CHESAPEAKE BAY COMMISSION
Strasburg, PA
Sept. 7-8, 2006

The Chesapeake Bay Commission held its third quarterly meeting on Thursday and Friday, September 7 - 8, 2006 in Strasburg, Pennsylvania.

The following Commission members and staff were in attendance:

Assistant Secretary Jeff Corbin
Delegate John Cosgrove
Assistant Secretary Frank Dawson
Representative Russ Fairchild
Senator Emmett W. Hanger, Jr.
Representative Arthur Hershey
Deputy Secretary Cathy Myers
Rear Admiral Rick Ruehe
Senator J. Lowell Stoltzfus
Senator Mike Waugh
Delegate Mike Weir, Jr.
Senator Noah Wenger
PA Citizen Representative George Wolff
Delegate John F. Wood, Jr.

Staff: Ann Pesiri Swanson
Suzan Bulbulkaya
Marel Raub
Pat Stuntz
Paula Hose

Members not in attendance:

MD Citizen Representative Bernie Fowler
Senator Brian Frosh
VA Citizen Representative Irvine Hill (proxy)
Delegate James Hubbard
Delegate Lynwood Lewis (proxy)
Delegate Scott Lingamfelter (proxy)
Senator Nick Rerras (proxy)
Representative Pete Zug

Thursday, September 7, 2006

FARM BILL UPDATE

Tim Male, Senior Scientist at Environmental Defense, briefed the members on the Healthy Farms, Fuels and Food Act of 2006 and discussed possible support from the Chesapeake Bay Commission. Mr. Male focused his discussion on the conservation section of the bill, which includes doubling current EQIP funding, improving the Conservation Security Program by creating continuous enrollment for farmers, encouraging cooperative conservation for regional and local priority projects, and expanding the Conservation Innovation Grants program.

Chesapeake Bay Commission Executive Director Ann Swanson further updated the members on latest developments on the Farm Bill reauthorization, touching on the expected timeline and current partners. Ann also announced the Commission's partnership with Alan MacLeod, a private consultant hired to assist with advocacy of the Bay region's recommendations adopted by the Executive Council in 2005.

IMPLEMENTATION OF TRIBUTARY STRATEGIES:

The Role of Federal, State and Private Partnerships

Members and staff participated in a field trip to Brubaker Farms, in Mount Joy where they observed first hand implementation of tributary strategies, specifically, enhanced nutrient management and yield reserve. Luke and Mike Brubaker of Brubaker Farms took members and staff on a tour of the farm to view their dairy, poultry, and cropping operations. During the tour, Kevin Schmidt of American Farmland Trust and Jedd Moncavage of TeamAg, Inc. continued discussions with the members on how partnerships of federal, state and private resources can be leveraged to implement new and innovative practices of the tributary strategies. An example of this is an enhanced nutrient management pilot project, administered in Pennsylvania by the American Farmland Trust and funded through EPA, USDA, the Pennsylvania State Conservation Commission, and the Pennsylvania Delegation of the Chesapeake Bay Commission. Mr. Moncavage provided preliminary results of the program as implemented on the Brubaker farm, but final results will be calculated from harvests on additional farms.

Agricultural Implementation Through Partnerships

The members were given a panel discussion, hearing first-hand from those who are directly involved with agricultural conservation programs and practices.

Craig Derickson, Pennsylvania State Conservationist for USDA's Natural Resource Conservation Service provided a federal perspective on agricultural implementation through partnerships. Mr. Derickson spoke of new initiatives of NRCS including air quality, energy and cooperative conservation; working directly with the conservation districts, the new strategic plan also calls for restructuring some of the work on a watershed basis.

Karl Brown, Executive Director of Pennsylvania's State Conservation Commission, provided the state perspective. The Commission primarily oversees state programs including the state's Nutrient Management Program. Mr. Brown spoke of Pennsylvania's individual county tributary strategy plans and the importance of their innovations and partnerships with the districts and the local levels; and the success that 90% of the nutrient management plans are written by the private sector. He emphasized that an important outcome of Pennsylvania's Tributary Strategy process has been the dialogue between various stakeholders, such as developers, farmers, and municipal authorities, and the "outside the box" thinking that has resulted.

Jedd Moncavage of TeamAg, Inc. provided the perspective of the private sector. Mr. Moncavage stressed that trust, tradition, cost and timing are critical to successful agricultural partnerships. He also emphasized how the private sector often matches clients with available public programs providing a complimentary element to their services and projects. He stressed that private consultants are supplementing, not competing with, publicly provided technical assistance.

Implementation at the Community Level

Terry Kauffman, Manager of Mount Joy Borough gave a presentation on the local level of tributary strategy implementation. Mr. Kauffman explained the success of Mount Joy Borough's six year plan for the wastewater treatment plant, nutrient trading, environmental restoration, and legacy sediment reductions. Mr. Kauffman and Mike Brubaker discussed the challenges and opportunities of a proposed trade between the Borough and farm.

Friday, September 8, 2006

MEETING CALL TO ORDER

The business meeting was called to order by Chairman Emmett Hanger at 9:15 A.M. Following roll call, the May meeting minutes and the agenda were adopted as proposed.

CHAIRMAN'S UPDATES

2006 Chesapeake Executive Council Meeting

Chairman Hanger announced that this years EC Meeting will be held at Sandy Point State Park on September 21 and 22, 2006 and that he will be representing the Chesapeake Bay Commission. He further explained that the focus of the meeting is one of "partnership". Three initiatives are the focus of the meeting: Farm Bill, Forest Conservation and an MOU with Scotts Fertilizer Company to reduce phosphorus in lawn fertilizer.

Ann Swanson added that the Farm Bill and Forest Directives were both crafted by Commission staff with the full concurrence of the other members of the Principal Staff Committee. She further explained that the Scotts Fertilizer Directive was a win-win situation for all, as the cost of producing fertilizer with less phosphorus was less expensive to produce for manufacturers; it also will reduce the amount of phosphorus content in the Chesapeake Bay. The producers of lawn care products in the Bay region have additionally committed to negotiate whether nitrogen can be reduced in lawn care products by the 2007 EC Meeting. The Farm Bill Directive, Swanson explained, reiterates to Congress what the Commission previously recommended. The Forest Conservation Directive calls for the identification of various planning and regulatory tools, and funding programs to maintain the critical mass of forest lands.

2005 Blue Crab Report

Chairman Hanger announced that the Commission released its Blue Crab report in August, adding that the report represents the extraordinary partnership that the Commission has forged with MD Sea Grant and the 29 scientists, economists and sociologists throughout the region that advised the Commission. Nearly 1500 copies of the report have been distributed.

Chesapeake Bay Assistant Director, Pat Stuntz provided an overview of the key elements of the report to the members. Pat characterized the report in three parts: The Good, The Bad, and The Uncertain. The good news shows that the regulations that have been in effect are working, the population is stabilizing. The bad news is the part of the equation that has to do with the water quality and habitat, although still uncertain, clearly has an impact on the crab population; we really need to continue looking at low dissolved oxygen levels and loss of underwater grasses. The Uncertainty is determining what proportion of the catch comes from recreational crabbers; however, both Maryland and Virginia will continue to look into this. Additional uncertainty is the

population of the female crab and the spawning stock. There have been a number of disagreements among the scientists regarding the spawning stock; however, the scientists have recommended a number of things they would like to look at for improvements.

Revised Chesapeake Bay Commission Budget

The Commission's FY 2006-2007 Revised Budget was adopted as proposed. Senator Nick Rerras (Va.), Delegates Scott Lingamfelter (Va.) and Lynwood Lewis (Va.), and citizen member Irvine Hill (Va.) voted for adoption via proxies. The revised budget is a result of the recommendations of the Executive Committee, who met in July, 2006 where they focused on strategic budget planning for future years. In addition to the budget, the Commission approved the reclassification of Pat Stuntz' position to Assistant Director of the Chesapeake Bay Commission.

Captain John Smith Water Trail

Ann Swanson briefed the members on the current status of the trail. Currently, the bill has been successful in the Senate and is now in the House. There is a possibility the hearing will be on the calendar for September. The National Park Service completed its study and had sent a letter to Congress recommending the water trail. Chairman Hanger informed the members that Pat Noonan of the Conservation Fund has nominated the Chesapeake Bay Commission to receive the Kodak American Greenway Award for its work with the Captain John Smith Water Trail.

Department of Defense Agreement

Carolyn Neill briefed the members on a new agreement between the U.S. Department of Defense (DoD) and the State of Maryland which details specific actions the federal agency will take in helping to restore the Chesapeake Bay. Specifically, the agreement will continue implementation of watershed improvement projects such as upgrading wastewater treatment plants to achieve enhanced nutrient removal (ENR), stabilizing eroding shorelines, and creating or enhancing stream buffers and wetlands.

Over the last three fiscal years, the DoD has invested more than $15 million for environmental improvement projects in Maryland that contribute to improving the Chesapeake Bay's ecosystem. Under this agreement, Maryland will not seek to collect the Maryland Bay Restoration fees for the DoD-owned wastewater treatment facilities provided that the DoD successfully carries out its commitment. These commitments from the DoD exceed the equivalent of what would have been paid to the Bay Restoration Fund under the Bay Restoration Act.

REDUCING POLLUTION: THE ROLE OR AIR DEPOSITION

Pat Stuntz provided an overview of the key issues associated with air deposition and its impact on the Chesapeake Bay. She reported that air deposition is estimated to contribute one-third of the nitrogen load to the Bay and Bay watershed states are responsible for one half of the atmospheric load. Although air controls from utilities and mobile sources are largely driven by Federal Clean Air Act authority, states are increasingly taking legislative and regulatory action to adopt more stringent standards. Land use greatly influences the impact of air pollution on water bodies. About 75% of the air pollution falling on urban areas is transported to local water bodies, whereas forest lands retain more than 75% of the nitrogen deposited from the air. This means that state and local governments have considerable influence over the magnitude of the water quality impact from air pollution.

ATMOSPHERIC SOURCES OF NITROGEN TO THE BAY WATERSHED

Dr. Robert Howarth of Cornell University reviewed recent findings suggesting atmospheric deposition of nitrogen may be a far greater contributor of nitrogen to the Chesapeake Bay than previously estimated. One reason for this may be that earlier studies underestimated the dry deposition of nitrogen gases near urban areas and transportation corridors. Data suggests that there may also be an underestimation of dry deposition of particles in forests and areas of hilly terrain. Dr. Howarth stated that the most robust estimates of deposition are those based on emission and transport models. Specifically, Dr. Howarth reported that atmospheric deposition may contribute as much as, if not more than, 40% of the nitrogen to the Chesapeake Bay. Dr. Howarth's theory suggests that if we are underestimating the amount of deposition deposited in hilly terrain and urban/suburban environments, deposition could actually be 80% higher than assumed in the Chesapeake Bay model.

Solutions for reducing the inputs from electric power generation include applying the Clean Air Act to grandfathered plants, applying emission standards year round, and encouraging alternative non-polluting energy technologies. Some solutions for mobile sources include regulating SUVs and small trucks as if they were cars, encouraging hybrid vehicles and mass transit, and enforcing prohibitions on idling of truck and bus engines. Deputy Secretary Cathy Myers commented that Pennsylvania is currently funding several projects to provide truck stops with truck electrification services that will eliminate the need for idling.

ESTIMATING CURRENT AND FUTURE IMPACTS OF AIR EMISSIONS

Jeff Sweeney from the University of Maryland, Chesapeake Bay Program summarized the tools that are used by the states and the Chesapeake Bay Program to estimate the contributions from electric utilities, mobile sources, agriculture and the role of urban growth in his presentation. Mr. Sweeney indicated that projected atmospheric deposition to the Chesapeake Bay Watershed will decrease from 416 million pounds per year in 1990 to 292 million pounds in 2010 and to 244 million pounds by 2020.

FORESTS AND AIR POLLUTION CONTROL

Richard Birdsey of the U.S. Forest Service gave the members a look at the work of forests in sequestering carbon and assimilating air pollution. In his presentation, he informed the members that 61% of land in the Chesapeake Bay Watershed is covered with forests, which represents approximately 24 million acres. Forests in the watershed are healthy and productive, but continued nitrogen deposition will “saturate” forests, causing a decrease in their ability to retain nitrogen. Much of the forestland in the region is in the 40-100 year age class, which is important – as they age, forests may not be as healthy and their ability to absorb nitrogen goes down. The loss of forest cover would have significant negative effects on Chesapeake Bay water quality due to rapidly reduced nitrogen retention.

STATE OF THE CHESAPEAKE FORESTS REPORT: STRATEGIES FOR RETAINING AND PROTECTING THE WATERSHED’S FORESTS

Eric Sprague of The Conservation Fund discussed the key findings of the U.S, Forest Service report scheduled for release at the EC meeting that addresses the role of forests in mitigating air pollution and protecting water quality. Mr Sprague reported 100 acres of forest have been lost

every day since the mid-1980's and that 30,000 new buffer miles of forests are needed to maximize water quality benefits.

Mr. Sprague documented the multiple benefits of forests for drinking water protection, air pollution control, stormwater management and flood control, and estimated that 31% of those forests most valuable for water quality are at risk of development. The State of the Forests report offers strategies for reducing these risks.

ADJOURN

The meeting was adjourned at 12:00 P.M.

The next meeting of the Chesapeake Bay Commission
will be held at the Hilton Virginia Beach Oceanfront
on November 9-10, 2006