

Minutes

August 10, 2011

N. C. Board of Agriculture

Casey M. Armstrong

Kirk Mathis

Maurice K. Berry, Jr.

Mark Peters

Jean J. Boseman

Elbert R. Pitt, Jr.

William F. Johnston

Larry Sampson

C. Osmond Kearney, Jr.

Jeffery B. Turner

Steve Troxler, Chairman

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The August 10, 2011 Board of Agriculture meeting was held at the Hunt Horse Complex at the North Carolina State Fairgrounds in Raleigh, NC. Commissioner of Agriculture Steve Troxler called the meeting to order at 1:31 pm and read the Ethics Reminder. The following Board members were in attendance: Maurice Berry, Jean Boseman, Billy Johnston, Mark Peters, Larry Sampson and Jeff Turner. Kirk Mathis joined the meeting via telephone.



Commissioner Troxler introduced and welcomed new Board member, Mark Peters, who was recently appointed to a six year term replacing Doug Torn. Mr. Peters gave a brief summary of his background in agriculture. He is currently a nurseryman who has a 40-acre operation near the Farmers Market in Colfax, NC. Commissioner then congratulated Maurice Berry and Jeff Turner who were both recently reappointed to another term on the Board. Each Board member then introduced themselves and gave a brief description of what they do and their connection to agriculture.



Commissioner Troxler established that there was a quorum for the meeting and asked Dr. Richard Reich, Assistant Commissioner, to open the meeting with prayer.



Deviating from the printed agenda, Commissioner Troxler gave the Board an update on the Townsends chicken plants in North Carolina. Omtron, the parent company of Townsends has decided to close the plants in Mocksville and Siler City, NC. The Rural Center's Agricultural Advancement Consortium has worked to provide financial counseling to farmers that will be affected by the closing. Commissioner Troxler acknowledged Billy Ray Hall of the Rural Center, Larry Wooten of NC Farm Bureau and Faylene Whitaker and thanked them for their generosity by helping affected farmers.

Commissioner Troxler noted that the best outcome would be finding a buyer that would allow the plants to stay open. He acknowledged the communication and work between several groups and agencies including the NC Department of Commerce, the Governor's Office, USDA Rural Development and the Economic Development offices in Davie and Chatham Counties. He also recognized Senator Atwater, who was in attendance, as well as other members of the General Assembly who have all been communicating on this issue. Commissioner Troxler explained that poultry is the number one industry in North Carolina making this issue very important to the state.

Bill Ray Hall was called upon to make a few comments. Mr. Hall noted that it was a good thing that everyone was coming together, but a bad thing to deal with. Everyone is concerned and he is glad they are able to provide some assistance with financial counseling. He is very supportive of the efforts everyone is putting in and thanks Commissioner Troxler for his leadership.

Larry Wooten also gave a few remarks on this issue. He appreciates the leadership of the Commissioner and he is proud to work with the Ag Advancement Consortium to find a solution to the situation. Mr. Wooten noted that this was a disaster for the community, for those losing their jobs and

for the 171 growers who have contracts with the company. If they cannot do anything else, the least they can do is provide financial counseling.

Commissioner Troxler closed the discussion by noting that farmers do not have the luxury of unemployment. All of the groups will continue to work together to find a buyer and make sure the doors of the plants remain open.



Moving back into the items on the agenda, the Board considered the approval of the minutes of the April 13, 2011 meeting.

Billy Johnston made the MOTION that the Board approve the minutes as presented. The motion, seconded by Jean Boseman, carried by unanimous vote.



Board member Larry Sampson arrived during the discussion of Townsend. He gave a short introduction.



Commissioner Troxler informed the Board that the Department had a recent transformation with the addition of several divisions and programs that have been beneficial to agriculture in North Carolina. The North Carolina Forest Service, Soil and Water Conservation, the Grade A Milk Program, and bedding inspection program have all been transferred to the Department. The additions have made the Department bigger and stronger and will help us better serve agriculture in North Carolina.

Wib Owen was introduced. Mr. Owen is the State Forester and new Assistant Commissioner for the Department. He is over the NC Forest Service. Mr. Owen addressed the Board. The NC Forest Service brings over 800 employees to the Department and strengthens the Department's leadership in disaster response. In addition to fighting the state's wildfires, the Forest Service also responds to other natural disasters. They also work in forest protection, insect and disease protection, and forest management. They are excited to be a part of the Department and are thankful for the support the Department has given to the Forestry Division.

Ms. Patricia Harris was also introduced as the division director for Soil and Water Conservation. Mrs. Harris noted that her division brings 46 employees to the Department. They are responsible for working with local soil and water conservation districts. They also have an ag cost share program and will be working with AgWRAP. They are happy to be a part of the Department and look forward to working with the Board and others in attendance.

Commissioner Troxler pointed out that Board member Maurice Berry is a Soil and Water District Supervisor.



The next item on the agenda was the adoption of several proposed rules. Jerry Butler, manager of the weights and measures program in the Standards Division, was called upon to explain the proposed rule dealing with the sale of petroleum products.

Mr. Butler explained to the Board that the proposal is not changing the rule, but rather simplifying the rule. Some gas stations charge a different price for gas purchased using a credit card (using a credit surcharge rate) rather than paying with cash. The proposed rule change requires that this surcharge will be clearly and conspicuously displayed. The change would allow the consumer to know exactly what they are paying before they pump their gas alleviating current confusion.

Doug Howie, with the North Carolina Petroleum Marketers Association, addressed the Board. Mr. Howie explained that they read the rule when it was published and agrees that it makes it simpler for everyone. They are in support of the proposed rule.

Being no further discussion on the proposal, Maurice Berry made the MOTION that 02 NCAC 38 .0604 be adopted as published. Larry Sampson seconded and the motion passed by unanimous vote.



Richard Fredenburg, also with the Standards Division, was then called upon to explain the proposed changes to the LP Gas Standards.

Mr. Fredenburg explained that the proposal updates adoptions by reference by amending nomenclature and updating prices of documents adopted by reference. The proposal also includes a definition of a “concrete pad” in order to clarify the existing requirement and provide better direction for the LP Gas industry and inspectors. The NC Propane Gas Association supports the rule and a copy of the letter was provided to the Board in their packets.

MOTION was made by Jeff Turner and seconded by Larry Sampson that the Board adopt 02 NCAC 38 .0701 as presented. The motion carried by unanimous vote.



Commissioner Troxler asked Dr. Richard Reich, Assistant Commissioner, to go over the changes to the list of Noxious Weeds and Regulated Areas. Dr. Reich was filling in for Gene Cross, Director of Plant Industry, who was unable to be at the meeting. Mr. Cross’s memo to the Board was included in their packet.

The changes to the list of noxious weeds and regulated areas are based on observation and recommendation. The purpose of the technical revisions are to protect plant industry and improve plant protection. Several letters of support were submitted to the Board prior to the meeting.

Upon MOTION by Mark Peters, seconded by Jean Boseman, the Board adopted the rules 02 NCAC 48A .1702 and .1703 as presented. The motion passed by unanimous vote.



David McLeod, Assistant Commissioner, addressed the Board in regards to the last rule proposed for adoption. The proposal repeals unnecessary language regarding admission fees for the Mountain State Fair. In 2009, the Board updated a fee schedule for the Western NC Ag Center that included admission to the Mountain State Fair. By doing so, it became unnecessary to set the rate in the rule.

Billy Johnston made the MOTION to adopt 02 NCAC 43L .0309 as published. The motion, seconded by Jeff Turner, passed by unanimous vote.



Commissioner Troxler then called upon David Smith, Chief Deputy Commissioner, to update the Board on the Department's budget.

Mr. Smith thanked Senator Atwater and other members of the General Assembly in attendance for their hard work on the budget. He presented the Board members with a 2011 Budget Update Sheet that highlights different items in the Department's budget. Overall, the Department saw a reduction of four percent (4%). In addition, the Department was asked to reduce its cell phone budget by 25% and motorfleet budget by 10%.

Overall, the Department lost 17 positions, but added over 800 with the addition of the Forest Service, Soil and Water Conservation and other programs. The addition of the new divisions should be completed by August 17th.

Mr. Smith and Commissioner Troxler both thanked Joy Hicks and Ray Starling, two Department employees, for their hard work during this legislative session. Commissioner Troxler noted that this was one of the most successful years for agriculture and agribusiness.



Ray Starling, General Counsel with the Department, was then asked to give a report on legislation that affected the Department or agriculture. Mr. Starling went over a legislative summary that was provided in their Board packets.

Mr. Starling discussed several bills covering a wide range of topics including ethanol blending, regulatory reform, dam safety, feral swine and farm annexation. Mr. Starling thanked Allison Fowler and the NC State Grange for their hard work to get legislation like HB 168 passed. A lot of organizations worked together for agriculture and landmark pieces of legislation were passed.



Commissioner Troxler recognized Anne Brown with the Attorney General's office and thanked her for what she does for the Department.



Larry Sampson asked about the lifting of the burn ban. Being from a very dry county, Mr. Sampson wanted to know why the ban was lifted. Mr. Wib Owen explained that bans are normally put in place when they do not feel they have the resources to cover a problem if happens. At this time, they feel they can adequately cover any problem should it arise.



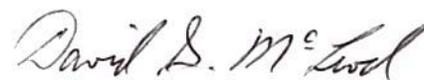
There being no further business to discuss, Jeff Turner moved that the meeting be adjourned, which MOTION was seconded by Larry Sampson. The motion carried by a unanimous vote and the meeting was adjourned at 2:51 pm.

Recorded and Prepared by:
Christina L. Waggett

Adopted by the Board this 25th day
of January, 2012.



Steven W. Troxler
Commissioner of Agriculture
Chairman



David S. McLeod
Secretary