

Minutes

November 16, 2006

N. C. Board of Agriculture

Maurice K. Berry, Jr.	Roger D. Oxendine
Brent Fleming	Elbert R. Pitt, Jr.
William E. Holliday	Douglas I. Torn
C. Osmond Kearney, Jr.	Jeffery B. Turner
Kirk Mathis	Hyman Young, Jr.

Steve Troxler, Chairman

Table of Contents

Call to Order	193
Miscellaneous	193
Approval of Minutes	193
State Fair - Proposed Changes in Rental Rate Schedule and Admission Price	193
Report on Boll Weevil Eradication Program	194
Plant Industry Division - Amend Fertilizer Rules to Allow Nickel to be Claimed as a Secondary Nutrient and to Establish Minimum Guarantees for Secondary Nutrients.....	195
Approve Change in Fire Ant Quarantine Area	195
Report on Temperature Compensation for Motor Fuels.....	196
Referendum Request - North Carolina Peanut Growers Association.....	197
Progress Report on Dairy Issues	197
Miscellaneous Business	197

N. C. Board of Agriculture

Minutes

November 16, 2006

The November 16, 2006 meeting of the Board of Agriculture was held beginning at 10:00 a.m. at the Gov. James G. Martin Building on the North Carolina State Fairgrounds in Raleigh, North Carolina. Commissioner of Agriculture Steve Troxler called the meeting to order. The following Board members were in attendance: William E. Holliday, C. Osmond Kearney, Jr., Kirk Mathis, Roger D. Oxendine, Elbert R. Pitt, Jr., Douglas I. Torn, and Hyman Young, Jr. Special Deputy Attorney General Lars Nance was also in attendance.

The meeting was opened with prayer, led by Zane Hedgecock.

~~~~~

Before proceeding with the agenda items, Commissioner Troxler took the opportunity to acknowledge the passing of the father of former Board member Dan Finch.

Assistant Commissioner Richard Reich was commended for his participation in a panel discussion regarding environmental and agribusiness issues affecting agriculture. This panel discussion was the result of a recent UNC-TV documentary.

~~~~~

Upon MOTION by Mr. Oxendine, seconded by Mr. Mathis, the minutes of the September 8, 2006 meeting were approved.

~~~~~

Wesley Wyatt, the manager of the North Carolina State Fair, was recognized to present proposed changes in the rental rate schedule and admission fees.

Mr. Wyatt stated that the State Fair operates as an enterprise fund, with revenues derived from operations. Due to its year-round use, the facility requires constant maintenance and improvements and new capital projects. Therefore, it was requested that the Board approve an increase in rental rates, as well as a \$1 increase for adult gate admission. Adjusting the fee structure will "allow the Fairgrounds to meet customer expectations and balance the overall rate structure, while offering facility use at a rate competitive with comparable properties."

Mr. Wyatt stated that event promoters were notified of the proposal and that no opposition to the proposal has been received. It was further recommended that the proposed increases not become effective until April 2, 2007. Mr. Wyatt also noted that the last increase in adult gate admission prices was in 1993.

The MOTION was made by Mr. Pitt to approve the proposed changes. The motion, being seconded by Mr. Young, carried by a unanimous vote.

A copy of the approved rate schedule, entitled "NC State Fair Facilities Rental Rates," has been entered into the record as Exhibit A. The approved gate admission rule, cited as 02 NCAC 20B .0104 - Admission Regulations, has been entered into the record as Exhibit B.

Mr. Wyatt gave a report on the 2006 State Fair. Because of the success with this year's fair, the Department has decided to renew the contract with Powers Great American Midways. Attendance was the fifth best since the inception of the Fair, with 785,956. Mr. Wyatt highlighted key exhibits and entertainment.

~ ~ ~ ~ ~

The next order of business was a report on the Boll Weevil Eradication Program, given by Marshall Grant. Mr. Grant serves as chairman of the board of directors of the Boll Weevil Eradication Foundation of North Carolina, Inc.

Mr. Grant began by reminding the Board of Agriculture members that they and the Commissioner make appointments to the Foundation. He listed those individuals currently serving and noted that he has served since 1975.

Mr. Grant paid tribute to the Department for the continued success of the program, which has been deemed "the most successful project ever undertaken in the field of entomology and the history of entomology." He gave a brief history of how the program began and noted that cotton production has almost doubled since the program began. Mr. Grant stated that all cotton produced in the United States is involved in a boll weevil eradication program. It is projected that by 2010 the entire country will be boll weevil free.

Approximately 2.5 billion dollars have been invested to eradicate the boll weevil so far, but it will take another half billion to complete the job. Funds come from state legislation, United States Department of Agriculture, and growers. Mr. Grant spoke on the formation of the Southeast Boll Weevil Eradication Foundation, which administers funds for the boll weevil program.

In honor of Mr. Grant's many contributions to the Foundation, Mr. Oxendine made the MOTION that the Board appoint Mr. Grant as director emeritus of the Foundation, at such time as he ceases to serve as a regular director. The motion was seconded by Mr. Pitt and carried by a unanimous vote.

Commissioner Troxler took the opportunity to commend Howard Singletary, who was previously the director of the Department's Plant Industry Division, for his many efforts in eradicating the boll weevil. Another former director with that division, W. A. Dickerson, was also acknowledged for his many contributions, including the development of the boll weevil trap.

~ ~ ~ ~ ~

Before explaining the proposed amendment to the fertilizer rules, Richard Reich was asked to report on his participation in the previously mentioned panel discussion regarding environmental issues. Dr. Reich stated that the director of the North Carolina Zoological Park requested that Commissioner Troxler participate in a follow-up panel discussion of the UNC-TV documentary "Making Connections." The discussion centered on the importance of natural resources and careful planning, particularly land-use planning, to the future of the economic development of North Carolina and to agriculture in general. The documentary covered such natural resource topics as: water, land resources, agriculture, plant diversity, development pressures, and increasing population. An open-line discussion addressing similar topics, entitled "Open Net," will be held in the very near future and may be accessed through government TV.

Dr. Reich recognized David Hardy, the chief of soil testing in the Plant Industry Division, to explain the proposal to add nickel to the list of secondary plant nutrients that are permitted to be claimed in the application for registration of fertilizer products and to also establish minimum guarantees for secondary plant nutrients. Dr. Hardy explained the significance of nickel as a plant nutrient, as spelled out in Plant Industry Director Gene Cross' memo to the Board (a copy of which has been entered into the record as Exhibit C). "There is a specific use for this material in woody species, specifically pecans and river birch trees. For river birch species, it is utilized for a condition known as 'mouse ear.' Mouse ear is common in container plant production and causes severely distorted leaves resulting in problems with marketing."

The American Association of Plant Food Control Officials has approved nickel as a micronutrient fertilizer, and several states already have products registered for nickel. Howard Singletary, the executive secretary/treasurer of the Plant Food Association of North Carolina, Inc., went on record endorsing the proposal. A letter from the Plant Food Association has been entered into the record as Exhibit D.

Mr. Torn made the MOTION to approve the proposal as presented. The motion, being seconded by Mr. Mathis, carried by a unanimous vote.

The approved rule, cited as 02 NCAC 48B .0121 - Application for Registration of Fertilizers, has been entered into the record as Exhibit E.

~~~~~

The next order of business was a request from the Plant Industry Division to amend quarantine areas for the Imported Fire Ant. Entomologist Stephen Schmidt was recognized for comments.

It was explained that the Imported Fire Ant has been "recognized as an aggressive pest of farmlands, pastures, residential areas and wildlife." In order to monitor and address potential threats, the Department initiated a quarantine program which requires residents and business owners to obtain permits before moving plants, sod, and related equipment into or through non-infested areas.

Dr. Schmidt stated that with the Board's approval, portions of Iredell, Lincoln, and Rutherford Counties would now be included in the quarantine area. A description of these areas was included in a memo addressed to the Board, under the signature of Gene Cross (a copy of which has been entered into the record as Exhibit F). He pointed out that these recommended changes are the result of two years of field surveys and input from residents in the affected areas.

MOTION was made by Mr. Mathis that the Board approve the changes as presented. The motion was seconded by Mr. Pitt, voted on, and unanimously carried.

~~~~~

Stephen Benjamin, who serves as director of the Standards Division, gave a report on temperature compensation for motor fuels.

In his memo to the Board (a copy of which has been entered into the record as Exhibit G) Mr. Benjamin explained that current standards do not permit the sale of motor fuels by temperature compensation at retail. There are no specifications for meters or regulations to allow temperature compensated sales. However, the National Conference of Weights and Measures (NCWM) is addressing the issue of making temperature compensation a legal method of sale. If this is approved by NCWM, North Carolina will automatically adopt this method.

The Board may be asked to consider rules regarding temperature compensated sales at retail dispensers or other applications.

Entered into the record as Exhibit H is a copy of Mr. Benjamin's PowerPoint presentation, highlighting the key issues of his presentation.

Wayne Henderson, representing Pump & Tank Shop in Greensboro, was recognized for comments. He made remarks regarding the cost for converting dispensers to this system, with the use of converter kits, and the affect this will have on the smaller and more rural service stations.

The Chair recognized Assistant Attorney General Kip Sturgis for a presentation on this issue. Mr. Sturgis expressed concerns about the affects of temperature compensation on the consumer, both from a monetary and time issue. He encouraged a collaborative effort between his office, the Board, and the Department in studying the pros and cons, paying particular attention to a time frame that is beneficial to all parties. Two issues that need to be addressed are frequency in replacing pumps and expenses incurred in retrofitting pumps.

Commissioner Troxler welcomed comments from the floor. The first person to speak was Tim Laughlin, with the North Carolina Petroleum Marketers Association. Mr. Laughlin, a petroleum engineer, made general remarks on the physics of ambient air, ground and motor fuel temperatures. He, too, felt that this issued needed further study.

Gordon Johnson, representing Gilbarco/Veeder-Root, was the next person to speak. Gilbarco has been working with NCWM to receive type approval that will allow Gilbarco to offer the Automatic Temperature Compensation option on its own equipment.

Gilbarco had been asked to provide information to the Attorney General's office, and a copy of that information has been entered into the record as Exhibit I. Remarks were heard on the "life expectancy" of equipment, the monetary advantages of retrofitting existing equipment versus purchasing new equipment, and the volume of gasoline dispensed in a year in North Carolina.

~~~~~

The chief executive officer of the North Carolina Peanut Growers Association, Inc., Robert R. Sutter, was recognized to present a referendum request.

Mr. Sutter began by distributing a copy of the Association's "Annual Report." A copy of this document has been entered into the record as Exhibit J.

The Peanut Growers Association requested permission to conduct a referendum among peanut growers to continue to assess themselves \$3 per ton. The referendum will be held in February of 2007 and will cover crop years 2007 through 2012. A letter from the Association to this effect has been received and entered into the record as Exhibit K.

The MOTION was made and seconded, by Mr. Torn and Mr. Pitt, respectively, to approve the request of the Peanut Growers Association. The motion carried by a unanimous vote.

~~~~~

Programs Specialist Dewitt Hardee was asked to give a progress report on various dairy issues. He gave a very brief synopsis of events and activities, as outlined in his handout entitled "Recent Dairy NCDA&CS Dairy Activities." A copy of this document has been entered into the record as Exhibit L.

Mr. Holliday went on record commending the Department for its continuous support of the dairy industry.

~~~~~

The floor was opened for miscellaneous business.

Richard Reich reported that he, along with Dewitt Hardee, attended a meeting of the Legislative Commission on Land and Water Conservation. The need for additional funding for North Carolina's agricultural development and farmland preservation program was a key topic of discussion. There will be an opportunity for public comment on this process in January.

(Richard Reich returned thanks prior to the meeting being adjourned.)

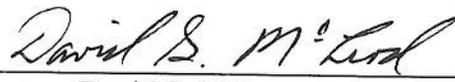
~~~~~

THERE BEING NO FURTHER BUSINESS, THE MEETING WAS ADJOURNED AT 12:00 NOON.

Recorded & Prepared by:  
Gail S. Rothstein, Court Reporter

Adopted by the Board this 23d day  
of April, 2007.

  
\_\_\_\_\_  
Steven W. Troxler  
Commissioner of Agriculture  
Chairman

  
\_\_\_\_\_  
David S. McLeod  
Secretary