

# MICHIGAN COMMISSION OF AGRICULTURE AND RURAL DEVELOPMENT

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

## MEETING MINUTES NOVEMBER 18, 2015

### **PRESENT:**

Trever Meachum, Chair, Michigan Commission of Agriculture and Rural Development  
Fred Walcott, Vice Chair, Michigan Commission of Agriculture and Rural Development  
Dru Montri, Secretary, Michigan Commission of Agriculture and Rural Development  
Diane Hanson, Past Chair, Michigan Commission of Agriculture and Rural Development  
Jamie Clover Adams, Director, Michigan Department of Agriculture and Rural Development

### **ABSENT (EXCUSED):**

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

### **CALL TO ORDER AND ROLL CALL**

Chairperson Meachum called the meeting of the Commission of Agriculture and Rural Development to order at 9:01 a.m. on November 18, 2015. Commissioner Montri called the roll with Commissioners Hanson, Meachum, Montri, and Walcott, and Director Clover Adams present.

### **APPROVAL OF AGENDA**

**MOTION: COMMISSIONER WALCOTT MOVED TO APPROVE THE MEETING AGENDA FOR NOVEMBER 18, 2015. SECONDED BY COMMISSIONER HANSON. MOTION CARRIED.**

### **APPROVAL OF SEPTEMBER 9, 2015, MEETING MINUTES**

**MOTION: COMMISSIONER MONTRI MOVED TO APPROVE THE SEPTEMBER 9, 2015, MEETING MINUTES. SECONDED BY COMMISSIONER WALCOTT. MOTION CARRIED.**

### **PROPOSED 2016 MEETING SCHEDULE**

The Commissioners discussed proposed dates for their 2016 meetings.

**MOTION: COMMISSIONER MONTRI MOVED TO APPROVE THE PROPOSED 2016 MEETING SCHEDULE. SECONDED BY COMMISSIONER WALCOTT. MOTION CARRIED.**

The next scheduled meeting will be held on January 27, 2016, at a downtown Lansing location, yet to be determined.

### **COMMISSIONER COMMENTS AND TRAVEL**

**Commissioner Hanson** reported she attended the Hiawatha Michigan Farm Bureau meeting in October, which was well attended. Earlier this month, the UP (Upper Peninsula) Potato Growers held their 75<sup>th</sup> annual meeting.

Potato crop yields have been good, although prices are down slightly. Harvest overall for all growers has been very good and combining of corn is progressing well. Weather temperatures have been above normal; however, Ironwood received over 18 inches of snow last week.

Southern Marquette and northwest Delta Counties are reporting issues with feral hogs. A meeting was held last Friday with the Michigan Department of Natural Resources (MDNR) to discuss the issue. In response to question from the Director, it was confirmed that property owners do not need a license to kill feral hogs on their private land. Those possessing any type of hunting license may also shoot feral hogs, although no shooting is allowed at night. Some hogs have been live captured through a program with MDNR and the U.S. Department of Agriculture (USDA).

**Commissioner Montri** advised she attended an October 1 meeting with Matt Blakely and Representative Tristen Cole to discuss the Wild Foraged Mushroom Certification Program, which will likely be a continuing conversation. She also attended the Generally Accepted Agricultural and Management Practices (GAAMP) Public Input Meeting on October 13, comments from which were provided to the Commission.

On November 2, she presented about the Commission to the Quality of Life (QOL) Leadership Academy. Several of those participants have joined the meeting today. The Leadership Academy session provided a great opportunity and about one quarter of the participants were from the Department of Agriculture and Rural Development (MDARD).

She will not be joining the other Commissioners and the department at the Great Lakes Expo in Grand Rapids this year, as she will be out of state.

It has been a beautiful fall for their farm operation and they continue to harvest from the field with no season extension. A solid cover crop has been planted and the hoop houses are full and ready for winter harvest.

**Commissioner Walcott** advised growers in his area are completing a very good harvest with high yields in corn and beans. Carrots and squash are nearly harvested as well. Weather has been conducive, providing good soil moisture, allowing for the drilling of a considerable amount of wheat.

**Commissioner Meachum** advised it has been a great fall in his area, with record yields for corn and beans. About 95 percent of all crops have been harvested. Wheat that had been planted is already up seven-eight inches and cover crops planted two weeks ago are already germinating, which is interesting to see. The apple harvest is complete. The

markets seem to be adequate for fruit, with a good local demand. Because Washington has a large apple crop this year, some pressure is being felt from the West Coast. Most processors have a full complement of product.

In response to question from Commissioner Walcott, Commissioner Meachum advised his operations did have adequate labor this year. The diversity of their operations provides an advantage for their laborers, as they are able to stay employed from the first of June through the apple harvest in early November. Many of their workers come back every year.

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

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

### **DIRECTOR'S REPORT**

Director Clover Adams advised she attended the National Association of State Departments of Agriculture (NASDA) annual meeting, which included her colleagues from all 50 states. The meeting focused primarily on food safety and the Food Safety Modernization Act (FSMA) rule issued last week, animal disease issues, and exports. 2016 is the 100<sup>th</sup> anniversary of the NASDA organization and appropriately, the annual meeting will be held in Lincoln, Nebraska.

An MDARD all-supervisor training was held the end of September. Through Operation Excellence, a need for training of supervisors to help them understand their roles was identified and quarterly training sessions are being planned.

MDARD's budget hearing with the Governor was held in October, which was positive due to data the department was able to provide on effectiveness and efficiencies staff have identified, demonstrating what MDARD has been able to accomplish and what it can do with additional resources. The department is waiting for notification on whether any of its budget requests will be approved. Now that the road funding has been settled, the Budget Office should be able to move forward on what money will be available.

The Employee Awards Ceremony held on October 20 was a great event, with six employees recognized for 35 years of service. The total years of service for those reaching service year milestones was 1,700 years. Nearly 40 percent of the staff could retire within the next three years.

Last week, she attended the Tri-National Accord in Guadalajara, Mexico. This group was created under NAFTA (North American Free Trade Agreement) almost 25 years ago and includes her colleagues from Canada, Mexico, and the U.S. They discuss trade, in particular issues such as phytosanitary certificates. She pressed the Mexicans on why apples from Washington state can ship within a systems approach, while in Michigan, New York, and Virginia, they require Mexican inspections three times in order to ship. She also pressed the Canadians about dairy, because it is still uncertain how

much dairy exports will open up into Canada if TTP (Trans-Pacific Partnership) is passed; regardless, there will be some opportunities. It is interesting that the average herd size in Michigan is approximately 250 cows, while Canada's average herd size is about 150 and almost all Canadian dairies have robotic milking equipment. In response to question from Commissioner Meachum, the Director advised milk in Canada is much more expensive than in the U.S. The Accord group also discussed FSMA and the Foreign Supplier Identification Rule that will require all produce coming into the U.S. to meet the U.S. standard. Conversation on this topic will continue.

The department continues progress with Operation Excellence, having Standard Operating Procedures (SOPs) in place for 95 percent of the programs. These contain quantity, quality, and timeliness measures which clearly establish for staff what is expected. Double-digit increases in efficiency and effectiveness have resulted in every program in the department. Work will continue, primarily on feedback between staff and supervisors to ensure two-way communication. She and Chief Deputy Director Gordon Wenk are developing a process to roll the data up to their desks in order to assist in determining the most important/valuable areas of focus for the department based on resources allotted.

The Director recognized the QOL Leadership Academy participants who had joined the meeting today: Chuck Graff from the Department of Environmental Quality (MDEQ), Paul Johnson from MDNR, Tracy McDade from MDARD, Selena Conklin from MDEQ, and Stevie Glaspie from MDARD.

#### **DIRECTOR'S TRAVEL**

Director Clover Adams requested approval for travel to Washington, D.C., January 30 through February 3, for the NASDA Winter Policy Meeting.

**MOTION: COMMISSIONER HANSON MOVED APPROVAL OF THE DIRECTOR'S TRAVEL. SECONDED BY COMMISSIONER MEACHUM. MOTION CARRIED.**

#### **PUBLIC COMMENT (AGENDA ITEMS ONLY)**

**Wendy Banka, Ann Arbor and Michigan Small Farm Council**, expressed concern over the proposed language in the draft 2016 Site Selection GAAMP. She asked the Commission to address the issues she communicated in her recent letter (copy of which was again provided today). The GAAMP would remove the definition of farm animals and replace it with livestock and basically defines a small number of animals that are covered, instead of the broad definition that currently exists. It is not clear if other animals, including rabbits, bees, mink, and fox, will no longer be protected by the Right to Farm (RTF) Act, or whether they would have no siting requirements. The second issue is the change indicating no sites are suitable for the siting of animals prohibited by Part 413, Transgenic and Nonnative Organisms, of the Natural Resources and Environmental Protection Act (NREPA), or by an order issued by MDARD, MDNR, or MDEQ to their authority under Part 413. This could imply that RTF protection could be denied for any animal they choose. This could impede the people of Michigan who wish to engage in commercial agriculture.

**Randy Zeilinger, Garden City and Michigan Small Farm Council (MSFC)**, expressed concern, noting the proposed changes to the 2016 GAAMPs have created confusion, in particular, the change of the farm animal definition to livestock and specifically narrowing what those livestock are. It appears that several farm animals have been excluded. The referral to transgenic and nonnative animals concerns him in that certain entities, MDARD, MDEQ, and MDNR, could arbitrarily decide which kind of animal is permitted. As an example, MDNR's declaratory ruling on feral swine has cost the state and the farmers a considerable amount. Part of the problem that exists is that when revisions to the GAAMPs are being discussed, the committees consist of appointed individuals from special areas. There is no public involvement in that process. MSFC has requested access, but has been denied. The committee meeting minutes are not subject to FOIA and the public is not invited – transparency is lacking in the process. He encouraged the Commission to send the draft Site Selection GAAMP back to the committee to actually clarify rules and policy.

**John Stears, Brady Township, Vicksburg**, reported he requested the public be allowed to attend the recent meeting with MDARD, Michigan Farm Bureau (MFB), and his township leaders who are taking 280 people directly out of agriculture, even those owning over 100 acres. That meeting resulted in what MFB termed a great compromise; however, 143 people are still being thrown out of agriculture, those with less than five acres. And now, his township is pivoting back to having all 280 people in his township thrown out of commercial agriculture uses. This will set a precedence that will be implemented by townships across the state. MDARD should step in very soon to save farming in Brady Township.

**CONSERVATION SPECIES ADVISORY PANEL: Gina Alessandri, Division Director, and Mike Philip, Pest Survey Program Specialist, Pesticide and Plant Pest Management Division**

Ms. Alessandri offered to answer any questions regarding the Conservation Species Advisory Panel and requested Commission approval of the members as identified by the Director to serve on that panel. The panel was created within NREPA and its mandate is to annually establish a list of plants that can be sold and grown by Conservation Districts as conservation species. The law mandates the specific agencies to be represented, requires members be identified by the Director, and that the members be approved by the Commission.

In response to question from Commissioners Meachum and Montri, Mr. Philip advised the list has not been updated since 2009, with no changes since then. Most of the panel members are the same as those who previously served.

The following representatives were presented to the Commission for consideration: MDARD-PPPM – Mike Philip, Nursery Program Specialist; MDARD-Environmental Stewardship Division (ESD) – Steve Shine, Conservation Programs Manager; Michigan Department of Natural Resources (MDNR) – Roger Mech, Forest Health Specialist; U.S. Department of Agriculture (USDA)-Natural Resources Conservation Service (NRCS) – Andy Henriksen, State Forester; Michigan State University (MSU) Department of Horticulture – Dr. Vance Baird, Chairperson (or designee); MSU Department of Forestry – Dr. Richard Kobe, Chairperson (or designee); Conservation Districts – Lori Phalen,

Executive Director, Michigan Association of Conservation Districts; Nursery and Landscaping Industry – Amy Frankmann, Executive Director, Michigan Nursery and Landscape Association; and Seedling Industry – Jeff Busscher, Michigan Seedling Growers Association.

**MOTION: COMMISSIONER WALCOTT MOVED APPROVAL OF THE PROPOSED REPRESENTATIVES TO THE CONSERVATION SPECIES ADVISORY PANEL AS PRESENTED. SECONDED BY COMMISSIONER HANSON. MOTION CARRIED.**

**INDUSTRY PERSPECTIVE ON WILD FORAGED MUSHROOM CERTIFICATION: Chris Wright, Midwest American Mycological Information**

Dr. Wright thanked the Commission for the opportunity to talk about the new Wild Foraged Mushroom Certification Program and noted Midwest American Mycological Information (MAMI) is a non-profit formed at the request of MDARD to develop a program to certify individuals in wild mushroom foraging.

Michigan has adopted the Modified Food Code of 2009. Section 3-201.16 Wild Mushrooms indicates “Mushroom species picked in the wild shall be obtained from sources where each mushroom is individually inspected and found to be safe by an approved mushroom identification expert.” People have been harvesting and selling wild mushrooms for years without any regulation, because Michigan did not have a clearly defined course for people to obtain certification. Prior to the new program, Michigan had certified only seven individuals across the state as being able to forage wild mushrooms for commercial purposes. The new program has certified 135 people this year.

Partners in the program effort include MAMI, Michigan Farmers Market Association (MIFMA), the Institute for Sustainable Living, Art, and Natural Design (ISLAND), and MDARD. The program covers various topics, including Michigan regulations regarding wild foraged mushrooms, mushroom biology, mushroom ecology, characteristics used to identify mushrooms, specifics of each individual species/group, toxic and poisonous mushrooms, and review of specimens. Because mushroom identification is not learned in one day, course materials are forwarded to students for study prior to the one-day class which is designed for review and clarification. The program provides a list of 20 mushrooms easily identifiable and non-confusable with poisonous species, which are felt to be very safe for the food stream. The program has received excellent feedback and other states are now looking to this program as a model.

Photographic illustrations of the various species/groups of mushrooms allowed for sale in Michigan were reviewed. There are numerous species that provide delicious options for culinary enjoyment, as well as several that are recognized for their medicinal properties.

In response to questions from the Director, Dr. Wright confirmed the requirement that mushrooms be individually inspected and found to be safe by an approved mushroom identification expert is delineated in the Federal Modified Food Code of 2009, which has been adopted by the State of Michigan, and applies only to commercial gatherers. Approximately 160 people have participated in the class, with an over 80 percent

certification success rate. Some innovations are on the horizon, including truffle cultivation, and he has submitted an application for a grant to research that technology.

In response to inquiry from Commissioner Hansen, Dr. Wright confirmed mushrooms might grow in some of the UP mines; however, most species require some light to grow.

**INDUSTRY PERSPECTIVE ON SPECIALIZED MEAT PROCESSING VARIANCE: Ben DeMots, Vice President, Bob Culler, Director of Regulatory Affairs, and Scott Filbrandt, Board Member, Michigan Meat Association**

Mr. DeMots thanked the Commissioners and the Director for their time today, noting he is the owner and operator of Kent's Butcher Supply in Grandville and Vice President of the Michigan Meat Association (MMA). MMA is a State of Michigan organization representing the state's meat and poultry slaughters, processors, wholesalers, retailers, caterers, and suppliers, and consultants to the meat and poultry industry. They are proud to be a part of the state's second largest industry, agriculture.

They appreciate the opportunity to discuss the Specialized Meat Processing for Retail Food Establishments Variance, which is in its implementation phase. The process began with the signing of the Michigan Food Law in November 2000, which adopted the Federal Food Code. In June 2010, MDARD advised they would begin implementing the variance requirements as stated in the Food Law in order to improve food safety. There have been numerous discussions and changes to the variance between MMA and MDARD over the last five years. Early in the process, there was confusion across the industry. As a supplier, he does business with nearly 700 different processors and slaughterhouses across the state. He received questions, early and often, asking for clarification and help with the program.

MDARD set out in cooperation with MMA to provide clarification, develop an application process, give guidance on who needed a variance, how to obtain one, and why it was needed. The Food Law essentially states if you are going to engage in these certain kinds of food preparation, you need to know what it takes to do it safely and documentation of that is required. Industry questions included where did this come from, why are we doing this now, what's wrong with the way I have been doing this for 50 years, and so on. Due to some of the discourse, a Technical Advisory Committee formed with MDARD's assistance. One of the main topics of discussion has been implementation of the plan.

Industry's response to the implementation included three key areas of concern: (1) inspector training, which has been different across the state; (2) requirements seem to vary for different areas; and (3) question as to whether MDARD has the manpower and time to complete the program. In response to these concerns, MMA requests that more emphasis be directed to: (1) uniform enforcement with all processors, including seasonal processors; (2) restaurants, groceries, and convenience stores that are offering their own processed meat products; and (3) inspection personnel education – advance education of MDARD inspectors, the industry, and local health inspectors. The final and key request is for a delay in enforcement of implementation criteria, unless a critical food safety issue exists, until 80 percent of all processors (seasonal, restaurants, grocery, convenience stores, etc.) have obtained documentation of variance approval.

Those firms already approved are being held to a standard that may actually create a competitive disadvantage for those who have not yet completed the process. It is a labor intensive and costly process to meet the standards.

MMA's goals have been and remain to be in supporting their members who are very small business owners in producing safe Michigan food. They look forward to continuing to work together with MDARD.

In response to question from Commissioner Meachum, Mr. Culler advised they are seeing some "garage cutter" processors this time of year, but it does not affect their business. However, he is aware of unlicensed businesses advertising processing services on the internet. In response to inquiry from the Director, Mr. Culler stated he has advised MDARD of who those businesses are.

Commissioner Montri advised the industry has said these unlicensed processors often are in their same communities.

In response to inquiry from Commissioner Walcott, Mr. DeMots advised this will not affect individuals who raise their own meat and have it custom processed. The name of the program is actually the Specialized Meat Processing Variance for Retail. A deer processor is not necessarily a retail operation, which can cause some confusion.

Mr. Filbrandt noted in considering restaurants, they know MDARD has visited some of these establishments who are processing and selling "homemade" meat products that should require a variance. The overall goal is to provide safe food for the people of Michigan.

In response to inquiry from Commissioner Meachum, Mr. DeMots advised the goal related to enforcement is MMA requests that until 80 percent of the 374 processors are approved, there be no enforcement on those who have completed the variance process. Otherwise, people are being held to different standards. He confirmed the enforcement to date has been purely educational. Some of his customers have stopped doing certain aspects of their business, which has been financially detrimental, because they are afraid MDARD will remove their product for not having the proper documentation. He confirmed this is simply their fear and not at all substantiated by any action by the department, as there has been no punitive action.

The Director emphasized the department's overall way of conducting business is compliance. Yesterday, she signed an order for the first time in the agency's history to suspend a food license. MDARD has worked with that business for almost three years before having to go down this road, because they would not come into compliance. MDARD works with people, helps them understand the right things to do, and helps to bring them into compliance – and most businesses will absolutely do the right thing if they know what that is. A compliance approach is the philosophy of the department and that has not changed. Mr. DeMots agreed – MDARD has been very helpful throughout this process.

Commissioner Montri asked about plans for the 24 percent that have not yet submitted variances. Food and Dairy Division Director Kevin Besey advised inspectors are working with those businesses and everything should be processed and complete by spring. In addition, the Technical Advisory Committee will be meeting to address some of the concerns around certificates and legal issues. The department is also working with the Michigan Restaurant Association (MRA) toward aspects of processing foods in their establishments, and an application process and training program with local health departments are being developed. Specific staff training will continue, as well as MSU training in restaurants. He emphasized the department appreciates hearing about establishments they should be visiting.

Commissioner Montri asked if the timeline for restaurants and meat processors were different. Mr. Besey advised the process for restaurants has not yet been extensively implemented with the local health departments. They have been working through a primary group of those processing full-time and food service consultants are working with local health departments as situations arise to bring restaurants into compliance and issue variances. Because this is new territory for local health sanitarians, it does present a challenge and training with them will continue in the future, as well as work with MRA to create a more systematic program.

The Director emphasized these are new phenomena in restaurants today and the department is collaborating with the local health departments, because regulating restaurants is the responsibility of local health. MDARD has an excellent working relationship with the local health departments and will be helping them understand the rules and how they can best assist their businesses.

**GENERALLY ACCEPTED AGRICULTURAL AND MANAGEMENT PRACTICES PROCESS AND REVIEW OF PROPOSED CHANGES: Jim Johnson, Division Director, and Wayne Whitman, Right to Farm Program Manager, Environmental Stewardship Division; and Brad Deacon, Director, Office of Legal Affairs**

Mr. Johnson noted it is again time for review of the Generally Accepted Agricultural and Management Practices (GAAMPs). The Right to Farm (RTF) Act describes the GAAMPs as those practices as defined by the Commission of Agriculture and Rural Development and dictates the GAAMPs be reviewed annually by the Commission. Today, the draft proposed 2016 GAAMPs are presented for the Commission's review between now and the January meeting, with an anticipated decision regarding the GAAMPs at that time.

Mr. Whitman advised he typically contacts each of the GAAMPs chairs early in the year to remind them of the process. The chairs confirm committee membership and determine whether there is a need to reconvene their respective taskforce committee to consider potential adjustments. He distributed a summary of the more significant changes proposed in the 2016 GAAMPs. The committees make recommendations based on any changes in legislation, technology and research, and are provided feedback from the Public Input meeting, along with feedback received by the department. For 2016, there were changes recommended for only three of the eight GAAMPs. These are relatively minor in terms of references and updates, and none are significant in terms of the practices themselves.

Relative to the Site Selection and Odor Control for New and Expanding Livestock Facilities GAAMP, the committee discussed over several meetings how best to provide a definition of livestock. Prior to this, the GAAMP referred to farm animals as defined in the RTF Act, which is very broad. The committee considered various definitions and recommends livestock, which is narrower than what is in the RTF Act. In siting 500 facilities over 15 years, those typically include dairy, poultry, swine, beef, and a few horse facilities, which are included in the new definition. The committee also felt there should be a reference to NREPA Part 413 – transgenic and nonnative organisms, to clarify for producers that, as the RTF Act states, it does not allow people to violate any other state or federal statute. And if there is a species not allowed in Michigan under a different law, they wanted to be clear in this definition that a site could not be approved for those animals. The committee also clarified the suitability of Category 3 sites for facilities with less than 50 animal units.

In response to inquiry from Commissioner Montri, Mr. Johnson advised the livestock definition change does not change the process for siting. Although it narrows the species of animals listed in the GAAMP, the RTF Act itself refers to production of food, feed, fiber, and fur, and other animals (mink, fox, rabbit, llama, etc.) would still be sited under the typical siting process. Mr. Whitman advised, because of comments and confusion last year about European honeybees, the committee felt it was important to clarify that bees are insects, and the siting, setback, and proximity to neighbors is a different concern. Mr. Johnson advised while he appreciates what the committee was attempting to accomplish, he is not sure this definition actually gets to that entirely and there is an opportunity for additional clarification.

Commissioner Walcott asked about the committee's decision to include reference to NREPA Part 413. Mr. Johnson advised the committee recognized there are issues with animals defined under Part 413 as invasive species and attempted to ensure RTF or GAAMPs could not be used as a way to circumvent the requirements under Part 413. However, the Act itself states, "...this Act does not affect the application of state and federal statutes." Therefore, references to other laws within the GAAMPs have typically not been included. And because this does not supersede that law, it is actually an unnecessary duplication.

In response to inquiry from Commissioner Montri, Mr. Johnson advised the issue with Brady Township relates back to the Commission's decision to identify Category 4 sites. The Commission determined if a site is Category 4, high residential and does not allow agriculture as a use by right, then a decision needs to be made to determine if the site is a Category 3 or Category 4, which is based on neighboring land uses. Brady Township is stating that be eliminated completely as a potential, because they feel it is not just about eliminating agriculture, it is about eliminating what they call livestock production. They have actually changed what the Commission defined two years ago as the process for determining in residentially zoned areas whether some level agriculture would be acceptable. That is what Brady Township is suggesting by their change to the language.

Mr. Whitman advised the Site Selection GAAMP Task Force committee is scheduled to meet next week. They will be discussing all comments received. If revised

recommendations are developed, the committee chair will present those during the next Commission meeting.

Mr. Deacon mentioned it is important to recognize the openness of the GAAMPs review process and to note the committees are advisory only with the Commission as the public body by law who makes the decision regarding content of the GAAMPs. And although not legally required, several years ago, the Commission implemented the Public Input meeting, as well as posting of the draft GAAMPs on the website. All comments are considered and shared with the committees and the Commission, creating a longer, but much more thoughtful process.

In response to question from Commissioner Montri, Mr. Johnson advised it is the Commission's responsibility to request that MSU identify the chair for each GAAMP committee, who in turn identifies the members for their respective committee. Mr. Deacon added the statute additionally requires the Site Selection GAAMP must include individuals representing townships, counties, and agriculture industry organizations.

Discussion ensued relative to referring the GAAMP back to the committee.

**MOTION: COMMISSIONER MONTRI MOVED TO REFER THE SITE SELECTION AND ODOR CONTROL FOR NEW AND EXPANDING LIVESTOCK FACILITIES GAAMP BACK TO THE RESPECTIVE TASK FORCE COMMITTEE WITH RECOMMENDATION THAT REFERENCE TO NREPA PART 413 – TRANSGENIC AND NONNATIVE ORGANISMS BE REMOVED, AND IMPROVED CLARIFICATION/BROADENING OF THE DEFINITION OF THE TERM “LIVESTOCK” RELATIVE TO ITS PROPOSED USE IN REPLACING REFERENCES TO “FARM ANIMAL” WITHIN THE GAAMP BE PROVIDED. SECONDED BY COMMISSIONER HANSON. MOTION CARRIED.**

Mr. Whitman advised the Manure Management GAAMP is the original set of GAAMPs addressing complaints and conflicts dealing with manure management on farms across Michigan. Much of the red ink in this set simply represents reformatting and moving various items to different positions. One of those was to remove the quick reference list, because the committee would prefer users find information and reference the supporting information attached to that GAAMP. Updates to practice standards are also included. As in the past, winter application of manure was discussed and further clarification was added to that section to raise awareness for producers of the reasonable precautions they should follow.

In response to question from Commissioner Walcott, Mr. Whitman advised those precautions remain the same and farmers still have an avenue to obtain approval prior to application. Farms have a variety of options for record keeping, including electronic and paper notebooks. The numerous changes in the Record Keeping section are merely formatting revisions.

Appendix A and References include several updates. The fundamentals of this GAAMP have not changed over the years; however, considerable more detail has been provided with each revision.

Relative to the Nutrient Utilization GAAMP, Mr. Whitman advised changes to NREPA Part 115 last year changed the definition of solid waste. The committee, with representation from MDEQ and a number of other stakeholders, worked to develop recommendations around utilizing by-products from food manufacturing. If these new materials allow for determining the nutrient value and ensure they contain no potential contaminants, they may be land applied. There is a new class of materials called "beneficial use by-products" and a subset of that, "beneficial use 3 materials" which represents a list of about 12 items that may be registered or licensed under fertilizer law or as a soil conditioner or liming material and then land applied under this GAAMP.

In response to question from Commissioner Meachum, Mr. Johnson advised new materials might include apple waste from a cider mill, pond sludge from sugar beet production, untreated wood ash, and so on. The concept is to move more of those organic materials from landfill situations and recycle them into the environment. The departments are being very careful about what other substances may be in those materials and require testing as part of the approval protocol to prevent problems from occurring. In response to question from the Director, Mr. Johnson confirmed this is already allowed under law, and the GAAMP considers how it is utilized in order to address a potential for nuisance conditions. The approval for application is a separate process outside of the GAAMP.

Mr. Whitman confirmed there are no significant changes to the other five GAAMPs, which include only reference changes. The committee chairs will present all eight sets of GAAMPs to the Commission in January for their consideration and adoption for 2016.

### **RECESS AND RECONVENE**

Chairperson Meachum recessed the meeting at 10:47 a.m. for a brief break. He reconvened the meeting at 11:03 a.m.

### **MICHIGAN GRAPE AND WINE INDUSTRY COUNCIL UPDATE: Linda Jones, Grape and Wine Program Manager**

Ms. Jones noted the Grape and Wine Industry Council (Council) is housed in the Agriculture Development Division of MDARD. Staff enjoy working with recently appointed Division Director Peter Anastor, who is providing excellent leadership. Unfortunately, he could not be here today.

The Council was established in the mid-1980s to provide support and encouragement for the wine industry in Michigan to grow. Statutorily, it is housed within MDARD, which presents a unique model within the commodity groups. Members are appointed by the Governor, including wineries, grape growers, retailers, restaurateurs, wholesalers, and representatives from MSU, Michigan Economic Development Corporation (MEDC), and the Michigan Liquor Control Commission (MLCC). It is chaired by the Director of MDARD, or his/her designee, which currently is Chief Deputy Director Gordon Wenk.

Michigan lies on the 45<sup>th</sup> parallel, along with some of the world's finest wine regions. Wine grapes are grown in various areas of the state, with the majority being grown within 25 miles of Lake Michigan, primarily Grand Traverse, Leelanau, VanBuren, and Berrien counties, representing 90 percent of the acreage in the state. The industry is expanding throughout Michigan, which is spreading the positive value-added economic impact provided by the industry.

The industry suffered unprecedented loss of wine grapes to extreme weather in the past two years. Because of the significant crop loss experienced with the more cold tender varieties, growers are replanting some areas to prevent the risk of this happening again. It costs between \$15-20,000 to put an acre into production, so it has been costly and there is concern about the viability of the industry. However, the industry enjoyed a great vintage in 2013 which provided considerable inventory to help balance out these two tough years. The impact of the 2014 and 2015 growing seasons won't be realized until next the few years.

Of the 13,000 acres of Michigan grapes, 10,000 are juice grapes grown for National Grape and Welch's. Fortunately, the varieties grown for juice are much more cold hardy than those grown for wine production.

Michigan is ranked fifth in the nation for wine grape production and there are 115 wineries in the state, with 1.4 million gallons of wine produced annually. California is the major U.S. wine region in terms of quantity and quality, with New York, Oregon, and Washington following in the second tier. Michigan, along with several other states, is in the emerging tier, where very high quality wine is produced but not found much outside the borders of those states. Michigan is doing well reaching the Chicago market and CNN listed Michigan as one of the ten up-and-coming wine regions of the world.

Non-retail liquor license fees fund the Council, so there are no general fund dollars used. The Council has been active in leveraging those resources to acquire Specialty Crop Block Grants (SCBG) for some special projects over the last eight years. Early on, a culinary tourism initiative was supported to elevate Michigan as a foodie destination and help partners at Travel Michigan realize Michigan agriculture can play a very strong role in promoting the state. Additional grants provided funds for market development and most recently, to develop a winery sustainability program.

The wineries have embraced the Michigan Agriculture Environmental Assurance Program (MAEAP) verification process through which vineyards implement voluntary and proactive pollution prevention practices. Recently, the Governor honored the eight wineries on Old Mission Peninsula that were all sourcing grapes from MAEAP verified vineyards. To build on that, the SCBG will research what is happening in other regions of the world around sustainable practices within the winery itself to build a roadmap of how Michigan wineries could build MAEAP into a more comprehensive program. Issues that have emerged are winery wastewater management and energy use. Energy and wastewater audits are being conducted to develop best practices for the industry.

Over the last five years, the Council has been working with Travel Michigan and MEDC with the Wines of Pure Michigan campaign through the MEDC Partnership Program,

which consists of 40-50 statewide partners who invest in marketing campaigns under the Pure Michigan umbrella. A minimum investment provides a partner with a hot spot on the well-trafficked Michigan.org website. Travel Michigan additionally recognizes wineries and wine trails are a good demographic for them to highlight. She will forward to the Commission a link to the "Pure Michigan Summer" video that features the wine and hard cider industries. A radio ad has also been aired, primarily in neighboring states.

Through the program's work with MDARD's Operation Excellence initiative, it has become more attentive to gathering metrics around the impacts of the industry on Michigan's economy. She reviewed the Grape and Wine Industry Council dashboard, explaining the various economic impacts of the industry. Impacts of the Council on the industry itself are also measured and 66 percent of Michigan wineries participated in at least one Council event during this year. One of the strengths of the Council is its industry involvement through the committee structure which advises the department on how best to spend the program's resources.

Ms. Jones announced she will be retiring in January and introduced Karel Bush, who has been selected to take over as the Grape and Wine Program Manager. She is confident Ms. Bush will do a great job for the department and the industry.

#### **DEPARTMENT SCORECARD UPDATE: Ken McFarlane, Director of Strategy and Business Performance**

Mr. McFarlane noted the department's scorecard is part of MiResults, which is an online tool overseen by the Office of Good Government and provided to all state departments in an effort to promote data-driven decision making. MDARD uses the tool to establish seven internal divisional scorecards containing 53 measures. The public has access to the department scorecard, which is essentially a cover page for the department. It reflects 14 of MDARD's key measures as broken down into buckets of activities, which include internal business process, safe and healthy food, environmental stewardship, consumer protection, rural development, and efficient agency operations.

A supplemental packet containing background information was provided, which contains the FY15 2015 trend information for each of the 14 department scorecard metrics. All are currently trending positively, with the exception of Environmental Stewardship Division (ESD)-03 Farmland Development Rights Processing Time. Some metrics are more detailed than others. This is based on several factors, such as timely availability of valid data.

In response to question from Commissioner Montri, Mr. McFarlane advised the scorecard is updated monthly, published by the end of the month for the previous month. Updating of the 14 metrics varies – monthly, quarterly, or annually, dependent upon data availability. The Director advised some of the 53 measures are more operational in nature and those with the most meaning to the public are chosen as the 14 scorecard metrics.

In considering some of the data drilled down, he reviewed three good discussion examples of MDARD's metrics. The Migrant Labor Housing Licensing Inspection

process data represents the past four years broken into fiscal year quarters. In reviewing the data, seasonality becomes apparent, along with progress toward targets. Current activity has exceeded program expectations. The Director pointed out additional funds were infused into the program in FY13, allowing for resumption of in-season inspections.

The next example shows results of the past two years of food inspection activity. It demonstrates that the follow-up inspection percentage has been above the target of 95 percent. This indicates a high level of compliance upon follow-up, which means inspections are productive. It also depicts considerable variation in the amount of workload involved in follow-up inspections, which provides good data for workload planning activities. The Director noted this data demonstrates the department's regulatory process is successful as staff work with businesses to bring them into compliance, which validates MDARD's process and way of doing business.

The Farmland Development Rights Processing Time graph depicts the last seven months of 2015. The zero percent shown on the scorecard does not tell the entire story. There actually is considerable activity in this area, as indicated by the chart. The number of documents processed is averaging 265 and the average age of those documents is trending positively. This considerable amount of work is being accomplished with only three and one-half full-time employees. In response to inquiry from Commissioner Montri, the Director confirmed the program could reach its goal with additional people, noting when she came to the department, the program had seven full-time staff. The funding mechanism for that program comes from people leaving the program and the industry has chosen to not help fund the program in another way. The department is doing the best it can with the resources allotted. Through bringing in a student and changing processes, the program found efficiencies that gained the equivalent of one and one-half people. Mr. McFarlane added the measures also provide staff with an understanding of where they are making progress and the limits to what progress they can attain.

Looking to the future, from now through January of next year, the department plans to complete a scorecard overhaul, update measures and targets to better reflect current and future priorities, and work toward the goal of a scorecard that is more balanced between key outcomes and the activities that influence them. Because building valid outcome measures takes time, gradual/continuous improvements will appear throughout the year – including items on the scorecard that can actually be influenced.

Commissioner Meachum requested an annual review, including similar graphs of where each of the 14 key measures are trending. Mr. McFarlane indicated he would be glad to provide that information.

The Director noted the Grape and Wine Industry Council dashboard is another product of Operation Excellence and provides a good overview of the Council's recent activities.

## **BUDGET UPDATE: Maria Tyszkiewicz, Budget Officer**

Ms. Tyszkiewicz reported everything is pending at this point with the budget. FY17 requests for funding of priority items have been submitted. In addition, the State Budget Office requested submission of \$1.3 million in reduction options. Boilerplate and technical adjustments have also been submitted.

On October 20, the QOL Directors gave budget priority presentations to the Governor and his staff. Within each of its requests, MDARD highlighted the efficiency gains that have helped the department save money as a result of Operation Excellence.

It is hoped that completion of the Transportation Package will help clarify available resources. Many pressures on the General Fund exist outside of transportation. Nothing legislatively has been done to address Detroit Public Schools and the Health Insurance Claims Assessment Tax.

The Revenue Estimating Conference typically occurs about the second week of January, which will provide the baseline detail for FY16 and FY17. The Governor's budget will be based on FY17 projections.

Preliminary decisions regarding the department's requests and reductions are expected sometime in January. Submission of the budget is required in February and legislative hearings will follow. Under this Administration, final completion of the budget is expected in early June.

In response to question from Commissioner Meachum, Ms. Tyszkiewicz advised every agency was given a reduction target, but outcome will not be known until after the Revenue Conference and the Governor's budget is released. MDARD's reduction requests came from options outside of the department's core mission.

#### **LEGISLATIVE UPDATE: Matt Blakely, Director of Policy Development and Legislative Affairs**

Mr. Blakely reported he also participated in the QOL Leadership Academy, which included an exercise around a day in the life of a legislative liaison. This was a beneficial activity and provided participants with an appreciation for when the department requests information.

He shared copies of information provided to key legislators and staffers who participated in a recent tour of MDARD's laboratories. Often laboratories are not thought of in the realm of agriculture and it is important legislators understand this is an important function of the department. It was evident that considerable knowledge was gained from the tour.

He also shared a summary of the Road Funding Package, including analysis of the fiscal impacts. The department needs to be concerned about the total reduction in the General Fund in FY18-19, which is a considerable amount and one that will continue to grow. The Legislature is hoping additional revenues and changes in spending priorities will help offset that. This definitely is something that needs to be kept in mind while moving forward with various departmental initiatives and budget priorities.

He reviewed highlights of the Legislative Status Report, which was forwarded to Commissioners electronically and included hyperlinks to each piece of legislation and its analysis when completed.

He reported that Senator Stamas introduced Senate Bill 423, which would cap the fees local health departments could charge for restaurant inspections. The Senator understands the problems involved, but is also looking for solutions. The department continues to work with the Senator, because it has potentially serious ramifications for MDARD's relationships with local community health departments.

House Bill 4408, by Representative Crawford, supports continuing education for MDARD's veterinarians. The department believes that is an important requirement to include. The bill appears to be making good progress.

Three different dog and cat bills have been introduced by Representative McCready, House Bills 4765, 4898, and 4915. All three have passed out of committee and are on the House Floor. The department has some slight issues that need to be discussed with the Michigan Humane Society.

House Bills 5050 through 5060 are a series of repeal bills. To date, they have not been brought up in a committee. These are outdated or unused sections, rules, and laws which are hoped to be stricken.

Commissioner Montri asked what implications Senate Bill 142, which is the defining of low-risk food, has for the department. Mr. Blakely advised at this point, very little. Local public health in the UP brought this to their legislators' attention. There were some low risk vendors who have moved to a new location and it was burdensome for the inspectors due to the very large size of the district and the distance needed for travel. The decision would be left to the inspector on whether that is warranted. It could be anywhere, but the UP is the one strongly advocating for this.

In response to inquiry from Commissioner Meachum, Mr. Blakely advised there are ongoing conversations around some potential future measures that would be positive for the department.

### **COMMISSIONER ISSUES**

Commissioner Meachum reviewed a retirement resolution before the Commission recognizing Michael Juhasz.

**MOTION: COMMISSIONER WALCOTT MOVED THE RESOLUTION FOR MICHAEL JUHASZ BE ADOPTED WITH BEST WISHES FOR HIS LONG AND HEALTHY RETIREMENT. COMMISSIONER HANSON SECONDED. MOTION CARRIED.**

Commissioner Meachum congratulated the VanBuren County Conservation District (CD) for their work with MAEAP. Their efforts to encourage farmers to plant more cover crops have been successful and very evident in the area. The CD is promoting MAEAP at every opportunity.

He noted the Great Lakes Fruit and Vegetable Expo is December 8-10 in Grand Rapids. It is a great event for all agriculture businesses of every size. He will be attending, along with some of the other Commissioners.

Commissioner Hanson noted the annual Michigan Farm Bureau meeting will be held the first week in December in Grand Rapids. She will be attending that event.

### **PUBLIC COMMENT**

**Wendy Banka, Ann Arbor, Small Farm Council**, recognized Mr. Stears for all of the work he has done to help preserve agriculture in Brady Township. She feels what is happening there is a result of the 2014 GAAMPs, which opened the opportunity for townships to regulate agriculture through the introduction of Category 4 in the Site Selection GAAMP. Brady Township has decided to rezone current agriculture areas to residential and many people will lose their agriculture rights. The concern of Brady Township is not about the kind of current agriculture, but rather that large Concentrated Animal Feeding Operations (CAFOs) might move into those areas. If other townships follow their pattern, then we will lose small farms in Michigan of a kind we all care about. She feels the Site Selection GAAMP should be modified to isolate that problem from the urban issues. She again volunteered to sit on the Site Selection GAAMP committee to help work on that problem.

**John Stears, Brady Township, Vicksburg**, emphasized what is happening in Brady Township affects not only those current farmers, but their children. MDARD reiterates it is a township issue and yet supports research for things that just threw them out of agriculture. The township advised they would consider only those parcels of five acres or less, but came back to take those larger farms. That group of farmers will continue to suffer because the township will continue to throw people out of commercial agriculture. Those 280 parcels are gone for many who need that livelihood, and for their children, who need that right. Additionally, the township is telling 4-H children they can raise their livestock, but the neighboring child who is not in 4-H is not able to farm. He feels MDARD needs to do something and now.

### **ADJOURN**

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

There being no further business, the meeting was adjourned at 11:57 a.m.

#### Attachments:

- A) *Agenda*
- B) *Agriculture and Rural Development Commission Meeting Minutes September 9, 2015*
- C) *Director Jamie Clover Adams – Issues of Interest Report*
- D) *Wendy Banka Memo Re: 2016 Site Selection GAAMP*
- E) *Conservation Species Advisory Panel Memo to the Commission*
- F) *MAMI - Michigan Wild-Foraged Mushroom Certification Program Presentation*
- G) *MAMI – Additional Slide – Mushroom Presentation*
- H) *Michigan Meat Association Letter to the Commission Re: Specialized Meat Processing at Retail Food Establishments, Commission Presentation November 2015*

- I) *Meat Variance Approval Process Update Nov. 12, 2015*
- J) *Specialized Meat Processing at Retail Food Establishments Variance Requirements*
- K) *MDARD Specialized Meat Processors Notice of Requirement to Obtain Variance*
- L) *2016 GAAMPs Proposed Changes Summary*
- M) *2016 Draft Proposed GAAMPs*
- N) *GAAMPs Public Input Meeting Summary*
- O) *GAAMPs Written Public Comments Received during Public Comment Period*
- P) *Grape and Wine Industry Council Presentation*
- Q) *Grape and Wine Industry Council Dashboard*
- R) *MDARD FY15 Scorecard Review Presentation*
- S) *Geagley Tour One Page*
- T) *Heffron Tour One Page*
- U) *Road Funding Summary*
- V) *Road Funding Analysis*
- W) *Legislative Status – November 2015*
- X) *Retirement Resolution for Michael Juhasz.*