department of Wildlife Fisheries and Parks, the project as proposed could have negative impacts on the Mississippi Diamondback Terrapin which is a state listed imperiled species.

If large amounts of cultch material are placed

too close to pocket beaches used as nesting areas by terrapins, it could alter wave dynamics, potentially leading to loss of natural beaches that are vital to the nesting success of this species.

Mississippi Department of Wildlife Fisheries and Parks recommends these nesting areas be taken into consideration, prior to placement of cultch material.

The Mississippi Department of Marine Resources states that these areas being proposed for restoration near terrapin habitat must be in water deep enough -- a minimum of four feet -- to allow barges to deploy cultch materials which would require them to be a considerable distance for near shore marsh and tidal habitat preferred by terrapin.

Also, terrapin seem to exhibit a preference for soft mud bottom which is not suitable substrate for cultch placement.

The Mississippi Department of Marine Resources says it is unlikely that oyster reef restoration activities will cause any adverse effects to terrapins, or their near shore habitat. Any and all appropriate measures will be taken to avoid additional impacts.

The Mississippi Department of Archives and History determined that cultch area number sixty-nine is adjacent to a known archaeological site, the "Biloxi

Shipwreck". If the site can be avoided, Archives and History would have no objection to the project.

Mississippi Department of Marine Resources will take any and all measures necessary to avoid the "Biloxi Shipwreck" archaeological site. If this site is selected, all restoration activities will remain within the boundaries of the permitted area sixty-nine and would not affect adjacent water bottoms. If any cultural resources are discovered, during the pre-restoration field assessment of the site, Archives and History will be notified immediately.

The project is located within existing and historic oyster reefs.

Best management practices will be utilized, during all phases of construction, to minimize adverse impacts to coastal wetlands.

The areas selected are where environmental conditions are conducive for oyster growth and reefs have been located historically. Therefore, no alternative sites were considered.

The placement of cultch material for oyster reefs does require a waterfront location.

The areas proposed have been historical oyster reefs and no cultch material will be placed above mean low water. Therefore, this project is not expected to

adversely affect the natural scenic qualities.

Notification of the project appeared in The Sun Herald and Mississippi Press, on January 31st, February 7th, and February 14th, 2016, and in the Sea Coast Echo, on January 30th, February 6th, and February 13th, 2016.

No public comments have been received.

Mississippi Department of Environmental Quality asked for the criteria that will be evaluated to select the areas for restoration and what will be the potential for success.

The DMR has submitted the criteria that will be evaluated, and DEQ is currently reviewing the proposal.

The DMR states, success will be gauged, based on the number of individuals recruited into different size classes, spat, seed and sack, and the ability of the reef to sustain a viable, diverse community of oysters over time.

Archives and History has no objections, as long as the "Biloxi Shipwreck" site can be avoided.

Secretary of State says the project will not require a Tidelands lease.

Department of Wildlife Fisheries and Parks says the project area is habitat for the Mississippi Diamondback Terrapin. They recommend these nesting areas be taken into consideration, prior to placement of cultch

material.

Based upon department review and evaluation, it has been determined that the project is consistent with the Mississippi Coastal Program because it serves a higher public purpose, by restoring existing and historic oyster reefs. Therefore, staff recommends approval of the permit to be valid for ten years, with the following conditions:

The applicant shall notify the Bureau of Wetlands Permitting of the sites chosen for cultch placement, prior to each deployment, and they must get water quality certification from the Mississippi Department of Environmental Quality.

Any questions?

COMMISSIONER GOLLOTT: Chris, we have been waiting for twelve years.

I would like to make a motion that we approve this project.

COMMISSIONER DRUMMOND: I'll second the motion, Mr. Chairman.

COMMISSIONER GOLLOTT: We have a motion and a second.

All those in favor say aye.

(All in favor.)

COMMISSIONER GOLLOTT: Opposed?

(None opposed.)

COMMISSIONER GOLLOTT: Motion carries.

Thank you.

CHRIS PICKERING: Thank you.

COMMISSIONER GOLLOTT: Next we have Finance, Kacey Williams.

KACEY WILLIAMS: Good morning Commissioners, Director Miller, Ms. Chestnut.

Vice-Chairman Drummond, you will be missed on the Commission, but, on the bright side, this will be your last financial report.

At the end of May, we had State revenue of seven point one million, and a total Agency revenue of twenty-five point four million.

Total Agency State Net Income is negative two point one million, and total Agency Net Income is negative one point one million.

We are still waiting on State appropriations and payments from some other special funding revenue sources, as noted on the slide.

After eleven months of fiscal year 2016, we have Operating Funds remaining of fifty-one point six percent, and Tidelands Budget remaining of twenty-five point two percent.

Any questions?

(No response.)

KACEY WILLIAMS: Thank you.

COMMISSIONER GOLLOTT: Thank you.

Ms. Melissa.

MELISSA SCALLAN: Good morning Commissioners, Director Miller, Ms. Chestnut.

Shelby, I just want to say thank you for working with us the past few years, and we will miss you for sure.

I will tell a story on Shelby. I sent out the daily news clips and asked him if he wanted to continue to be on that list, and he said very colorfully, "No". I will let y'all think of what he said before that.

We will miss you for sure.

Since the last Commission meeting, the Department of Marine Resources was mentioned sixty-three times in local, state and national media.

Some of the things that we received the most attention on were the Seafood Cook-Off, the proposed oyster aquaculture project, the opening of Red Snapper season, the opening of shrimp season, and the arrest of a man who threatened a Marine Patrol Officer on Facebook.

The Marine Patrol held five boat-and-water safety classes in May and certified eighty-one students. So far in fiscal year 16, Marine Patrol has held nineteen classes and certified four hundred and eighty-six students.

Some of their other events, since the last commission meeting, was the Flagship Festival, some CCA event, the Special Olympics, the Tired Dogs Fund Duck Race and Sounds by the Sea.

On May 26th, we had the Mississippi Seafood Cook-off at Café Climb in Gulfport. Alex Eaton of The Manship Wood Fired Grill in Jackson won first place, and he will represent Mississippi at the Great American Seafood Cook-Off in August.

Another recognition I wanted to bring to your attention, Kristina Broussard works for the office of Marine Fisheries in the Shellfish Bureau and she has been recognized by the Mississippi Recycling Coalition. Kristina does a recycling program here at the Agency. She has been doing it for almost ten years and makes sure that we recycle newspapers, water bottles, aluminum cans, that kind of thing.

She received a Certificate and a letter for her efforts, and we wanted to bring that to your attention.

Thank you.

COMMISSIONER GOLLOTT: Thank you.

COMMISSIONER DRUMMOND: Thank you, Ms. Melissa.

COMMISSIONER GOLLOTT: At this time, do we have any other business to come before the Commission?

(No response.)

COMMISSIONER GOLLOTT: If not, I will ask Shelby Drummond to make a motion for us that we adjourn.

COMMISSIONER DRUMMOND: Is this the last time I get to do this?

COMMISSIONER GOLLOTT: This is the last time you get to do this.

COMMISSIONER DRUMMOND: I'll make a motion we adjourn.

COMMISSIONER ZIMMERMAN: I'll second the motion.

COMMISSIONER GOLLOTT: We have a motion and a second.

All those in favor say aye.

(All in favor.)

COMMISSIONER GOLLOTT: Adjourned.

(Whereupon, at 11:28 o'clock, a.m., the June 21, 2016, meeting of the Commission on Marine Resources was concluded.)

CERTIFICATE

I, Lucille Morgan, Certified Shorthand Reporter, do hereby certify that the above and foregoing is a true and correct transcript of the June 21, 2016, meeting of the Commission on Marine Resources, as taken by me at the time and place heretofore stated in the aforementioned matter in shorthand, with electronic verification, and later reduced to typewritten form to the best of my skill and ability; and, further, that I am not a relative, employee, or agent, of any of the parties thereto, nor financially interested in the cause.

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