

Aquaculture Advisory Committee

Meeting Notes

Tuesday, January 14, 2014
Oregon Department of Agriculture
635 Capitol St. NE, Salem
Conference Room D

1. Committee Participants: Martin Zone, Mark Wiegardt, Jim Johnson, Scott Patterson, Dave Landkamer, Mike Schaer, Kathy Bridges, John Moehl and Jerry Gardner. Six absent.

Others: James Kless (seeks to raise sturgeon in Polk County) and Larry Bennett.

2. October 4, 2013 meeting notes – There were no additions or corrections to the October 4th notes.

3. Regional Solutions grant request - Gardner briefed the committee regarding the \$66,000 mid-Willamette Valley Regional Solutions grant request to fund a white paper about aquaculture in Oregon. The regional board did not approve the grant request.

4. Discussion of goals, purpose and expected results – Gardner suggested that the committee should consider steps to develop Oregon's aquaculture into a \$50 million business. Shellfish already account for roughly 25% of that total.

Wiegardt suggested that Oregon could produce clams provided the law is changed to allow clam production on state lands. There is marginal land owned by the state that could be converted to manila clam production. The Port of Coos Bay owns land that may also work. Mark Wiegardt pointed out that Goeducks are produced in Washington on state lands. Why can't Oregon do the same? The State of Oregon manages recreational clam production but commercial clam production is not allowed. Johnson cautioned that there are food safety issues with clam production and that existing law would have to be changed to allow for commercial clam production.

Landkamer suggested that there are a number of fresh and saltwater species that could generate revenue for entrepreneurs. Furthermore, many of these could be produced while respecting Oregon's environmental and social standards. Oregon needs to develop a policy to position Oregon aquaculture on a more advantageous economic footing.

Schaer indicated that ODF&W did a good job working with him to approve his hybrid striped fish propagation permit. Kless indicated that it took him a significant amount of time to obtain a permit to purchase sturgeon.

Kless expressed his desire to have ODF&W propagate fish so the agency could sell them to commercial aquaculture operators. Patterson reminded everyone that federal funds are used to propagate fish in ODF&W hatcheries so recreational fishermen will have abundant fish to catch. ODF&W is not in the business of raising fish stocks for commercial users.

Landkamer suggested that ODF&W involvement would help control brood stock and prevent diseases from entering the wild. ODF&W does sell eggs to commercial businesses. Private companies also provide eggs to commercial operations.

The group discussed what's needed. Moehl suggested that the group should agree on a goal such as growing the industry to \$50 million per year. Then, roles and responsibilities could be assigned leading to the development of a plan for the industry. Landkamer provided aquaculture plans from three states (Ohio, Florida and Missouri).

5. Achieving a vision: the committee's role

Participants seemed to agree that the committee could take the lead in defining a program that would feature both fresh and saltwater species. These species would be selected based on their potential viability in Oregon (for example: trout, sturgeon, tilapia, fresh water mussels, hybrid striped bass, and manila clams). The economics of producing these varieties as well as the regulatory environment must be considered. Can an enhanced Oregon aquaculture industry really generate \$50 million in annual revenues? If so, this would be on par with Oregon Dungeness Crab industry and would attract the attention of political decision-makers. This is necessary to realize the appropriate changes in the regulatory parameters that may currently unduly limit the industry's potential. If Oregon's neighbors are more advanced in terms of their ability to use natural resources to produce farmed fresh and saltwater fish, why can't Oregon catch up?

All agreed that OSU Extension could play an important role in helping the industry reach this vision.

Mike Schaer suggested that the Committee might consider involving a few local legislators such as Sen. Betsy Johnson to help press the case for aquaculture.

6. There is a need to produce a "white paper" that deals with these issues and helps define an appropriate policy. This requires funds.

7. Martin Zone described an opportunity to apply for a Rural Business Enterprise Grant (RBEG). A public organization must apply for the funds that must be used to benefit private business. Neither the ODA nor the Oregon Aquaculture Association can apply since each organization has already received an RBEG grant. The OSU Sea Grant program may be eligible. ODF&W is not in a position to apply for funds that will be used to facilitate aquaculture in Oregon.

A two-page concept paper is due to USDA Rural Development by February 28, 2014. The proposed grant will be evaluated and potential recipients will be announced in mid-April, 2014. Final grant will be announced in mid-July 2014.

The grant request should be around \$25,000 and requires a match. So the total project can be about \$50,000. In-kind contributions are acceptable. The ODA has earmarked \$6,000 as a

cash match plus some in-kind contributions as appropriate. Jim Johnson has agreed to assist with land use issues.

All the participants agreed to support drafting a pre-application request. Members also agreed to review the request and add-value to the project by providing their individual perspective and guidance.

We are looking for additional matching funds.

Some concern was expressed regarding obtaining privately held industry information such as sales figures for shellfish.

8. Kathy Bridges indicated she would like to see the group develop a mission statement. The group discussed aspects of a mission statement. Here is one drafted by John Moehl that captures much of what was discussed regarding a mission statement.

"To promote and facilitate an innovative state-wide program to farm Oregon's waters that is environmentally friendly, socially sound and economically profitable."

Some suggested the purpose of the Committee might be to increase the size of Oregon's aquaculture industry to some number (\$50 million) or to see the industry grow by a certain percent (5%) each year. Others felt this is too specific and that just participating in the industry's growth is good enough.

There was a desire to leverage Oregon's existing aquaculture business to bring it back to historical levels. Given the need for jobs in Oregon, especially in rural communities, the Committee discussed taking the responsibility for helping entrepreneurs take advantage of opportunities in aquaculture.

9. John Moehl suggested that the group must better define how the group is going to function. Some may refer to this as the "Description of Service" or "Scope of Work". What products will the Committee generate? What type of issues will the Committee deal with? What is the Committee's role vis-a-vis the Director of the ODA?

10. How often to meet - Some Committee members felt the group should meet once per quarter. Others felt we should meet every 6-8 weeks. The next meeting will be scheduled in mid-April. There was a consensus that the Committee should meet in Newport next time.

11. Scott Patterson announced that the ODF&W is prepared to accept bids for the private purchase hatchery raised trout. Details are available on the agency's website.

12. Adjourn – 4:00pm