

Snohomish County Agricultural Advisory Board

AMENDED MEETING SUMMARY January 13, 2009

ATTENDEES

Board Members - Present

Jesse Allen	Brian Bookey	Elizabeth Christianson	Mark Craven
Dan Douglas	Mike Harnden	Gerald Labish	Jackie Macomber
John Postema	Dave Remlinger	Nick Van Dam	

PDS Staff

Howard Knight	Joan Langlais	Tom Niemann	Roxanne Pilkenton
Tom Rowe	Terri Strandberg		

Office of Economic Development Staff

Ryan Hembree	Linda Neunzig
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Public Works/Surface Water Management Staff

Deanne Carveth	Sean Edwards	Sean Gross	Julie Highton
Steve Thomsen			

Snohomish Conservation District

Ryan Bartleheimer

WSU Extension

Curt Moulton

Others

Max Albert	Matt Bachleda	Dan Bartleheimer	Mark Christianson
Atul Deshamane (by phone)	Lindsey Du-Toit (by phone)	Nick Harper	Denise Kryger
Bob Lovejoy	Milo Lyons	Kim Mower	Duke Otter
Dale Reiner	Mike Rundlett	Mike Shelby	John Spoelstra
Edwin Stocker	Robert Tiegs	Merritt Wolfkill	Jeff Westcoff

1. CALL TO ORDER, INTRODUCTION, ANNOUNCEMENTS (Brian Bookey, Chair)

Newly elected Chair Brian Bookey called the meeting to order at 10:05 a.m., asked board members and the audience to introduce themselves, and asked for announcements.

As a result of the county council's heightened sensitivity to farm issues, their desire to involve the ag board in such issues, and the December 2008 joint ag board/county council meeting, Tom Niemann relayed a message to the board from the council regarding an appendix to the

county construction code that addressed farm buildings. During a previous ag board briefing on the code, Jesse Allen noticed that the appendix was missing. The ag board expressed interested in having this oversight corrected.

Correcting this oversight was delayed because of budget deliberations by council. On January 13, 2009, however, the council agreed to schedule the appendix for a public hearing in mid February. PDS staff will send an informational packet to the board and hopefully schedule the issue for consideration and formal recommendation to the council prior to their February 18 public hearing.

Jerry Labish announced that the Cattlemen's Association would host a Living Expo at the Cattlemen's Winter School on January 31. About 101 classes, ranging from raising beef to making soap and tanning hides, would be offered. He has applications.

Washington State Veterinarian Dr. Eldridge and Dr. Moore, a scientist at Washington State University, will speak at the January 21, 7 p.m., Cattlemen's Association meeting at the Evergreen Fairgrounds Longhouse about 21 head of cattle that were infected with the MCF disease at the Puyallup Fairgrounds. They will return for a follow-up discussion about myths and what can be done about the disease.

2. APPROVAL OF 12/09/08 MEETING SUMMARY (All)

The December 9, 2008, meeting summary was approved as written.

3. UPDATE FROM THE RUCKELHAUS CENTER (Mike Shelby, Western Washington Agricultural Association)

Mike Shelby, Executive Director of the Western Washington Agricultural Association and an agricultural representative of the Ruckelhaus Center, stated that buffers in Western Washington have historically been contentious issues. After years of mismatched ordinances and rules and because personal property rights, private and public components, the need for habitat protection, and mixed emotional feelings were involved, the state legislature decided to forward the issue to the Ruckelhaus Center, an outcropping of Substitute Senate Bill 5248, for conflict resolution. The Center was given three years to find a resolution.

Stakeholders working with the Ruckelhaus Center began work over a year ago, sent a report to the legislature last December and will follow up with another report this year.

There is a need to understand the history, the drivers, what is going on, why board members are there, and everybody's position before moving forward. Mike is beginning to understand and appreciate the process, and the board is beginning to make progress.

Four groups, the agricultural community, the counties, the environmental community, and the Tribal community, are at the table. Members of the ag community are: Scott Dahlman, Washington State Grange; Jack Field, Cattlemen's Association; Jay Gordon, Dairy Federation; Jeannie McNeil, Nursery Association; Mike Shelby, Western Washington Agricultural Association; John Stuhlmiller, Farm Bureau; and Dan Wood, Farm Bureau.

The counties are represented by the Association of Washington Counties. Clark County is at the table; Skagit County is an alternate. Three people generally represent the counties.

The environmental community consists of about four people from the Audubon society, The Nature Conservancy (TNC), Washington Environmental Council, and one more environmental group. People have come and gone over time.

Representation from the Tribal community took longer to fill. Marty Loesch, who represents the Swinomish Tribe has been the most consistent tribal member at the table. Larry Wasserman also represents the Swinomish Tribe. A representative from N.W. Indian Fisheries is usually at the table. Others have come and gone. Marty Loesch was recently named to the Governor's Senior Council and is no longer on the board.

Most of the board's time has been spent on fact finding:

- Presentations from counties about their plans, what they are doing, what has and has not worked.

- Presentations from groups with programs or processes that are achieving some desired effects of riparian buffers.

- Review of printed material.

- Comparison of county programs and how they are working.

- Reviewing Best Management Practices (BMP), definitions, and what counties are doing in reference to them.

- Special presentations from Clark, Nisqually, and Whatcom Counties.

- Presentation of a GIS study in Skagit County (future meeting).

The board is at the point of beginning to make something happen.

One of the frustrations has been working without a specific proposal. That was intentional, however, to ensure that everyone had a good understanding of the issues and what is taking place. On January 12, ag community members Jay Gordon and Dan Wood met with the Ruckelhaus Center and some caucus leads regarding a straw-dog proposal. They agreed to have a proposal on the table for the next meeting.

The proposal would:

- Support the idea that nobody would be forced to give up ag land.

- Support a voluntary program and the idea that if land is to be given up, the landowner must be receptive to that and must be compensated.

- Support a concentrated effort on a watershed-by-watershed approach rather than a spread-out approach in many different places at the same time.

- o Concentrate on five specific watersheds each year.
- o At the end of the year, evaluate the successes, move on to other watersheds, and focus on them.

Questions and discussion followed. John Postema reminded everyone that 1 ½ years ago, the county was working on the Critical Areas Ordinance (CAR), and farmers were concerned about losing land as a result of the regulation. Farmers said they didn't want more regulations. They said that if they didn't do anything wrong, they shouldn't be subjected to more regulations. They said it was important to set standards, and they talked about BMPs and adaptive management. They agreed on these things.

John said that the GMA says, "... enhance agriculture" He asked that farmers not be given another law that is in conflict with that along with more regulations. That would be detrimental to

the whole community. He suggested this statement be added to Mike's proposal. John wants to ensure that these elements are well represented.

More discussion followed. Mike said that he and others want to present a plan to the legislature for adoption that will provide farmers and landowners with riparian protection and certainty for the future.

Betsy Christianson announced that Mike Shelby is competing for Washington State Director of Agriculture. She was asked by some farmers in her community whether the ag board would support him by sending a letter to the county council and executive requesting their support. Betsy moved that the board send the letter. Tom Niemann agreed that this would be an appropriate action should the board so choose.

John Postema did not feel comfortable supporting Mike when the board did not have an equal opportunity to meet the other candidate/s. All opposed the motion. The motion did not carry.

4. UPDATE AND DISCUSSION: BIOLOGICAL OPINION RELATED TO THE NATIONAL FLOOD INSURANCE PROGRAM (Tom Rowe, PDS Manager)
LETTERS FROM FEMA AND NMFS
DRAFT BOARD NOTICE TO FARMERS

Tom Rowe redistributed the handouts from last month's meeting: A letter From FEMA to Snohomish County Executive Reardon and October 17, 2008, Meeting Notes on ESA Settlement FEMA/NFIP Implementation.

PDS Principal Planner Terri Strandberg stated that this BIOP is related to FEMA's responsibility to ensure that impacts to the Chinook Salmon and Puget Sound Orca, listed under the Endangered Species Act (ESA), and their habitats are mitigated. National Marine Fisheries (NMFS), through the BIOP, is telling people how to prevent a "take" under ESA, which could otherwise result from implementation of the National Flood Insurance Program's current standards.

Terri Standberg said that the BIOP focuses on fill that is being added to the floodplain and structures, primarily single family homes, being built in the floodplain. It does not necessarily focus on on-going agriculture, plowing, and crop activities.

There was discussion, at the last meeting, regarding the National Flood Insurance Program and the rebuilding of structures. No one has any answers yet. Tom Rowe said that PDS is working to protect the rights of farmers. He and other staff will keep the ag board informed as this issue progresses.

Before county staff can respond to the opinion from a regulatory standpoint, they must track all floodplain permits, report on the type of required mitigation, and account for impacts to the salmon. This report is due to FEMA in October. The county must also have regulations in place in a Tier 1 community (the Sauk Watershed) by September 2010.

Tom Rowe wondered whether the BIOP and related documents could be put on the website. Tom Niemann responded that the link had been sent to the board. Tom will check on related documents.

Terri Strandberg said that the BIOP Appendix 4 gives a quick review and cheat sheet of the main elements that affect mitigation and development in the floodplain.

At the December meeting, some board members suggested that all Snohomish County farmers who might be affected by the BIOP be notified of it. A draft letter to landowners regarding upcoming changes to flood hazard regulations in Snohomish County was distributed for the board's review. Tom Niemann gave the board some options.

The letter could be mailed to farmland owners with Brian Bookey's signature on behalf of the board (as approved by the county council and executive) to alert them to the BIOP, the consequences and impacts of working in the floodplain, and notification that this will be an on-going process.

Keeping in mind the county's budget limitations, mailing options are:

- o Letters could be mailed to landowners of the 63,000 acres of designated farmland in the county (\$1,200 for printing and postage). Letters could be limited to landowners in floodplains only (\$850 for printing and postage).

Another alternative is a press release that would go to all media. It would be tailored to farmers and floodplain landowners. A courtesy copy would go to farm organizations, such as the granges and farm bureau.

Following discussion, John Postema moved that staff send a press release notification of the BIOP and the effect of it on future building and farmland, if necessary, to be followed by a letter to be discussed at a future meeting. The motion was seconded and carried.

5. OILSEED CRUSHER: LOCATION DISCUSSION AND RECOMMENDATION (Ryan Hembree, Economic Development)

Ryan Hembree set up a teleconference with Lindsey Du-Toit and Atul Deshmane for this discussion. He asked them to introduce themselves, tell about their backgrounds, and explain their interests in the oilseed crusher.

Lindsey is an associate professor in the department of plant pathology at Washington State University (WSU), Mount Vernon Northwestern Washington Extension & Research Center. She is a vegetable seed pathologist. Her area of expertise is research in vegetable seed crops and diseases that affect them. WSU seed scientist Dr. Tim Miller, who has concerns with cabbage seed and canola in Stanwood, and Puget Sound Seed Growers Association Mark Christianson asked her to attend the meeting via a conference call. She hoped to provide insight into disease-related issues that could affect seed crops being considered for the crusher and potential interactions with vegetable seed crops in the area that are susceptible to some of the same diseases.

Lindsey has been involved with issues related to cruciferous vegetable seed crops and diseases as well as cover crops. For the last three years, she has been developing quarantines for counties where seed crops are grown to minimize potential impacts of bringing in pathogens that could have devastating effects on the industry because of the exportation of seed throughout the world.

Atul Deshmane is president and CEO of Whole Energy Fuels Corporation, which is involved in this process in cooperation and partnership with Wolfkill Feed and Fertilizer. The corporation supplies biodiesel to Snohomish County, is working with Wolfkill Feed and Fertilizer to grow the regional agricultural production of oil seed crops, and is a partner with Wolfkill as the licensed operator of the county's oilseed infrastructure.

Ryan Hembree introduced the topic. He distributed the [Snohomish County Biodiesel Infrastructure Initiative](#), which provides a brief background on the biodiesel initiative. In 2003/2004, with new interests and opportunities in biofuels, county staff, farmers, and the executive began new discussions regarding new cash crops to be planted in alternating fields in the valley. With the support and encouragement of Snohomish County Executive Reardon, Dale Reiner and Dan Bartleheimer began looking at a variety of canola and mustard seeds. WSU, in support of Sno/Sky Agricultural Alliance, which was under contract with the county, looked at plant varieties, their oil seed potential, meal potential, fertilizer, yield, etc. Deanna Carveth, Snohomish County Public Works Department, was, and still is, instrumental in this effort, as is Public Works Director Steve Thomsen.

The Public Work's Solid Waste Division has invested \$409,000 from its enterprise fund in a Matthew's grain dryer, seed storage, grain cleaner, and other components that make up the Cathcart facility. 15-tons of seed per hour can be dried by methane gas at the Cathcart Landfill site. Because the landfill is in its senior years, the quantity of methane will diminish over time; there might be 10-15 years of production left. Approximately 300-tons of dried canola seed is currently being stored at Cathcart.

A driver for this program is a state mandate that requires counties, state agencies, and contractors to fuel their vehicles with a small percentage of biofuels. As Public Works Director, Steve Thomsen's goal is to fuel Snohomish County's fleet with locally grown biodiesel.

In a joint venture, Whole Energy and Wolfkill answered a procurement bid and Request for Proposal (RFP) by the county and won the right to operate the dryer and oilseed crusher. Whole Energy will utilize the oil, and Wolfkill will use the meal for feed for its livestock feed operations.

The purpose of this discussion was to discuss potential sites for the oil crusher: Cathcart, the Honor Farm south of Monroe, Wolfkill's facility at Monroe, and Wolfkill's facility at Stanwood. The contract was written for the Cathcart site, which is owned by the county. Ryan Hembree asked the board for a recommendation to present to the executive for consideration.

Chair Bookey said that he understands that the final decision would rest with the Snohomish County Department of Public Works and the Snohomish County Executive.

Matt Bachleda works with Wolfkill Feed and Fertilizer and consults with Whole Energy. He has worked in agriculture in Snohomish County since 1980. Prior to that, he had a vegetable farm in the Midwest and taught agriculture in Minnesota (he received an education degree from Oregon State University).

Matt said that material and handling, processing, and safety are important components of this process.

1. Material handling and processing. There is not a lot of money in crushing canola. It is like manufacturing layer feed. The majority of the cost is in the ingredients. It is the same for crushing canola. During crushing, the canola is run through three machines that use a lot of horsepower. The process takes a lot of energy and material handling.
2. Safety: Seed growers have many safety concerns. Matt studied plant pathology at the University of Illinois and understands the seed industry's concerns regarding the potential for disease. Matt has talked with legislators in Olympia who are writing

legislation to protect seed growers. If he had any sense that this project would adversely affect seed growers, he would not have suggested the Stanwood site for the crusher.

The site selection must be based on material handling, processing, and capital investment. Existing infrastructure in Stanwood would make a big difference to the start-up investment. The cost of getting the site ready for production could be \$50,000 to \$65,000 compared to approximate start-up costs for the other sites: Cathcart - \$350,000, Honor Farm - \$250,000, and Wolfkill, Monroe - \$300,000.

If the lowest cost scenario, Stanwood, were selected, Wolfkill Feed and Fertilizer and Whole Energy would need to integrate a system involving seed growers and the state of Washington to ensure that all goals and objectives are met.

The Honor Farm is a good site in that it would provide opportunities for involvement with people who are doing new and exciting things with energy; the old milk processing facility could be converted for processing; and a substantial amount of on-site storage could eliminate the need for interplant material transfers. Concerns are that start-up costs would be high, and it could take as long as 1 ½ years just to get started.

The Monroe facility is a typical industrial facility. Storage would be more difficult. The interior would have to be reconfigured as it is at capacity, and this could dramatically increase costs.

The dryer will be at Cathcart until the gas is depleted. Transportation costs of product to and from Cathcart would be greater than at Stanwood. Where the seed would come from and where the oil would go are issues. If Wolfkill and others are successful in generating a good-sized industry, it is possible that seed could be brought in from Eastern Washington, Montana, etc., crushed off site, and/or oil could be processed at another facility or oil plant.

Deanna Carveth noted some of the benefits of Cathcart. It does have existing infrastructure. It has a tent facility that could house the crusher. The property is appropriately zoned. PDS has assured staff that permitting could start within 2 to 3 weeks. Material is being delivered to the site directly from the field. County-owned equipment should be operated on county-owned property.

John Postema inquired about noise. Matt said that the biggest noise problem would be the gas compressor. Atul, however, said that similar technology is very noisy and must be inside a building and have appropriate sound control to ensure that the sound does not escape from the building.

Matt's preferred site is Stanwood. Depending on the storage factor, the Honor Farm would be second. Cathcart and Monroe would be a "toss up" for third.

Atul Deshamane addressed timelines for getting the sites operational based on estimates rather than precise information. The cost of detailed engineering for all of the sites would be prohibitive. Stanwood could be in operation in time for the next harvest of canola and in the timeframe in which stored grain could be processed. The other sites, Cathcart, the Honor Farm, and Monroe, would require construction, installation, and commissioning of a crushing facility. Those facilities would not be ready for operation until after the harvest in 2009.

There was a lengthy discussion regarding the possibilities for cross pollination and diseases. Betsy Christianson said that Mike Rundlett, Environmental Affairs Manager, Western Agricultural Association, was involved in discussions that led to the establishment of a statute

that gave the Washington State Department of Agriculture the authority to adopt rules to work with local communities to develop vegetable seed production districts. Mark Christianson and Milo Lyons, Alf Christianson Seed Company, who represented the seed industry side of the issue, sat in on those discussions. It was a contentious process.

There are specific areas in the state where vegetable seed production can occur given the appropriate climate, soils, and terrain. Farmers said that they did not want canola anywhere around other vegetable seed crops.

The Department of Agriculture presented a bill to the legislature that would provide a framework to address the accommodation and success of both sides of the industry. The bill passed with no dissenting votes. The Department of Agriculture adopted implementation regulations. The regulations worked in a variety of areas to establish production seed districts.

No one anticipated processing facilities. The only reference to the transportation of materials was that they must be transported in a way that would prevent any release, discharge, or escape of the products. No details were provided.

Betsy Christianson, a producer of cabbage in the Stanwood area is very concerned about damage to cabbage crops. Betsy asked Lindsey Du-Toit why she is so emphatic about planting disease free canola in Snohomish County. Lindsey answered that the issue regarding diseased canola seed is not a simple one. There are not many locations in Washington State or the United States where cabbage and vegetable seed crops will grow. The quarantine is not intended to make life difficult for the biodiesel industry. It is intended to protect existing industries.

Canola has less than a 1 in a million chance of crossing with cabbage, but it has a pretty good chance of crossing with cruciferous crops that cover a diverse range of species. To be clear, Lindsey said that there is very little chance of cross pollination with cabbage, but there is a possibility of cross pollination with other species that are also grown in the area.

Another related issue is Genetically Modified Organisms (GMOs). Almost all canola today is genetically modified. Many companies not based in the United States contract with growers in Western Washington. They sell their seed in countries that are antiGMO. If we bring genetically modified canola seed into Snohomish County to be crushed, there is a possibility it could escape. Lindsey Du-Toit said that GMO is an even bigger issue than diseases, because seed companies all over the world would not work with Snohomish County farmers.

A lot of canola is grown in quarantine areas where black leg, a seed-borne fungus, is present. It can become very well established in this climate and nearly destroyed the vegetable industry in the 1970s. Because of very tight controls within the industry, seed lots planted in the quarantine area must be screened for black leg. If the fungus is found in the seed lots, they cannot be planted. They must be treated and ensured to be fungus free.

Black rot is extremely well established in most areas where canola is grown, particularly in Canada. There is a great chance that black leg would be brought into this area with the canola seed. The crusher will not operate for more than eight days without bringing seed in from somewhere, so it is likely that black leg would be introduced to the area if canola were brought in from Canada.

John Postema moved to take the Stanwood location off the table. Betsy Christianson seconded the motion.

Discussion followed. Atul said that eliminating Stanwood and its existing infrastructure would mean that canola would not be processed this year.

Following further discussion, Dan Douglas expanded the motion to take Stanwood off the table of recommendations from this board. Review of the other three facilities remains on the table. The facilities should be reviewed by the contractors, Whole Energy, Wolfkill, and the county for the purpose of determining the best approach. The board finds significant merit in the Cathcart facility – at least as a temporary site. Betsy Christianson seconded the motion. The motion carried.

6. DISCUSSION OF UPCOMING MEETING WITH THE SKAGIT COUNTY AGRICULTURAL ADVISORY BOARD (All)

A joint meeting with the Skagit County Agricultural Advisory Board is scheduled for January 21, 2009, at the Stanwood Fire Department. The boards will discuss common issues and the potential for combining efforts.

7. REFRAMING SUBCOMMITTEES: NO NET LOSS AND TDR/PDR (All)

This item was tabled.

8. PUBLIC COMMENT

Linda Neunzig said that snow damage, flood damage, freeze damage, etc., must be reported to the Farm Service Agency. Call 425-388-5060 for nonfarm items such as refrigerators, freezers, etc.

9. CLOSING: Adjourned