

MICHIGAN COMMISSION OF AGRICULTURE
Geagley Laboratory
Gordon Guyer Room
1615 S. Harrison Road
East Lansing, MI 48823

MEETING MINUTES
JULY 18, 2006

PRESENT:

Douglas Darling, Chair, Commission of Agriculture
Dale Norton, Vice-Chair, Commission of Agriculture
Ann Jousma-Miller, Secretary
Don Coe, Commission of Agriculture
Mitch Irwin, Director, Michigan Department of Agriculture

OTHERS PRESENT: (all or part of the meeting)

E.J. Brown, Michigan Association of Fairs & Exhibitions
Elaine Brown
Dan Keane
Dru Montri
Paul VanderBosch, City of South Haven

CALL TO ORDER AND ROLL CALL

Chairperson Darling called the meeting of the Commission of Agriculture to order at 10:20 a.m. on Tuesday, July 18, 2006. Commissioner Jousma-Miller called the roll with Commissioners, Darling, Norton, Jousma-Miller, Coe and Director Irwin present. Commissioner Byrum was out of the country.

APPROVAL OF AGENDA

MOTION: COMMISSIONER NORTON MOVED APPROVAL OF THE JULY 18, 2006 AGENDA. SECONDED BY COMMISSIONER JOUSMA-MILLER. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF JUNE 15, 2006 MEETING MINUTES

MOTION: COMMISSIONER COE NOTED A CORRECTION ON PAGE 10 CHANGING A DATE UNDER THE BOVINE TB UPDATE FROM "2004 TO DATE" TO "2006 TO DATE". COMMISSIONER JOUSMA-MILLER MOVED APPROVAL OF THE JUNE 15, 2006 MEETING MINUTES WITH THE NOTED CORRECTION. SECONDED BY COMMISSIONER COE. MOTION CARRIED UNANIMOUSLY.

COMMISSIONERS' TRAVEL

- No Commissioner travel approval was requested.

COMMISSION COMMENTS:

Commissioner Norton noted that he attended a meeting in Charlotte with Michigan Farm Bureau and representative from the Environmental Protection Agency discussing the new rules for concentrated animal feeding operations (CAFOs).

He commented briefly about the opening of the Michigan Biodiesel plant in Bangor.

Commissioner Coe commented that Leelanau County had heavy hail, and suspects much damage to tart cherries. The sweet cherry harvest is over with a large crop and good prices. There was a smaller crop in tart cherries.

In June he attended a meeting in Saginaw with Michigan Agriculture Experiment Station, and had an opportunity to visit the experiment station, an ethanol plant and a sugar processing plant.

Commissioner Jousma-Miller noted a good hay crop in the Upper Peninsula (UP), but the corn crop is slow. The UP State Fairgrounds has seen many great events this summer. The Board has approved their capital outlay agenda and the community is beginning work on that.

She has been helping the biodiesel plant work through issues with different departments of state government. They are up and running and excited as Michigan State University (MSU) ran a series of meetings on biofuels across the UP that were very well attended. She has put together a conference call with the owner of the plant and the MSU crop specialist to review the possibilities of producing different crops in the UP.

She also noted that Bay Mills Reservation has a small crusher on-site and are raising flax in that area.

She has also been working with Michigan Technological Education Center (MTEC) at Bay College in Escanaba on a culinary school. They are developing the curriculum and also looking at an incubator kitchen for people who want to do specialty items but may not want to put a commercial kitchen in their home.

Governor Granholm will be in Escanaba on August 18 and will attend the grand opening of the biodiesel plant. Commissioner Jousma-Miller has been working with the Governor's staff on details.

Commissioner Darling commented about the tours that took place after the June 15, 2006 meeting in Muskegon. He thanked Harley Sietsema and Peterson Farms for their hospitality. He also thanked Kevin Kirk, Dr. Steven Halstead, and the staff from the Animal Industry Division and Michigan Farm Bureau for the Electronic Animal Identification demonstration held prior to the July 18, 2006 meeting.

He commented about the weather in southeast Michigan and noted that crops have suffered. He constantly hears comments about fuel prices and other costs.

MICHIGAN AGRICULTURE ENVIRONMENTAL ASSESSMENT PROGRAM RECOGNITION

MAEAP has been recognized at the federal level as an outstanding example of partnerships working to improve the environment within the livestock industry. Commissioner Darling recognized the Environmental Stewardship Division for their success and presented an award from United States Department of Agriculture (USDA) to Gordon Wenk, Director of the Environmental Stewardship Division. Also included in the presentation was Commissioner Coe, whose farm was the 100th MAEAP verified farm in Michigan.

Commissioner Coe commented that it is a great program that is also simply good business.

DIRECTOR'S REPORT

Director Irwin commented briefly about a grant received for bio initiatives at MSU. He noted that it is an exciting day for agriculture and technology and involved with Ag Expo.

He spoke of the recognition and critical importance of the MAEAP program for Michigan agriculture's future. There is no other program like it in America. Michigan has been a model in the nation in its effort to promote this program.

Director Irwin commented about the pending CAFO legislation and the important role MAEAP plays.

He gave an update on budget issues for FY'07. He commented about the importance of the programs at MDA and the role they play in keeping the food supply safe.

He also updated the Commission on a recent incident with allegedly smuggled poultry and the partnership with USDA through the investigation. He commended the Emergency Management, Food & Dairy and Animal Industry Division staffs for their good work and professional handling of the incident.

A "Fuels of the Future" package has passed the legislature and MDA will be engaged more aggressively working on enhanced inspections, which have already doubled over the last year. With the new law passed, MDA will be involved with a diesel inspection program. Negotiations are now ongoing to identify operational support for the inspections and the equipment to be installed at the laboratory. The bill also mandates a renewable fuels commission to be appointed by the Governor and administered through MDA.

Director Irwin commented about the 10 energy renaissance zones that the legislature has approved. They are designed to promote the renaissance zone concept with incentives for business in the energy field. Additionally, the legislature passed 10 agriculture processing renaissance zones.

Director Irwin updated the Commission on the Julian-Stille Value-Added Program. 225 grant applications (totaling requests for \$36 million) have been received and will be evaluated for the \$5 million available. Awards and announcements are scheduled for September.

Michigan is the first in the nation to implement mandatory electronic animal identification. He commented this is a challenge in terms of public education and he appreciates the assistance of Michigan Farm Bureau and efforts of the Michigan Cattlemen's Association in the area of public education. He noted how important animal identification is in food safety, confidence in the food supply and in efforts to market products around the world.

At the request of the Governor, staff has been attending workgroup meetings reviewing the content of the Federal Farm Bill and developing comments to bring Michigan interests to the table.

Commissioner Darling thanked staff for the extra hours put in on the recent poultry incident.

DIRECTOR'S TRAVEL

- July 26, 2006, Washington, DC – Discuss animal disease issues with Congressional Delegation.

MOTION: COMMISSIONER JOUSMA-MILLER MOVED TO APPROVE THE ABOVE TRAVEL FOR THE DIRECTOR. SECONDED BY COMMISSIONER NORTON. MOTION CARRIED UNANIMOUSLY.

ELECTRONIC ANIMAL IDENTIFICATION UPDATE: Kevin Kirk, Animal Industry Division and Dr. Steven Halstead, State Veterinarian

Mr. Kirk distributed fact sheets for Mandatory Electronic Identification produced by Michigan State University Extension (MSUE) and discussed a tool he uses to track weekly progress. Currently, 1,280 producers have ordered 116,519 new tags. Approximately 1/3 of the livestock population goes through the market system each year. As of July 17, 2006, 14,430 premises registrations have been filed with the USDA database. This must occur prior to receiving the electronic tags. In 2007, all other species groups must be included in the database.

He shared how critical communication is with the industry about the mandatory change.

There are challenges with the conversion of the tag numbering system. Staff is continuing to perfect the ordering system.

He reviewed upcoming changes and timelines. Other states are seeking information about Michigan's program.

Dr. Halstead complimented Mr. Kirk's commitment to this program. He reviewed upcoming activities to promote the new program and share information. He noted that March 1, 2007 is the date to go "live" with the system. He stated that they are pleased with the progress to date.

He recognized the task force that has been a big part of this initiative.

In response to a question from Commissioner Jousma-Miller, Dr. Halstead explained that the food animal species are the first to be enrolled. There are task forces that are developing plans for specific species and will be implemented into the national plan. Swine and sheep will be next.

In a response to a question from Commissioner Coe, Mr. Kirk explained how the tag numbers are cross-referenced and recorded.

In response to a question about feeder cattle from Commissioner Norton, Mr. Kirk explained how the tracking of a particular animal would work. He also briefly discussed the question of who “owns” the information.

Dr. Halstead commented that the tag and number assigned to the animal does not contain any information about the animal, simply links the animal to the database where the rest of the information resides. He likened it to a license plate tag on a car.

In a response to a question from Commissioner Darling, Mr. Kirk discussed using the tag numbers to improve marketing and management of herd quality. Dr. Halstead noted that there could be great advantage to using the tag numbers in this way. It currently is an unexplored area.

EMERGENCY MANAGEMENT: AVIAN INFLUENZA PREPAREDNESS
UPDATE: Brad Deacon, Emergency Management Coordinator and Dr. Steve Halstead, State Veterinarian

Mr. Deacon discussed an exercise that MDA organized and led in May 2006. Last winter, MDA was asked by the Governor’s Homeland Security Advisor to participate in a national exercise called Ardent Century. MDA was asked to complete a functional exercise. Staff designed an exercise utilizing both MDA staff and the Veterinary Corp planning for an outbreak of Avian Influenza. The Veterinary Corp consists of 25 private practice veterinarians who have volunteered to be a reserve team in the event of an animal emergency. There was so much interest that the exercise was repeated on a second day.

The exercise was held at the MSU Pavilion in partnership with MSU Extension, the School of Veterinary Medicine, the College of Agriculture and Natural Resources, Michigan Departments of Natural Resources and Community Health, and others. Two sessions were held, one covering such topics as Avian Influenza, protective gear and bird handling, and the second had five different scenarios with live chickens. Each scenario was different, including a large commercial farm, a hobby flock, an Amish farm, a pheasant farm and farm that had an individual that spoke only Spanish. The teams suited up, did respirator fit testing, collected the necessary equipment. The participants were split into teams and had to practice getting their bio-security suits on in their trucks. The 800 MHz radios were used for communication, samples were taken and protective measures practiced for worker health.

There were many observers including county health departments, Michigan State Police (MSP), Michigan Department of Community Health, USDA and MDA staff.

Mr. Deacon stated this was a very productive two days and sets Michigan apart from most other states.

Dr. Halstead stated the exercise also included the steps for proper submission of the samples to the laboratory. He stated there were many positive comments and he was happy with the exercise.

Mr. Deacon gave special thanks to Dr. Peggy Roth, Animal Industry Division, who worked very hard on this exercise, especially developing the scenarios.

In response to a question from Commissioner Coe, Mr. Deacon stated that capacity would be a concern in the event of a major incident. That is a key reason why the Veterinary Corp was developed, to have a group of other folks to call upon. MDA will also be working with the MSP Hazardous Material Training Center, who have great experience with local training.

In a response to a question from Commissioner Coe, Dr. Halstead stated that it is difficult to compare an outbreak in another country with a potential outbreak in this country. Our infrastructure is so integrated at an industrial level, that it would be very different. Additionally, governmental response and involvement also varies.

In response to a question from Director Irwin, Dr. Halstead and Mr. Deacon discussed the number of responders available in Michigan and responder resources.

Mr. Deacon then reviewed the timeline and details of the incident with a warehouse in Troy that was discovered by USDA to house suspect poultry and other potentially illegal material from China. The material was seized and destroyed. A joint investigation ensued. Other product was found in the warehouse that caused some concerns with, among other things, labeling. The Food and Drug Administration was then brought in. While this was going on, information was shared with County Health Departments. Restaurants that were thought to possibly have contact with the warehouse were inspected. No restaurants were found to have any illegal or unsafe product.

Communication between partners has been and will continue to be important.

In response to a question from Commissioner Coe, Mr. Deacon stated that there are disciplines in place to make sure that there is a single source point of contact.

Director Irwin stated that the public's interest is paramount in food safety. MDA staff organized a media conference call to address the media's questions with expertise in different disciplines available to respond.

Staff is taking this opportunity to review communication plans both within the state system and with federal and industry partners.

In response to a question from Commissioner Jousma-Miller, it was stated that this is the first time this warehouse has had this type of problem. MDA issued a summary suspension of the license that will be in effect until the owners contact MDA with a request to resume operations. At that time MDA will again review and investigate the warehouse.

Dr. Halstead shared that MSU has hired Dr. Chris Brown as the new Dean of the College of Veterinary Medicine. Dr. Halstead stated that Dr. Brown was on faculty at MSU prior to a move to the University of Iowa. He begins at MSU on September 1, 2006.

MIGRANT LABOR HOUSING RESOLUTION: Gordon Wenk, Director, Environmental Stewardship and Joel Gorch, Migrant Labor House Program Manager, Environmental Stewardship Division

Mr. Wenk updated the Commission on a related Right to Farm issue. Terry Holloway, who had been before the Commission earlier in the year, has prevailed in the Circuit Court with his siting of migrant labor housing using the Michigan Right to Farm Act. He will now be able to build migrant labor housing where he needs to in order to provide for harvesting his crops.

Mr. Wenk provided a new draft of a resolution for the Commission to consider. The resolution supports efforts to attract and maintain an adequate workforce in Michigan for farm labor. It also supports the enumeration study for workers in the agriculture industry.

Commissioner Coe commented on the importance of passing this information to our federal delegation. While it doesn't deal directly with the immigration issue, it deals with the need of a stable workforce.

Mr. Gorch stated that MDA has received a draft of the enumeration study. The study sponsors have asked for review and feedback of the inter-agency participants.

Chairperson Darling read the resolution into the record (Attachment F).

MOTION: COMMISSIONER COE MOVED TO APPROVE THE RESOLUTION IN SUPPORT OF FARM LABOR IN MICHIGAN. COMMISSIONER JOUSMA-MILLER SECONDED. MOTION CARRIED UNANIMOUSLY.

Commissioner Darling directed that a copy of the resolution be forwarded to the state legislature, Governor, congressional delegation and executive branch in Washington, DC.

PESTICIDE & PLANT PEST MANAGEMENT DIVISION REGULATORY UPDATE AND DOWNEY MILDEW UPDATE: Ken Rauscher, Director, Pesticide & Plant Pest Management Division; Robin Rosenbaum, Plant Industry Section Manager, Pesticide & Plant Pest Management Division

Mr. Rauscher updated the Commission on the status for Regulation 641 Commercial Fertilizer Bulk Storage and Regulation 637 Pesticide Use.

Regulation 641 has been in place since 1999. It deals primarily with liquid fertilizer. He reviewed the proposed changes that were recommended by an advisory committee. The changes would provide for a “bladder” system inside the tank. It is new to Michigan and adapts the latest technology. The rules have been in the drafting process for approximately 1-1/2 years and a public hearing was held May 26, 2006. Four written comments were received in favor of the proposed changes. No opposition was received. The regulation will now proceed through normal channels for approval.

He briefly discussed Regulation 637. Regulation 637 is the primary regulation dealing with pesticide use. It describes a variety of pesticide use requirements. A broad-based group has been reviewing this regulation in an advisory role for approximately one year. Mr. Rauscher asked the Commission to approve moving Regulation 637 through the formal rule making process.

MOTION: COMMISSIONER NORTON MOVED TO APPROVE THE RULE MAKING PROCESS FOR REGULATION 637. COMMISSIONER JOUSMA-MILLER SECONDED. MOTION CARRIED UNANIMOUSLY.

In response to a question from Commissioner Norton, Mr. Rauscher stated that the bladders are designed to fit into existing tanks.

Mr. Rauscher and Ms. Rosenbaum updated the Commission on a recent discovery of Downey Mildew in cucumbers. In mid-June reports were received about an infection of Downey Mildew in cucumbers in Monroe County. It is a devastating disease and one not found in Michigan for fifteen years, until last year. All cucurbits are susceptible.

A great deal of interest and telephone calls were generated. After consultation with Dr. Mary Hausbeck at MSU, MDA moved forward with a Director's Order to order destruction of the two fields. After negotiations with the grower, the two most susceptible varieties were ordered destroyed, with destruction of the rest of the fields to occur a week later.

As of July 11, 2006 both fields were destroyed. There are spore traps in the other fields at the farm and the fungicides appear to be working on the remaining plants.

The cucurbit growers in Michigan are spending a lot of money into protecting their crops. The best defense against this disease is protection prior to causing damage.

In response to a question from Commissioner Norton, Ms. Rosenbaum stated that the primary source of transmission is transplants, although it is an airborne disease.

LEGISLATIVE REPORT: Liesl Clark, Legislative Liaison

Ms. Clark introduced and welcomed Kendra Butter, Senate Majority Policy Staff; Rebecca Park, House Majority Policy Staff; Deb Holland, Senate Fiscal Agency; Bruce Baker and Bill Hamilton from House Fiscal and Mark Salogar, House Democratic Policy Staff. She stated there was a great legislative turnout at the Ag Expo breakfast.

Budget issues appear to be wrapping up. The legislature is expected back the following week to finalize budget bills. There is an additional provision for the Food & Dairy Division, the Fruit & Vegetable Inspection Program and the Conservation Districts.

The Governor has signed a number of bills including the Alternative Energy Package. The diesel bill that creates a diesel inspection program within MDA leads the nation in terms of the type of abilities available within the Weights & Measures Program and Motor Fuel Quality. However, there was no provision for funding. That will be an ongoing issue.

Also, the Renewable Fuels Commission will be housed within MDA (appointed by the Governor.) There is a report due from that Commission within a year of enactment.

There are five alternative energy renaissance zones that MDA will be following closely and working with the Michigan Economic Development Corporation (MEDC). There are additional 10 agricultural renaissance zones that create major and minor zones that will allow for smaller renaissance zones to reflect the impact of smaller dollars on rural communities. The Agriculture Commission has signed off on the 10 zones.

Ms. Clark updated the Commission on a variety of other things in progress including SB 840; the MAEAP legislation is currently on the House floor and work also continues on the abandoned orchards legislation. In addition, the Food & Dairy Division is working on re-opening the Food Law and they have a working group on adopting the new Grade "A" Pasteurized Milk Ordinance.

The Julian-Stille Value-Added Program rules have been completed. The Bodies of Dead Animals rules are still in process.

It appears that the Federal agriculture bill will not be adopted until after November because of the disaster money that was a portion of that. Comments have been prepared for the Senate and are being prepared for the House.

Ms. Clark attended a meeting with the Midwest Governors' Association for development of a document regarding the Federal Farm Bill.

In response to a question from Commissioner Jousma-Miller, Ms. Clark stated that information about the new energy renaissance zones would come through MEDC and through Bob Craig for the agriculture renaissance zones.

Director Irwin recognized MDA staff, along with MEDC, Governor's Office and the legislature, for providing an amendment to require MDA's input in the decision-making process for awards. Ms. Clark thanked Sen. Jelinek and staff for support of the concept.

LEADERSHIP ACADEMY WELCOME

Commissioner Darling welcomed members of the MDA/Michigan Department of Environmental Quality (MDEQ)/Michigan Department of Natural Resources (MDNR) Leadership Academy who were observing the Commission meeting. The Leadership Academy is a cooperative effort between MDA/MDEQ/MDNR. The curriculum was put together by MDEQ with additional items added by the other agencies. It is a year-long process that includes Action Learning Projects dealing with legislative issues and topics like Ethanol Production. Twenty-five participants were chosen from the three departments for this session.

UPDATE – REQUEST FROM MICHIGAN ETHANOL: Gordon Wenk, Division Director, Environmental Stewardship Division

Mr. Wenk provided a brief update on a request from Michigan Ethanol for a Right to Process Site Determination.

Since the last Right to Process Site Determination was completed (for a different company) the Act has been amended. There are now factors within the Right to Process Act that allows MDA to make a determination absent a Generally Accepted Agriculture Management Practices (GAAMP) for food processing. This is a joint effort between the Food & Dairy Division and the Environmental Stewardship Division.

The request from Michigan Ethanol was received near the end of June. Right to Process efforts will be focused on the production of dried distillers grains (DDGs.) MSU and Michigan Biotechnical Institute have been contacted for guidance on the production of grain products. PPPM has been contacted as they license companies producing feed grains. MDEQ has also been contacted. Similar pro-active inspections are conducted through the Right to Farm process.

The feedback given will be in relation to proper processing. This does not remove the company from the complaint process.

PUBLIC COMMENT

Elaine Brown, Executive Director, Michigan Integrated Food & Farming Systems (MIFFS) and Michigan Farmers' Market Association. MIFFS is a 501-3c non-profit organization created in 1998. Ms. Brown gave an update of activities undertaken to assist small and medium sized farms to locate markets. They have partnered with MDA and the Select Michigan Program, worked through the Multi-Cultural Agriculture Program, developed incubator kitchen projects and the Buy Fresh/Buy Local program.

She described a grant they received from the Partnership for Public Spaces (re-granted from the Ford and Kellogg Foundation) to establish a Michigan Farmers Market Association. They have been searching for a broad base of partners to come together to develop a vision and move forward. The intent to being able to assist farmers markets both in terms of sponsorship, improving ad ability for different organizations to sponsor, improving access, improving opportunities for the farm market managers and for vendors.

Ms. Brown introduced **Dru Montri** on staff at MIFFS to help with the project and **Dan Keane** who is on the management team and Farmers' Market Manager at the Saginaw Farmers Market.

Mr. Keane noted that MIFFS was one of three entities funded nationally to set up a state association. In 2001 there were approximately 90 farmers' markets in Michigan and last year there were 150. MSU is a major partner helping to look at issues facing farmers' markets. He stated this is a tremendous industry that has not yet been networked or brought together well.

Ms. Montri stated there is a lot of exciting work ahead of them. They currently are planning a session at the end of the month to bring together those individuals who have expressed an interest in working on this project. She looks forward to giving the Commission a more complete presentation in a couple of months.

Commissioner Coe noted that he attended the MSU Extension meeting the previous month and listened to a presentation about the Saginaw Farmers' Market. He stated that these markets are important cultural and business additions to the local communities. He was impressed with the certificates given to young people and the elderly to take to the farmers' market and redeem for produce. This adds to the health of a community for those who need assistance.

Director Irwin mentioned two other initiatives underway that may affect farmers' markets; the recommendations of the Food Policy Council and recommendations of the Agriculture Tourism Commission. Those reports are due soon.

Mr. Keane invited the Commission to visit the Saginaw Farmers' Market

Ms. Brown stated that farmers' markets are a great opportunity for the general public to put a "face" to agriculture. It is also a great incubator for people to get into a business environment and expand opportunities.

E.J. Brown, Michigan Association of Fairs & Exhibitions, gave a brief update on the fair industry in Michigan. He shared an article written by July Keen of *Gannett News Service* that appeared in the *Battle Creek Enquirer* on July 11, 2006. This article has run nationwide since July 4th about what fairs are doing to broaden their appeal to bring more people in to local fairs.

He commented on a voluntary testing program for exhibitors at poultry livestock shows to test for Avian Influenza run by MDA.

Additionally, there was an article that ran in June 2006 about Elliott Amusements from Mason, Michigan that was the first to start using biodiesel in their operation. McDonaghs from Chesaning and Schmidts from Standish are now also using biodiesel. This article also has run nationally.

They look forward to the ethanol plants coming on line and the addition of E85 pumps. Their membership is very interested in alternative fuels.

Mr. Brown briefly described a cross promotion with the Michigan State Fair in Detroit and the UP State Fair with the Michigan Department of Lottery.

Paul VandenBosch, Assistant City Manager, City of South Haven, stated that he works with brownfield redevelopment for the City of South Haven. He described an issue with a 17-acre site they are trying to develop that would bring in a 210-unit development, increase housing in the city between 5-10% and over \$50 million of created value.

The site is believed to have been used prior to World War II and contaminated with old pesticides. They have attempted to have the site cleaned up through MDEQ and the Brownfield Redevelopment Financing Act. However, that program does not allow for clean up of pesticide applications.

There has not been a farming operation in the city for decades. Because the contamination came from pesticides, the project cannot be funded by the usual method. He stated timing is an issue and the City of South Haven may lose a major development if they do not find a way to deal with the issue quickly.

He believes a section of the Right to Farm Act allows a municipality or local jurisdiction to pass an ordinance that is different from the Right to Farm Act using an exemption from the Generally Accepted Agricultural Management Practices in defining a release of contamination.

The City of South Haven has proposed an ordinance that needs the Agriculture Commission's approval prior to adoption. The ordinance would include a section on Generally Accepted Agricultural Management Practices current or historical application of pesticides that result in soil contamination exceeding residential direct contact criteria shall not be considered as Generally Accepted Management Practices under the Michigan Right to Farm Act. It would only apply within the city limits and would not affect any farming operations. He stated he feels there are other situations like this. He asked the Commission for their consideration to approve the ordinance.

Commissioner Darling stated that MDA staff would need to review the ordinance and advise the Commission of the steps and proper procedure necessary to consider granting an exemption.

Director Irwin stated he was sure that staff would have their review, report and legal analysis in terms of precedent setting as well as any conflict that may exist, completed by the next Commission meeting.

In response to a question from Commissioner Coe, Mr. VandenBosch stated the land had not been used in 30 years. The land is on the river and part of the land has a marina on it. The orchard is only 5 acres of the 17-acre site.

RECESS:

The meeting was recessed at 12:50 p.m.

RECONVENE:

The meeting was reconvened at 1:30 p.m.

AGRICULTURAL VIABILITY AND FARMLAND PRESERVATION IN MICHIGAN: Dr. Soji Adelaja, Land Policy Institute

Dr. Adelaja presented a PowerPoint and distributed a summary of the Farmland Preservation Research and Outreach Initiative. In 2004, with consultation with Governor Granholm's staff, six studies were identified to implement the recommendations of the Michigan Land Use Leadership Council. Four of the studies deal directly with farmland preservation and farm viability. The W.K. Kellogg Foundation and various MSU units partnered to provide resources to support the studies.

He reviewed why they focused on agriculture and the importance of agriculture. He discussed when a state should be ready for increasing farmland preservation efforts. The four studies relate to vision of farmland preservation; funding of farmland preservation; saving money through innovation methods in farmland preservation and making agriculture more viable and more able.

He closed with policy recommendations.

A brief discussion ensued about the benefits of farmland preservation, communicating information to farmers and the general public about farmland preservation and long-term management needs.

COMMISSIONERS' ISSUES

Commissioner Jousma-Miller introduced Herb Teichman, Tree-Mendous Fruit Farm, who serves on the Agriculture Tourism Commission.

Jody Pollok, Michigan Corn Growers Association and Corn Marketing Program of Michigan provided a brief overview of ethanol production in Michigan. Ms. Pollok distributed the Corn Check-Off Report and Newsletter and Fact Sheet from the National Corn Growers Association. She commented that her organization has been doing a number of presentations recently regarding corn and ethanol. The "Big 3" automakers have been great to work with and are willing to work together to move things forward. Much work is being done on infrastructure. Last year there were only two stations in Michigan carrying E85, now there are fourteen. Michigan has just applied, along with seven other corn growing states, to the United States Department of Energy asking for \$200,000 to put in 20 more E85 pumps. Combined with existing pumps and the pumps being put in through Meijer, the infrastructure will increase a great deal. The opportunities to buy the vehicles and the E85 will increase.

The stations currently selling E85 have been selling it for approximately 10 to 15 cents less per gallon.

One of the challenges right now is the extremely high spot price of ethanol. Most ethanol plants contract. When they were selling ethanol at \$1.00 a gallon, they were contracting for \$1.70-\$1.90. With Methyl tert-butyl ether (MTBE) being banned by the petroleum industry and being pulled from the market, it has opened up the coast to try and get more ethanol.

So far in Michigan the price has been held to at least 10 cents a gallon less. One ethanol plant has been in production since 2002; two are opening in August/September and those are both 50 million gallon per year plants. The plant in Blissfield will open in December as a 57 million gallon plant with construction continuing and increasing to a 114 million gallon plant next summer. There is an additional plant in Marysville that is under construction.

She discussed corn production and increasing corn yields and proficiencies from the producers and the ethanol plants. In 2000, the industry standard was 2.5 gallons of ethanol per bushel of corn. The industry standard now is 2.8 gallons and they are sure some plants are getting 3 gallons. If you look at future projections, it reaches 3.6 gallons per bushel.

There is still a lot of research that can be done looking at ethanol plants, production and efficiencies.

She briefly discussed several research projects that are currently underway. She stated that projections by 2015 would be to produce 15 billion bushels of corn. She discussed exporting corn and future potential and stated that biomass markets will grow.

Ms. Pollok shared that they had applied for a grant through the 21st Century Jobs Fund to conduct a demonstration project at one of the prisons using a boiler and switching it over to corn heat. They have qualified so far and made it to the interview round.

TALKING ABOUT MICHIGAN AGRICULTURE: Dennis Pace, Pace & Partners

Mr. Pace presented a PowerPoint regarding research conducted entitled 2006 Ag Council Public Information Campaign. He reviewed the background of the research and how the idea came about. The challenge was to develop and implement a statewide promotional campaign that reinforced a positive image of agriculture. Partners included Michigan Farm Bureau, Michigan Corn Growers, Michigan Soybean Growers and Greenstone Farm Credit. Other commodity groups are also coming on board to provide additional funding.

They talked to focus groups throughout the state to explore public perceptions. Based on that, they conducted quantitative research. They found that Michigan citizens do not think about agriculture very often. They have environmental and food safety concerns, but generally believe farmers are honest, hard working stewards of the land. When asked

specific questions, they found that many citizens take their cues from the media.

Generally, most Michigan citizens trust the food supply and half trust farmers to always do the right thing. They trust the agriculture industry far more than the media. In addition, most trust farmers to make the right environmental decision. Overall, feelings about agriculture are deep, wholesome and somewhat nostalgic. People also value their experiences with agriculture, for example, visiting a farmer's market, vegetable stand, orchard, or u-pick operation. They worry that their children will lose any connection with agriculture. Twenty-five percent of people will specifically purchase food at a grocery store because it is locally grown.

Overall, agriculture may have isolated issues or policy problems, but there is not a perception problem in Michigan. The frame through which people view agriculture is a very positive one.

The communication question becomes how to begin to speak with one voice. Any good story, even about an atypical operation, is a good story about all of agriculture. He stated that they need to learn how to leverage every direct experience contact point.

Mr. Pace then reviewed the Ag Council Objectives and Activities for 2006. The first objective is the open more farm doors to communities by developing updated farm visit kits to assist farmers in holding open houses. Provide coordinated technical support for farm visits and consider incentives for first-time participation.

The second objective is to build on the experience of agriculture to communicate a stewardship message. Make every farm market, u-pick, winery and agricultural tourism destination a vehicle for communication. The Ag Council has developed a host of materials to help do that.

The third objective is to use paid media to broadly promote the environmental stewardship of Michigan agriculture. While paid commercial advertising can be expensive, alternatives exist for consistent, valuable messaging, including theater advertising, radio, web, outdoor and community newspapers. Build partnerships, working locally, for media options. Also, develop materials for county outreach efforts.

This work is ongoing with more partners coming onboard for distribution.

NEXT MEETING

MOTION: COMMISSIONER NORTON MOVED TO CANCEL THE AUGUST 17-18, 2006 MEETING. COMMISSIONER COE SECONDED. MOTION CARRIED UNANIMOUSLY.

The next meeting will be held September 13, 2006 in the Saginaw area.

Activities for the Commissioners at the UP State Fair will be shared at a later date. Governor's Day at the UP State Fair is August 18, 2006.

The Michigan State Fair in Detroit runs from August 23 through September 4, 2006. Governor's Day at the Michigan State Fair is August 30, 2006.

ADJOURN

MOTION: COMMISSIONER NORTON MOVED TO ADJOURN THE MEETING. COMMISSIONER COE SECONDED. MOTION CARRIED UNANIMOUSLY.

The meeting was adjourned at 2:50 p.m.

Attachments:

A – Agenda

B – Agriculture Commission Meeting Minutes June 15, 2006

C – Director's Report – July 2006

D – Electronic Animal Identification

E – Status Report on Troy Warehouse Issue and Timeline Illegal Poultry Products Found in Michigan 7-18-06

F – Resolution in Support of Farm Labor in Michigan

G – Pesticide & Plant Pest Management Division Regulatory Update: Regulations 636 and 641

H – Public Comment

Article by Judy Keen "Fairs Seek to Broaden Appeal"

Michigan Fairs and Events 2006 Directory

I – Farmland Preservation Research and Outreach Initiative by Soji Adelaja, Ph.D.

J– Corn Newsletter and Ethanol Fact Sheet

K– Talking About Michigan Agriculture, Michigan Ag Council 2006 Campaign