

Compressed Transcript



COMMISSION ON MARINE RESOURCES

COMMISSION MEETING

June 18, 2013

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TRANSCRIPT OF MEETING OF COMMISSION ON MARINE RESOURCES AT BOLTON STATE BUILDING, PUBLIC MEETING ROOM, 1141 BAYVIEW AVENUE, BILOXI, MISSISSIPPI, ON THE 18TH DAY OF JUNE 2013 COMMENCING AT 9:00 A.M. AND REPORTED BY NORMA JEAN LADNER SOROE, CERTIFIED SHORTHAND REPORTER.

COMMISSION MEMBERS PRESENT:

- DR. VERNON ASPER, Chairman
RICHARD GOLLOTT
SHELBY DRUMMOND
STEVE BOSARGE
JIMMY TAYLOR

ALSO PRESENT:

- JAMIE MILLER, Director DMR
JOSEPH R. RUNNELS, ESQ., Asst. Attorney General
SANDY CHESNUT, ESQ., Asst. Attorney General

up to the executive director's report.

MR. MILLER: Please.

DR. ASPER: Okay. Any other changes to the agenda? Is there a motion to approve with these modifications?

MR. GOLLOTT: So moved, Mr. Chairman.

MR. BOSARGE: Second.

DR. ASPER: Those in favor say aye. The minutes are approved -- so the agenda is approved.

D. Public Comments

DR. ASPER: And now we have the time for public comments. We only have two requests so far. And again, if someone else has something that you'd like to talk about, just fill one of these out. We just like to keep a record of these.

First on the list is George Storrs.

MR. STORRS: Good morning. My name is George Storrs. Is this thing on? Yeah, it's on.

I'm pretty much a dinosaur. You look at me and can tell that.

My problem is that I don't want to become an extinct dinosaur. I want to be here for a while, and I've still got some good years left in me.

And from what I see going up and down that beach is there's a lot of gravel being put out for a lot of sport fishermen. And just a piece of that gravel put on that square mile that I've been allocated as far as tonging goes would have

A. Call to Order

DR. ASPER: Good morning. I'd like to welcome everybody to the regular June meeting of the Mississippi Commission on Marine Resources. Always great to have such a good crowd in attendance. We have an agenda at the back if you haven't seen one. We also have those comment forms if you would like to make a comment. Be sure you sign one of those and get it to the ladies up front here.

B. Approval of Minutes

DR. ASPER: First on the agenda is looking at the minutes. Are there any corrections to the minutes, or is there a motion to approve as distributed?

MR. DRUMMOND: So moved, Mr. Chairman.

MR. GOLLOTT: Second, Mr. Chairman.

DR. ASPER: Those in favor say aye. The minutes are approved.

C. Approval of Agenda

DR. ASPER: The agenda. I believe we have a couple of small changes on there.

MR. MILLER: Yes. We need to recognize H-3(c). It's a permit application for Mississippi Phosphates. Add that. I'm sorry.

DR. ASPER: And I believe that Item G-5, shrimp season report, is a no action item now. That's been changed.

And we are going to move your report all the way

made a big big different. And so far nothing has happened. I know there's some DEQ money, and I know it's going to come loose at some point in time. And I know I'm being a squeaky wheel, but if I don't say this, it may not happen the way I'd like it to happen.

I want to be involved in restoring -- and fishermen like me -- in restoring that tonging reef. And I don't want just a contractor to go out there and sling rocks all over the place. I want it cultivated. I want to be part of that, and I want to be part of putting those rocks out there. And it will make a big difference.

But every day that goes by that we don't do something is not good. I mean, this season is not going to be a good season at all. We should have started this way back. And I understand we don't have the money apparently. But we had money to put stuff down on the beach for the sport fishermen. I don't have nothing against the sport fishermen. But the industry and all the harbors along this Gulf Coast were built on the backs of the commercial fishermen. I think the commercial fishermen ought to be looked at first. It's not that I'm greedy. It's just that that's the way it ought to be.

I know that there's going to be some light shed, and I want you to shed some light on this for me so I'll have some hope. And there's a lot of young people, I'm about the oldest one that does this any more my way, tonging, but there's

1 a lot of young people. They don't have any hope, either.

2 That's why they don't show up and say anything.

3 So I want you to give me some hope today. And I
4 know that there's going to be some people talking about what's
5 coming down the pike. But as long as you know that the
6 commercial fisherman wants and needs to be involved in this
7 thing, then that's my goal.

8 · Thank you.

9 DR. ASPER: Thank you, George. I'll be sure to
10 ask when the fisheries section comes up we'll get a report on
11 that.

12 Okay. The second person is Gilbert Ramsey.

13 MR. RAMSEY: Good morning, gentlemen. My name
14 is Gilbert Ramsey. I'm here representing the veterans, all
15 citizens, amputees, physically unconditioned anglers, mobile,
16 mobility impaired. I recognize Keesler Air Force Base sponsor
17 special olympics for 28 years.

18 My name of business Backwoods Flying Angels ARV
19 next generation honor flight. It's an adapt a sports program
20 for U.S. para olympics and leading development of new programs
21 in 250 American cities with 21 million living with physical
22 disability including thousands of veterans and active duty
23 service members, this important community need. Research shows
24 that people would participate in daily physical activity
25 experience enhanced self esteem and improved peer relationships

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1 which correlate to INCREASED overall better health and higher
2 quality of life.

3 Many of the veterans at sea once believe their
4 active and free lives were almost over after their injury
5 through participation in sports programs they have hidden
6 visions and dreams turned realities for them and their
7 families.

8 I'm aware of the stewardship program. I'm aware
9 of the national cleanup program. I'm not aware of the first
10 annual ability impaired fishing rodeo.

11 Through the Mississippi tourism guide 2013,
12 Governor Bryant suggested while reviewing Mississippi tourism
13 guide we're sure to find many events, attractions, places you
14 want to experience when you visit our state. Outdoor ventures
15 include an array of activities, opportunities, pure relaxation
16 in one of the most beautiful areas of the country.

17 DMR director Mr. Jamie Miller, Volume 16 Issue
18 4, new opportunity to enjoy our marine resources through
19 fishing, boating, or just exploring natural beauty of our
20 coastal landscape because our coastal marine resources matter.
21 We have an opportunity to have a positive lasting impact on our
22 environment and economically impact is clearly within our
23 grasp.

24 What these and other coastal attractions need is
25 better promotion to attract more visitors to south Mississippi.

6

1 What I recognize is the Infinity program got
2 \$10.4 million for enhancements we replace lost recreation
3 opportunities through enhanced visitors access to coastal
4 natural resources. The Poppo Ferry causeway, observation for
5 nature, \$3.8 million went to beachfront Pascagoula purpose
6 would be to restore the lost recreation opportunities by
7 enhancing access to Mississippi Sound and natural resources.

8 I'm aware of the boat venture on June 30. I'm
9 aware of the state record states that there's 50 anglers
10 records held to this date. How many of them disabled? And I'm
11 also aware of the fifth annual running dog boat poker run. How
12 many disabled members of the community were available to enjoy
13 their options like that?

14 · The nature observation just opened new shrimp
15 facility, shrimp boat they reconditioned for the nature
16 observatory. And what I've noticed is the DMR gave them
17 \$60,000 grant to assess that appropriately. Well, it's not
18 appropriately assessed. What's happened is, it's not
19 appropriately assessed because disabled members or citizens
20 aren't able to get in that facility to associate appropriately
21 for that nature observation.

22 So I'm here to let you understand, gentlemen,
23 I'm going to be starting apprenticeship program for high school
24 students, work force development. I've already associated
25 myself to unemployment office, Mr. Al, and I've already

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1 associated myself with Ms. Trudy Fisher, Restore Act. The
2 other day I spoke with her. I spoke before Biloxi City
3 Council. I spoke before D'Iberville Council. I have other
4 counties interested in why I'm pursuing this venture.

5 So I'm telling you, gentlemen, I've been a
6 resident '67. I've been a businessman since '90 when I got out
7 of the military. And I'll be more than honored to speak with
8 anybody. My e-mail address is
9 gilbertbackwoodsFlyingangels@gmail.com.

10 And like I'm saying, gentlemen, it's just a
11 unique opportunity for recreational opportunities for family
12 orientated people that have disabled members within their
13 family. And I'm here, and I'm honored to speak before you, and
14 I'll be honored to speak with anybody.

15 Thank you very much for your time.

16 DR. ASPER: Thank you.

17 Next we come to Item E, which is I think why
18 most of y'all are here, and that is the executive director's
19 report.

20 E. Executive Director's Report

21 MR. MILLER: Thank you, Chairman.

22 I quickly want to recognize Chairman of the
23 Senate Ports & Marine Resources Committee, Senator Bryce
24 Wiggins. I believe he was here earlier. And there may be
25 other elected officials here. If you are, please just raise

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1 your hand. We're glad you're here, and thank you for your
2 interest.

3 City Councilwoman elect Dixie Newman. Yes,
4 ma'am. Thank you for being here.

5 I'm just going to give a quick opening
6 statement, then we'll get right into the presentation. But I
7 wanted to just kind of give a context for how I got here today
8 and what we're trying to accomplish.

9 When I was appointed executive director of the
10 DMR, I acknowledged that there were challenges facing the
11 agency and understood that they would need to be addressed.

12 A lot of that challenge was restoring the public
13 trust to the agency and making sure that we were the best
14 steward of the public's taxpayer -- the taxpayer's money.

15 The challenges we have at DMR will not be fixed
16 overnight. But today I think we're taking a positive step
17 forward meeting those challenges head on by acknowledging some
18 of the problems we have here, creating a process that hopefully
19 will begin to restore hope in our agency's future.

20 As I have said, the solution begins and ends
21 with being accountable to the public and to our employees and
22 to this commission. In order to get there, we've got to find
23 out what's been done wrong and what's been done right and how
24 we can do things better.

25 Today I am providing a comprehensive update on
9

1 MDMR action as of today. As promised at the press conference
2 here 68 or so days ago, I said I would initiate a 60 day agency
3 review and evaluation. Now, it identifies organizational
4 deficiencies, and hopefully we will all agree that it finds a
5 road map to restore the accountability to the taxpayers and to
6 this commission and to its employees.

7 The agency assessment which is one component,
8 one component, of this 60 day review has been delivered to you
9 today. There should be copies on the table in the back, and it
10 will also be made available online on our website at
11 DMR.ms.gov.

12 The assessment outlines the specific issues that
13 need to be addressed by providing a framework of
14 recommendations MDMR will use as a process to become more
15 accountable and effective in the future.

16 In this presentation, I do address the current
17 budget situation, but the current budget situation was not the
18 sole purpose of the assessment.

19 The purpose of the assessment was to find our
20 obstacles and make observations that prevent us from performing
21 well and give us recommendations to do better.

22 I believe we have been living in a false
23 economy. And certainly for the last five years we have not
24 represented our finances in an accurate and honest way in my
25 opinion.

1 We did not reach the current budget situation
2 overnight, and it will take more than 60 days to address it.
3 But now that we have defined the problems that exist, we have
4 recommendations to correct them, we have a plan to move forward
5 and achieve our goals for the agency.

6 Let's start with the presentation.

7 Bear with me because this is going to take a few
8 minutes, but I think it's necessary to go through this.

9 The 60 day evaluation that I initiated was
10 directed by me, and I was at the kind of center of my own
11 evaluation. Part of that was meeting with each of the
12 individual employees, coming alongside them during their work
13 hours and understanding what they do, and creating a more open
14 policy and a conversation through agencywide meetings and staff
15 meetings that we held regularly.

16 The agency performed -- I also initiated an
17 agency assessment performed by an independent third party CPA
18 firm to identify gaps, risks, and recommendations for
19 improvement.

20 We also had assistance from the state auditor's
21 office, Department of Finance Administration, and the
22 legislative budget office.

23 We also conferred with members of the coastal
24 legislative delegation.

25 The objective of the 60 day review provided by
11

1 the state auditor's office and our independent CPA firm was to
2 do this: Identify, measure, and analyze the risk, internal and
3 external, controllable and uncontrollable, at the individual
4 process level and for the agency as a whole. And upon
5 identifying those risks make recommended corrective actions to
6 minimize and eliminate risks.

7 I think it's important to talk about what this
8 agency assessment was not because there is a great appetite I
9 know in the public to understand what happened in the previous
10 years here at DMR. But my assessment and what I engaged the
11 independent CPA firm to do, partnered with DFA and the state
12 auditor's office, was not to investigate potential or alleged
13 criminal acts or past indiscretions of the agency. Those
14 investigations are ongoing. We are certainly cooperating fully
15 with those state and federal investigations. But that was not
16 the objective of our evaluation.

17 It was also not the objective of the evaluation
18 to perform a full agency financial audit. We performed a
19 performance audit. We looked directly and deeply at the
20 processes how we handle money, how money is managed, how grants
21 are managed. The full agency financial audit will come this
22 time next year when another independent CPA firm in June will
23 give the first audit of this agency in the last ten years. But
24 that is not what this assessment was.

25 So defining risks was defined this way:

1 Anything that may impede MDMR from complying with applicable
2 laws and regulations, as well as general statutes governing all
3 agencies.

4 The components of that risk were separated this
5 way: Reporting risk, operational risk, strategic risk,
6 technology risk, legal risk, fraud risk, and compliance risk.

7 The other ways to define risk are known this
8 way: Inherent risk and residual risk. Inherent risk is a risk
9 providing specific product or service, the risk that inherently
10 exists due to the nature of the transaction environment or
11 other factors.

12 We will never fully eliminate risk at the
13 agency. But we need to reduce it and mitigate what we know we
14 have.

15 This is just a brief outline which is in the
16 report which is available to you in the public that talks about
17 the state auditor, DFA, and our independent CPA firm's
18 assessment of risk. And you'll notice that most of it is high.
19 So we're going to go into the findings and some of the
20 important recommendations.

21 This is the executive summary, but I do want to
22 spend some time with some of the specifics in the report.

23 The overall principal observations were:

24 Outdated policies and procedures that are
25 inconsistent with current laws and regulations, as well as

13

1 current practices within the agency.

2 Inadequate reporting to the commission for
3 appropriately fulfilling their oversight responsibilities.

4 Inadequate or nonexistent oversight over key
5 functions in departments, including grants management and
6 compliance.

7 Lack of communication and appropriate training
8 throughout the agency.

9 Lack of consistent and transparent communication
10 with the public.

11 And inadequate internal control structure, as
12 well as related assessment and monitoring activities which are
13 non-compliant with current DFA requirements.

14 Some of the conclusions:

15 There's an environment and culture at DMR that's
16 sustible to fraud, waste, and abuse which must be changed.

17 We don't define fraud. This report doesn't
18 suggest there's abuse. That is for the investigators to
19 uncover and decide. This was simply to say the landscape that
20 exists at DMR today lends itself to being susceptible to these
21 types of things. It makes no accusations of those things. It
22 only says that the current environment and the organizational
23 structure lends itself to those possible things.

24 I have already identified several of the key
25 deficiencies and have been addressing them. The depth and

14

1 significance of the deficiencies identified in the agency
2 assessment will require an extensive amount of time and
3 assistance from MDMR and appropriately and adequately the
4 media.

5 A few actions that we've taken to date: We've
6 reduced the number of contract employees from 32 to 16. We've
7 made significant changes to the organizational structure and
8 staff responsibilities. Encouraged and fostered an open door
9 policy with all employees through one on one meetings and
10 agencywide updates, and providing an honest and accurate
11 approach to MDMR's budget.

12 Again, you can go and download the report at
13 www.dmr.state.ms.us.

14 We're going to go through some of the key parts
15 of the report.

16 Agency governance was the first part of the
17 report that is talked about. Agency environment consists of
18 governance related processes including the following:
19 Oversight activities internal control assessments.

20 Sufficient information is not provided to the
21 commission for them to fulfill their responsibilities in
22 establishing adequate controls to ensure that MDMR is complying
23 with all operational requirements.

24 The MDMR policies and procedures manual is
25 outdated and possibly is in conflict with relative state and

15

1 federal laws and established Mississippi state personnel board
2 and DFA policies and procedures. The agency has inadequate
3 processes for performing the internal control assessments of
4 the 66 areas outlined and required by DFA. The policies and
5 procedures handbooks for the commission and MDMR should be
6 updated to ensure that all policies are current, as well as
7 legally compliant. Commission should perform a review of their
8 processes and procedures and adopt best practices such as the
9 establishment of dedicated committees to different facets of
10 the agency to promote closer oversight and coordination.

11 I will say that the commission is already
12 actively and has been before I got here actively pursuing a lot
13 of those avenues, and we will see those come to fruition I
14 believe soon.

15 The code of ethical conduct should be displayed
16 in prominent areas throughout the agency and should be easily
17 accessible to all employees. MDMR should establish an ethics
18 hotline to all employees to report anonymously and
19 confidentially any unethical behavior being observed within the
20 agency.

21 Accounting and reporting. Specific areas that
22 we looked at and DFA, state auditor's office, and our
23 independent CPA firm looked at.

24 Budgeting. Sales and cash receipts.

25 Procurement and purchasing. Inventory and fixed assets. State

16

1 reporting.

2 When the budget requests are filled out each
3 year, and we just recently as recent as last week filled one
4 out for Fiscal Year 14, the projected expenditures are reduced
5 to match the funding amount listed within the appropriations
6 bill. The actual amount of expenditures to be incurred is
7 higher than stated in the request and exceeded the amount of
8 funding received by MDMR each year. Increases are not
9 requested in the budget request to reflect accurate expenditure
10 estimates.

11 The agency does not have a formal process for
12 documenting the authorization and issuance of procurement
13 purchase cards, including credit limits for each departmental
14 project. In addition, MDMR does not perform appropriate
15 follow-up regarding authorization requested by lower ranking
16 employees.

17 The agency's oversight risk regarding
18 appropriate grant information and grant compliance is high due
19 to miscommunication of internal responsibilities. This
20 miscommunication provides exposure to potential fallout, waste,
21 and abuse of federal, state resources for projects with
22 restrictions.

23 More observations. The administrative services
24 office does not perform reconciliation procedures regarding
25 differences in the amounts reported with the SAS, the state

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1 accounting system, by various reports as provided by the budget
2 finance committee and the documentation maintained by the
3 accounting and finance department. The reports are only
4 maintained within the monthly SAS binders. Personnel
5 responsible for reviewing the agency's purchases within the
6 administrative services office must be familiar with the
7 inventory capitalization policies as established by the DFA to
8 ensure inventory and fixed asset purchases are accurately coded
9 and reflected within the trial balance report provided to the
10 project's officers on a monthly basis.

11 The potential lack of implementation and
12 awareness by personnel of the DFA inventory of fixed asset
13 capitalization policies and procedures will provide additional
14 risk regarding the completeness of purchases as reported to the
15 project's officer which ultimately affects the accuracy of
16 information as reported to the state property office.

17 Recommendations for improvement:

18 The agency should designate a senior level
19 employee with significant experience in financial accounting
20 and reporting, including experience in governmental entities,
21 to act as the chief financial officer, and/or comptroller.

22 The CFO and/or comptroller would be responsible
23 for coordinating the overall agencywide effort of evaluating,
24 improvement, and reporting on financial information.

25 As stated in the recommendation section under

18

1 grants management, MDMR needs to upgrade to a better internal
2 accounting system that will allow the agency to track funding
3 from all sources. MDMR needs to perform a thorough analysis of
4 how it will fund the upcoming requirements separate of all
5 federal activities into a separate treasury account.

6 The agency should establish a formalized process
7 regarding the authorization and issuance of procurement
8 purchase cards within each department.

9 To further ensure financial accountability, MDMR
10 should develop a reporting package for submission to the
11 executive director and commission every month that highlights
12 the agency's accounting and financial activities.

13 A clear process for requesting funding from the
14 state that matches the expenses of the agency must be
15 implemented.

16 Let's talk about the budget. Describing the
17 agency's budget in a way that is -- we want to make sure, and I
18 stated publicly that if our budget is not understood in a way
19 that the public can read it and understand it, and certainly
20 the commissioners, can understand accurately and honestly how
21 we spend money and how we receive money, then I am not doing my
22 job. And we have pored through spreadsheets for several weeks
23 trying to make sure that we are accurate and that we are
24 accounting for how this money -- how this agency receives money
25 and how it's spending money.

19

1 So here is a picture, a simple visual, of the
2 revenues that are generated here.

3 We can talk through them. Federal advance
4 funded grants, \$553,558.

5 Agency administered advance funding grants,
6 \$3,721,871.

7 General funds. General funds is the
8 appropriation bill that each year we get from the legislature.
9 This year, we got \$1.1 million in general fund appropriation.
10 Next to that is off road fuel tax. That is the other figure
11 that shows up in our budget appropriation each year. License
12 sales is about seven seventy-nine. I can't see the penalties
13 and fines on there, but it's twenty-four thousand. Katrina
14 loss reimbursement, which basically was a FEMA reimbursement
15 from some lost equipment and vehicles from Katrina finally
16 showed up, three hundred ninety-four thousand. And then
17 there's interest. Pass-through grants were \$5,126,880. That
18 is what represents kind of the flow-through revenue into this
19 agency. I believe this is for Fiscal Year 14.

20 These are expenditures. Pass-through grants
21 represent about \$8,282,000. We're handling that money, but
22 that money is not going to the agency.

23 Communications. IT communications, \$335,000.

24 Equipment and supplies, one point eight.

25 Professional fees, two point two.

20

1 Employee expenses. Training, hundred
 2 sixty-three. Salary, wages, and benefits, \$7,100,992.
 3 Facilities, seven hundred fifty thousand.
 4 Boat or marine vehicles, \$457,000.
 5 Fuel and commodities, five hundred sixty-one.
 6 Tidelands is a much easier pie chart obviously.
 7 We have a single source of revenue, which is the tidelands
 8 trust fund, and we have some interest that's earned off of that
 9 trust fund.

10 Tidelands expenditures. There's pass-through.
 11 Obviously this is a lot of the public access projects that get
 12 done along the coast, and the breakdown is similar.

13 The question that we were asked at the last
 14 commission meeting that we didn't have a good answer for, and
 15 frankly that was -- that responsibility falls on me. And so I
 16 was determined to get that answer to this question is: How
 17 much does DMR have cash on hand? What does our bank account
 18 look like?

19 Our total bank account is roughly, if you add
 20 those numbers together, is about \$38 million and some change.

21 And how is that made up? General fund
 22 appropriation, the current general fund appropriation is
 23 something we call 2450. It's got about \$13,000 in that
 24 account. That is from the general fund appropriation we get
 25 each year which is roughly the last couple of years has been

21

1 around \$1.1 million. Ten years ago, that appropriation was
 2 \$2.1 million.

3 Project funds which makes up the largest kind of
 4 fund account that we have in terms of all the projects and all
 5 of the grants and everything that we do at the agency kind of
 6 flows through that fund 3450. The balance there is nine
 7 million one ninety-seven seventy-five forty-three cents.

8 Tidelands, of course, has account balance of
 9 twenty-five million nine forty-one one fifty-one.

10 Bond issuances, there's been three bond
 11 issuances in the last several years. Those account balances
 12 are referenced in the chart.

13 BP funds. BP funds were, of course, provided to
 14 the agency after the BP oil spill. That money was recently,
 15 the balance was largely sent back to DEQ. There's a balance
 16 there of three hundred forty-four thousand three ninety-eight.

17 And then, of course, the bond issuances are very
 18 low, almost zero now, because we've spent money on equipment in
 19 our aquaculture facilities at Cedar Point and at Lyman.

20 Those pie charts and those numbers represent
 21 dozens, if not multiple dozens, of spreadsheets. And we have
 22 the supporting documentation, and we will continue to share
 23 that openly with our commissioners obviously and with the
 24 public.

25 Grants management compliance. Observations.

22

1 Within MDMR, the grant project oversight is generally left up
 2 to the individual who wrote the grant. MDMR does not have a
 3 structure in place for providing guidance to the grant managers
 4 in instances where they have compliance or programmatic
 5 questions.

6 Procurements performed by the agency under
 7 grants are not always consistent with procurement standards.

8 Internal grant accounting is maintained on
 9 individual spreadsheets that require substantial amount of time
 10 to update. Providing timely reports to the executive office is
 11 difficult and prevents the executive director from receiving
 12 key information necessary to make management decisions in a
 13 timely manner.

14 There is a significant gap in communication
 15 between grant manager, administrative services office, and the
 16 executive office.

17 Recommendation. MDMR needs to protect the
 18 integrity of grants program to ensure that future funds are not
 19 jeopardized.

20 Recommend a complete overhaul of the grants
 21 program structure and internal accounting system within MDMR.
 22 MDMR needs to evaluate the benefit of implementing an internal
 23 accounting system that would centralize data for all financial
 24 information, including grants, and to provide real time
 25 reports.

23

1 Due to the number of federally funded programs
 2 and the amount of funds received annually, MDMR should assess
 3 whether they need to have an A-133 audit performed annually on
 4 the agency itself outside of the A-133 audit conducted at the
 5 state level.

6 MDMR should create an internal audit team with
 7 structure, policies, and procedures. The internal audit team
 8 should perform periodic audits, periodic audits of the agency's
 9 activities, processes, and finances.

10 Agency administration. Is the agency organized
 11 to achieve its mission? Is the agency adequately staffed to
 12 achieve its mission? Are employees properly classified and
 13 deployed to exhibit required competencies supporting the work
 14 of each position?

15 At MDMR, the map does not match the territory.
 16 The written organizational chart as it exists before the
 17 arrival of the new executive director does not upon inquiry
 18 reflect the actual practice within MDMR.

19 Weaknesses in the organizational structure
 20 utilized by previous administrations were noted, the most
 21 primary of which concerns the oversight of particularly
 22 technical areas such as the fish hatcheries by non-technical
 23 staff.

24 A new clear organizational chart has been
 25 created and is shown below. MDMR has hired a chief scientific

24

1 officer to oversee the technical and scientific teams. MDMR
2 plans to hire a chief financial officer to oversee and be
3 responsible for all things financial.

4 In order for MDMR to better fulfill its mission,
5 the executive director should request restoration of the
6 abolished positions for Fiscal Year 2015. This request should
7 be part of the agency's Fiscal Year 2015 budget request.

8 A study should be conducted to determine the
9 necessity of all personnel and consulting contracts. MDMR
10 should perform both the classification and organizational
11 analysis. MDMR should ensure that all cancelled personnel and
12 consulting contracts are cancelled, not only within the
13 appropriate individual contract or contracts, but also with
14 DFA, so that the information reflected on transparency
15 Mississippi will be updated to include accurate contract data.

16 As MDMR analyzes its structure and staffing, the
17 agency should conduct a thorough salary survey of the resulting
18 positions to determine the sufficiency of salary ranges
19 throughout the agency.

20 This is a snapshot of the new organizational
21 structure that will be direct reports to the executive
22 director. And I know that you probably can't read it if you're
23 in the audience. But basically I have reduced the number of
24 direct reports, and we have changed titles and position
25 responsibilities, notably are the following.

25

1 We will no longer have a deputy director, and we
2 will no longer have a chief of staff title position. We will
3 have and do have a chief scientific officer and a chief
4 financial officer that will be direct reports to the director.

5 We are keeping our human resources department as
6 direct report. Our coastal ecology will now move forward and
7 be named coastal zone management. Our marine fisheries office
8 will continue to be a direct report. We have a communications
9 position. We are going to chief information officer. We're
10 taking our IT and information services out from under our
11 administrative services office, and they will become a direct
12 report to me. That will be Alan McArthur.

13 Let's go to the next slide.

14 This gets at the responsibilities, the very
15 technical work being responsible to someone who can handle that
16 work. Dr. Lucas will oversee the aquaculture program and will
17 also oversee the National Estuarine Research Reserve. They
18 will be direct reports to her.

19 This is our chief financial officer. He will
20 oversee what will be called finance and administrative services
21 office. And the big T box on that chart is, we have
22 established and will become effective July 1 a grants
23 management and federal compliance office. And the
24 responsibilities of grants management and federal compliance
25 will fall within that office and be responsible and direct

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1 report to the chief financial officer.

2 Public affairs. Review analysis and
3 recommendations about MDMR regarding its current internal and
4 external communication strategy, including how it conducts
5 outreach to the public and how it can be more effective in
6 information to the public about the agency's activities.

7 Recommendations for improvement. MDMR must
8 focus on rebuilding its image and credibility by providing more
9 information about its mission and services to the public in a
10 way that delivers that information in a timely and trustworthy
11 manner. MDMR should communicate and coordinate with the other
12 state agencies that have crossover issues to most effectively
13 communicate announcements to the public. MDMR should increase
14 its focus on communicating with the public through social media
15 and interactive communications. The executive director or his
16 designee must have final approval over any public announcement
17 or press statements by MDMR in order to ensure accuracy and
18 clear messages that are consistent with MDMR's mission.

19 The value of a necessity for each publication
20 produced by MDMR should be re-evaluated. In order to function
21 well in a digital world, all websites managed by MDMR need to
22 be updated immediately in the following ways.

23 All three websites must have mobile versions and
24 mobile responsive framework that they do not currently have.
25 The website should not have splash pages. The website should

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1 not have flash content.

2 Information technology. MDMR management should
3 consider the deployment of encryption software for application
4 and data base systems that contain Social Security numbers and
5 other confidential information, the unauthorized disclosure of
6 which will be a violation of state policy and regulations.
7 Additionally, MDMR management should consider the deployment of
8 mobile devices, mobile device management software, on all Smart
9 phones, whether issued by MDMR or personally provided, that
10 have access to MDMR e-mail accounts since the possibility
11 exists that confidential information may be contained in
12 employee e-mails.

13 That's the end of the presentation, but I hope
14 you'll take an opportunity to go online if you don't have a
15 copy here today, download the report and understand that the
16 report was just a piece of my evaluation of the agency. We are
17 going to study those recommendations and follow up on the
18 recommendations that have been heavily suggested and
19 recommended by, again, the Department of Finance &
20 Administration, the state auditor's office, and an independent
21 CPA firm.

22 Tomorrow morning, those changes won't be in
23 place. We won't be a different agency tomorrow because we had
24 an evaluation assessment. But I have met with the employees,
25 and I want to state again because it's very important that the

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1 employees of the agency hear this. My evaluation of this
 2 assessment is not a characterization of you. It's a
 3 characterization of the system and the culture that has to be
 4 changed. And as we talked yesterday, y'all have got to be a
 5 part of that. And I believe that your response that you want
 6 to be a part of that, and I look forward to working with you
 7 moving forward to turn the tide on this thing.

8 Thank you very much.

9 DR. ASPER: Okay. Thank you, Jamie.

10 I'm going to open up the floor for other
 11 comments by other commissioners, but I'd like to take a few
 12 minutes to make my comments, as well.

13 When I first read this document, the whole
 14 concept of risk management seemed really foreign and
 15 inappropriate for what we do. I mean, what does this agency
 16 risk? We don't really risk anything except for our own
 17 reputations and perhaps the damage to the resources and things
 18 like that.

19 But to understand what that means, risk in this
 20 case means evaluating the livelihood of somebody acting
 21 inappropriately or performing a misdeed which could be
 22 intentional or it could be accidental.

23 So the risk in this case is looking at the
 24 system to try to see how well the safeguards are in place to
 25 ensure that things are running smoothly, that all the

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1 obligations are being met, that we're spending the money
 2 appropriately, that we're following all of the procedures, the
 3 state regulations, the federal regulations, all of that.

4 The risk means determining how well we're doing
 5 our job and accomplishing all that. So that's what risk means.
 6 It's to my way of thinking sort of a funny way to approach it,
 7 but it's really not. It's really, this report is looking at
 8 how well the agency is set up to do its job efficiently,
 9 legally, and ethically.

10 So just so you understand that. I want to also
 11 emphasize what Jamie mentioned that this report, nothing that's
 12 being done here in any way maligns the current employees. The
 13 current employees that we've got are just wonderful. Everybody
 14 has been working really, really hard doing fabulous jobs with
 15 unfortunately lately very little recognition, very little
 16 encouragement, because there's a lot of uncertainty in the
 17 future, both of the individual employees and the agency.

18 So I want to just step up and say for one that
 19 we really appreciate everything that the employees have been
 20 doing and continue to do.

21 This commission was mentioned only sort of in
 22 passing in this document. And that's kind of good and bad.
 23 It's good I suppose in that we weren't identified as part of
 24 the problem. But the bad part is I think that it does state
 25 that we as a commission have not been as diligent as we should

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1 have been in seeking out this information. We have been sort
 2 of lulled into complacency by how smoothly the agency seemed to
 3 be running, and so we were not digging into this. We were not
 4 forming committees. We were not asking the hard questions. We
 5 simply trusted that things were being handled as they should
 6 have been, and obviously they weren't.

7 Okay. In my opinion, the heart of this issue is
 8 how we're handling the finances. And the biggest problem as I
 9 see it is dealing with the grants that are coming in from the
 10 federal government, some from state government, coming in to
 11 individual researchers, individual members here of the
 12 department, and going out to do this work.

13 And the issue there is that as Jamie pointed
 14 out, I'm just trying to emphasize some of his points, there has
 15 been a lack of oversight.

16 When this agency was formed, it was pulled out
 17 of Wildlife, Fisheries & Parks. At that time, it was the
 18 Bureau of Marine Resources. And when it was in Wildlife,
 19 Fisheries & Parks, sure, it was a small group, 32 employees in
 20 those days. And that small group of bureau was subject to the
 21 Department of Wildlife, Fisheries & Parks.

22 So all of the oversight and all of the
 23 management issues were handled through a much larger
 24 organization.

25 So this bureau was pulled out and made into a

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1 department. And it has since grown to as of right now 326
 2 positions plus other contractors and other temporary and time
 3 limited positions, much larger organization.

4 The problem is the grants management structure
 5 never grew to accommodate that. Back when we were 32
 6 employees, it was possible, it was logistically feasible, that
 7 when the money came in, there wasn't that much of it, I mean,
 8 almost none really, when the money came in to the individual
 9 researchers, they would be able to manage it themselves. In
 10 those days, we had Lotus 1, 2, 3, and programs like that. But
 11 they could manage it themselves, and they could be responsible
 12 for it because it was fairly simple.

13 Well, now we have so many grants, and the bulk,
 14 most of them are money that actually comes from these sources.
 15 But the administrative structure hasn't grown to accommodate
 16 that. So as Jamie pointed out, there was never put in place an
 17 office within the DMR that overlooks the scientists and the
 18 researchers who are out there in the field, oversees them and
 19 helps them ensure that they are compliant.

20 And by compliant, I mean purchasing, reporting,
 21 hiring, other spending, the finances. And also the
 22 deliverables. For each one of these grants, there is something
 23 you're supposed to deliver back to the funding agencies to make
 24 sure that that was happening.

25 I work for the University of Southern

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1 Mississippi. We have an SPA office which is sponsored projects
2 administration office. And when we get a grant, that office is
3 looking over our shoulders all the time. If we want to buy a
4 widget, I submit a requisition for a widget. It goes up to
5 SPA. They look at it, say is that widget within the scope of
6 the project for which you're funded. They look at that and
7 compare it. If it's yes, they say okay. That's approved.
8 Then it goes on to purchasing. They look at it and say, well,
9 are you following the correct purchasing procedures to meet the
10 state obligation, meet the state purchasing regulations. And
11 if that's approved, and only then, does it go on to actually be
12 purchased.

13 So that keeps guys like me who maybe sometimes
14 don't pay attention to the finances or maybe we don't
15 understand the rules or maybe we've never been informed of what
16 all the restrictions are, keeps us in line. That's never been
17 established here.

18 And it's not the fault of the people in the
19 trenches doing the work. It just was never done. It needs to
20 be done. That is my opinion, top of the list, got to happen
21 because the people who are working so hard to write these
22 proposals -- I mean, that's an extra thing they're doing --
23 write the proposals, bring in all this money, do all the great
24 projects for the State of Mississippi, they need to have the
25 support. They need to have the help in making sure that

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1 they're meeting these requirements. And it's more complicated
2 every day with all of the reporting requirements.

3 I'm going to just end up by saying something a
4 little bit about the budget. Think about the general
5 appropriations department gets \$1.1 million. If we -- that's
6 less than \$10,000 per employee. Ten thousand dollars.

7 Now, that money -- there is other money coming
8 in. This is the general appropriation. This is what actually
9 comes from the taxpayers of Mississippi. That money has got to
10 cover salaries and fringe benefits. It's got to cover the cost
11 of doing business in this building. It's got to cover
12 (inaudible), computers, and the internet and the web page. All
13 of that stuff has got to be covered out of that. It's a
14 relatively small amount of money. And you could never ever run
15 this agency on that money. It's just way too little.

16 Consequently, we're dependent obviously on off
17 road fuel taxes. But we're also dependent on these federal
18 grants coming in. If they stop, if we mess it up and the
19 federal government cuts us off because we don't have this
20 office in place and we're not providing the oversight, we're
21 dead in the water. This agency will come to a screeching halt
22 because all of the things we do here can't be done on the
23 taxpayer money that is provided.

24 I guess in summary of my little rant here, I
25 think Jamie is on the right track. I think this report

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1 contains a tremendous amount of really useful information. I
2 was initially disappointed that it didn't have all the pie
3 charts and what not, but they're here. They exist. They just
4 weren't put in this report for several reasons, one of which is
5 this is going to be a report that's widely circulated probably
6 for a long time. And we're going to refer back to these
7 recommendations, and we're going to look at them and say, are
8 we following that, are we meeting this. And the pie charts are
9 going to change. That's going to evolve. So it's kind of a
10 misleading thing to actually have that in the report. So
11 they're separate.

12 But I think we're doing the right thing. We're
13 moving in the right direction. It's going to be a slow
14 process. We really need to get a whole new structure in place,
15 and I think Jamie is doing an excellent job of it.

16 So just want to congratulate him and this firm
17 on producing a very useful document.

18 Anybody else have any comments?

19 MR. DRUMMOND: I think Vernon expressed it quite
20 well. This report is pretty much a risk management report. I
21 disagree with Vernon on one point. The state provides money to
22 the facility here, but also we get grants, and those grants are
23 taxpayers' money, also. So all of it comes out of our pockets.
24 So just remember when you're funding DMR, it's coming out of
25 your pocket, and it needs to be monitored.

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1 Thank you.

2 DR. ASPER: For those of you who may not know
3 Shelby very well, he worked for many years at NOAA, so he was
4 on sort of the other side of the federal bureaucracy when it
5 comes to funding. He has a different but very valuable
6 perspective on that.

7 Any other comments?

8 Okay. Well, we will be available afterwards,
9 there's going to be a press conference that Jamie is going to
10 sponsor, as well.

11 So move on down the agenda now into marine
12 patrol.

13 F. Marine Patrol

14 2. Marine Patrol Report

15 MR. PITTMAN: Good morning, Mr. Chairman,
16 commissioners, Director Miller, Ms. Chesnut.

17 Before we get into the report, I'd like to talk
18 a little bit about opening day of shrimp season and before,
19 what the officers did.

20 We did some courtesy compliance checks on turtle
21 excluder devices throughout the coast, starting with Bayou
22 Cadet, Pass Christian, Biloxi commercial harbor, Ocean Springs,
23 and Lee Street where our officers walked up and down the piers,
24 and if some of the fishermen would like to have their TEDs
25 checked before they went out opening day, the officers would

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1 board the boat and go through it with them.

2 We did 38 checks. We had 36 violations on the
3 TEDs. Now, those violations were corrected while the officers
4 were on board the boats, and no citations were issued. It was
5 all courtesy checks.

6 On opening day, Director Miller was out with us
7 at 4:30 opening morning of shrimp season. We did some more, of
8 course, TED checks, compliance checks. We did have some minor
9 violations, and those were allowed to be corrected while they
10 were out fishing. No citations were issued then, too.

11 So we did have some fishermen call the dispatch
12 office before the season and ask if we could send an officer
13 over to check their TEDs, which we did. Captain Ames picked
14 one or two of the officers to go over there and did courtesy
15 checks and told them what they had to do to get in compliance.

16 So I just wanted to mention that before we get
17 into the regular report.

18 As you can see on our report, it's getting
19 fishing violations, saltwater fishing license is right up
20 again. For some reason, people, they take and go out and fish
21 without a license. Our officers will come up on some of them,
22 warn them, you go back the next night, and they're still
23 fishing without a license.

24 It's not on this report, but there was one
25 incident, there was a subject that was warned one night. They

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1 went back the second night. Didn't have a license. Issued a
2 citation. Went back the third night in a different location.
3 There was the same subject fishing without a license again. So
4 he got two citations at that time after being warned once.

5 Our boat and water safety violations. They
6 weren't as high as the saltwater fishing license. They dropped
7 a little bit. Our classes that we're putting on, some of the
8 information is really getting out to the public on what they
9 have to have on their vessels.

10 Miscellaneous violations, you can see.

11 Our boating accidents with fatalities, we had
12 two. One was the accident with the two wakeboarders in
13 Pascagoula River, and the other was in the Escatawpa River.

14 We had one boating accident with injury. And we
15 had three boating accidents without injuries.

16 We did four special events with Smoking the Lake
17 boat races, Ocean Springs open water swim, GCA fishing
18 tournament, and we had the Washington Street pier and the
19 cleanup in Biloxi.

20 We had six outreach presentations. I won't read
21 all those.

22 And on our JEA totals, we had 32 patrols, 357
23 man hours, 372 contacts, no EARs, and 12 state citations were
24 issued.

25 Any questions?

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1 MR. TAYLOR: I don't have a question, Rusty, but
2 I have a comment.

3 I was stopped by someone week before last that
4 had been stopped by one of your officers. And, of course, the
5 first thing I always ask them is was the officer courteous and
6 everything. His comment was yes, he was very courteous, very
7 professional, did that.

8 And the other thing, I like the proactive thing
9 on the TEDS. And if you can do that in any other fishery, you
10 know, or even with the licenses, you know, I think it would be
11 -- if we could put like on the public piers a sign like we used
12 to do for the Vietnamese shrimpers somewhere, license required
13 to fish, you know, just a reminder. But some people are just
14 stupid, like you said, you know, they got \$500 in fines for \$5
15 license, you know.

16 Thank you.

17 MR. PITTMAN: Thank you.

18 We plan on doing the courtesy checks every year
19 before shrimp season.

20 MR. GOLLOTT: Just one question. What about the
21 seafood dealer license? Do you know anything about that? No
22 seafood dealer's license.

23 MR. PITTMAN: I'm looking. Oh. I believe those
24 were -- the first two was the ones that came over from out of
25 state and they were buying shrimp or buying seafood to take

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1 back, but they didn't have a nonresident seafood dealer's
2 license on them which in Louisiana's case, they got to have the
3 license for their vehicle, plus the nonresident seafood
4 dealer's license. Alabama, the same way. They didn't have a
5 license -- or they had no bill of lading for the flounder.

6 MR. GOLLOTT: Were they buying directly from the
7 boats, or were they buying from the dealer?

8 MR. PITTMAN: They were buying from the seafood
9 shops.

10 MR. DRUMMOND: Rusty, I note that we still have
11 a lot of no saltwater fishing license. Do you still have signs
12 out there for boat ramps?

13 MR. PITTMAN: Some of the signs have been
14 missing since, well, Katrina they came up, and they were put up
15 after Katrina. We had Gustav and we had Isaac come through.
16 They're starting to put them back up again at some of the
17 piers. We still have some piers that are not even open yet, so
18 they haven't replaced the signs at those piers, yet. I know
19 Hancock County hired somebody to make a few signs to put over
20 on their piers that they were reopening and also their boat
21 ramps. The county Board of Supervisors I believe paid for
22 those. They called and got the information. We gave them the
23 statute and all that, and they stated it on the sign that you
24 had to have the saltwater fishing license to fish in marine
25 waters of the state.

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1 So in Hancock County, they are starting to show
2 back up at the ramps and the piers.

3 MR. DRUMMOND: Seems like a good thing to do,
4 put those signs up and it might reduce some of these no
5 resident license.

6 Another thing, Rusty, no trip ticket for blue
7 crab. You have to have a trip ticket for blue crab fishing?

8 MR. PITTMAN: No, sir. This is seafood shops
9 when they sell their crabs, they're supposed to fill out the
10 trip ticket, and they didn't have one. They didn't fill it
11 out.

12 MR. DRUMMOND: And one other thing. What's the
13 penalty for bowriding?

14 MR. PITTMAN: Well, through that, that's through
15 state statute. It could start anywhere from twenty-five to a
16 hundred dollars.

17 Now, if we charge them under our laws, which is
18 the title, it goes a hundred to five hundred.

19 MR. DRUMMOND: Thank you.

20 MR. BOSARGE: I have one question, Rusty. Could
21 you give some examples of some of those violations on the TEDS
22 when you did the voluntary inspections, the things that they
23 corrected? Was it bar spacings and stuff like that?

24 MR. PITTMAN: Bar spacings, angles, the width,
25 the measurement of where it has to be 44 inches stretched, some

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1 of them weren't. And then what we discussed earlier, the
2 double flat, they'd have to correct it.

3 MR. BOSARGE: I understand. That's a great
4 program. Glad to hear it. Keep it up.

5 MR. PITTMAN: Thank you.

6 PERSON IN AUDIENCE: Question.

7 DR. ASPER: I'm sorry. You have to be
8 recognized. Rusty, are you okay with --

9 MR. PITTMAN: Yes, sir.

10 DR. ASPER: Come to the podium and give us your
11 name.

12 MR. HARVEY: I'm Edward Harvey. I'm a Gulf
13 Coast person. I'm responding to the interval that he said that
14 do you have any questions. That's why I was standing so I
15 could ask him a question.

16 If I understood you correctly, you said on the
17 first day of shrimping season, there were no citations given
18 for -- involved with the TEDs.

19 MR. PITTMAN: Those were only minor violations
20 where they could be corrected on the spot.

21 MR. HARVEY: Okay. So there were no citations
22 then.

23 MR. PITTMAN: No. Those were only minor
24 violations.

25 MR. HARVEY: Thank you.

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DR. ASPER: Anything else for Rusty? Thank you
very much.

MR. PITTMAN: Thank you

4 DR. ASPER: Move on to fisheries. I believe Joe
5 Jewell.

6 And, Joe, could you comment on George's question
7 about getting cultch material and restoration efforts on the
8 tonging reefs?

9 G. Marine Fisheries

10 MR. JEWELL: You know, George is -- we've met
11 with George one on one. And George raises some very good
12 concerns.

13 We do have a very active cultch planting
14 program. We have one of the largest in the country. We have
15 engaged in a spring cultch plant that was very successful just
16 here recently.

17 I think part of what George in my discussions
18 with him is referring to is the NRDA program administered
19 through DEQ and possibly the Restore Act funds.

20 And so we certainly will work with the
21 commercial fishermen in every way we can to make them as an
22 active role in that process as we can.

23 I certainly want to welcome the commissioners,
24 Director Miller, Ms. Chesnut.

25 Dale again sends his apologies. He is once

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1 again called away for a Gulf Council meeting.

2 I want to mention a couple of things before we
3 get started into the agenda items.

4 First, as y'all should recall, last commission
5 meeting Ms. Traci Floyd gave a presentation on the invasive
6 species and that included the tiger shrimp. She reported that
7 in 2011 we had 15 reported in Mississippi waters, and in 2012
8 we had 16. But 2013 so far, we've had no reports.

9 Now, that could be for a couple of reasons. We
10 do know that they're out there. We've received several reports
11 from the public and the fishermen that they are catching them.
12 But it's voluntary that they turn them into our agency so we
13 can do some analysis on them. We report to the invasive
14 species website all findings.

15 But these fish are edible -- I mean, these
16 shrimp are edible, and it is possible they're just keeping them
17 or they're just returning them back into the wild.

18 But I do want to point out that they are an
19 invasive species. They do have the potential to displace our
20 native stock. And there is also the potential for disease.
21 But so far, we have none reported in Mississippi waters
22 officially.

23 DR. ASPER: So just to be clear on that, Joe --
24 sorry to interrupt -- if somebody would be -- would catch one
25 of those or a lot of them maybe, there are no regulations in

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1 the State of Mississippi that govern that, so they could do
2 whatever they want with it.

3 MR. JEWELL: That's correct.

4 And they are edible. I mean, they're just
5 another penaeid shrimp. The three main species we have are all
6 penaeid shrimp, and this is penaeid monodon.

7 The next thing I want to report on is Dale has
8 been keeping the commission -- he gave a report last commission
9 on our quotas for commercial fisheries. So I want to sort of
10 give y'all an update on where we're at on that right now.

11 For flounder, our allowable quota is 74,000
12 pounds. Currently we have captured 2,526.

13 For redfish, our allowable quota is 35,000
14 pounds. And currently we have captured 21,739 pounds.

15 Now, our speckled trout. As the commission
16 remembers, we passed a change in those where we report, have a
17 season that's two sections. First is February through May, and
18 then June through September. And for each one of those two
19 segments, there's allowable quota of 25,000 pounds.

20 Now, currently, at the end of May, we are at
21 31,101. And we went over the quota by 6,101 pounds. And that
22 is attributed to one specific dealer. There was an issue in
23 him reporting in a timely and accurate way.

24 Dale has spoken to our staff that's involved in
25 the quota and reporting and gathering that data. And we are

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1 implementing a couple of different ways to try and capture that
2 data quickly and more accurately and project out into the
3 future potential closing date.

4 So what that means for the commercial fisheries
5 for speckled trout is that when we start the second season, the
6 quota will be reduced to 18,899 pounds.

7 Any questions?

8 MR. GOLLOTT: Joe, is it closed now?

9 MR. JEWELL: No. We've moved into the second
10 season, second quarter mark. It's just that they will be
11 reduced to about 19,000 pounds instead of 25,000 because they
12 went over the first quarter.

13 3. Resolution supporting Amendment 0933 to the Farm Bill
14 MR. JEWELL: Okay. And first on the agenda item
15 is a resolution supporting the amendment to the farm bill to
16 create a national seafood marketing board.

17 The commission has been very concerned about our
18 local seafood and how we're recognized on the national,
19 regional, and local level. And so with that being said, I'm
20 going to read into the record the resolution by the marine
21 commission supporting the establishment of this national
22 marketing board.

23 Whereas, the Mississippi Commission on Marine
24 Resources, a duly constituted governmental entity created to
25 serve the great State of Mississippi; and

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1 Whereas, said service includes the management
2 and enforcement of any matters pertaining to Mississippi's
3 saltwater aquatic life and marine resources; and

4 Whereas, the Mississippi Commission on Marine
5 Resources recognizes the economic importance of the seafood
6 industry from the Mississippi Sound, the Gulf of Mexico, and
7 other territorial waters of the United States; and

8 Whereas, the Mississippi Commission on Marine
9 Resources and the Mississippi Department of Marine Resources
10 are specifically charged with Mississippi Code Section 29-15-17
11 Subsection (d) with promoting the Mississippi seafood industry;
12 and

13 Whereas, one or more amendments have been
14 proposed to the farm bill, Senate Bill 954, to create a
15 national seafood marketing and development fund with five
16 associated regional boards; and

17 Whereas, the Commission on Marine Resources
18 supports the creation of a national seafood marketing and
19 development fund and five associated regional boards.

20 Now therefore be it resolved by the Commission
21 on Marine Resources in a duly constituted and assembled meeting
22 that the commission supports amending the 2013 farm bill,
23 Senate Bill 954, to fund and implement a national seafood
24 marketing and development fund with associated regional boards
25 and requests the Mississippi congressional delegation to assist

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1 in amending the 2013 farm bill and the passage thereof with
2 requested amendment.

3 Done and resolved this duly constituted and
4 assembled meeting on this the 18th day of June 2013.

5 MR. GOLLOTT: Mr. Chairman, I'd like to make a
6 motion that we adopt this resolution.

7 MR. BOSARGE: Second.

8 DR. ASPER: Is there any further discussion on
9 that? The resolution speaks for itself. As you mentioned,
10 it's very important to us.

11 Okay. Those in favor say aye. Carries
12 unanimously. Thank you, Joe.

13 MR. JEWELL: Thank you.

14 4. Resolution for Michaela Hill

15 MR. JEWELL: Next on the agenda is a resolution
16 for Ms. Michaela Hill.

17 First of all, I'd like to thank the commission
18 for bringing forth this resolution for Michaela Hill that
19 acknowledges her life, her family, and her family here at the
20 DMR.

21 Next, I would like to acknowledge Michaela's
22 family, friends, and coworkers that are here today for the
23 reading of this resolution.

24 Many members of her family are here right now.
25 Her father, her husband, her sister, her son, her daughter, her

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1 son-in-law, her friends, Ms. McCaughan, Mr. McCaughan, Ed
2 Harvey, Ms. Newman are all here today to hear the reading of
3 the resolution.

4 I knew Michaela for almost four decades.
5 Michaela was the most intelligent, kind, and generous woman
6 that I've ever met. So today I'm listed on the agenda as the
7 person that is to read her resolution into the public record.
8 But her son, Mr. Matt Hill, has asked that he be the one that
9 read it into the record.

10 So I submit the floor to Mr. Matt Hill.

11 MR. HILL: Director Miller, commissioners,
12 Sandy. I have a resolution for your consideration. I'd like
13 to present it to you.

14 Whereas, the Commission on Marine Resources, a
15 duly constituted governmental entity created to serve the great
16 State of Mississippi; and

17 Whereas, said service includes the conservation
18 and wise management of the marine resources of Mississippi; and

19 Whereas, the Commission on Marine Resources
20 acknowledges contributions for the betterment of the fisheries
21 of the Gulf of Mexico through significant biological,
22 industrial, legislative, enforcement, or administrative
23 activities; and

24 Whereas, Michaela Marie Sabattini Hill served
25 the Commission on Marine Resources from 1999 to 2012;

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1 Whereas, Michaela Marie Sabattini Hill served
2 the Mississippi Department of Marine Resources from 1999 to
3 2012; and

4 Whereas, Michaela Marie Sabattini Hill served as
5 the MDMR overall tidelands administrator for 13 years and was
6 responsible for a grant program administering approximately \$6
7 million each year for programs and projects relating to
8 conservation, reclamation, preservation, acquisition,
9 education, and enhancement of public access to the tidelands;
10 and

11 Whereas, Michaela Marie Sabattini Hill served as
12 the executive administrative assistant responsible for the day
13 to day operations of the executive office for over six years;
14 and

15 Whereas, Michaela Marie Sabattini Hill dedicated
16 13 years to the Mississippi Commission on Marine Resources and
17 the Mississippi Department of Marine Resources; and

18 Whereas, Michaela Marie Sabattini Hill was a
19 loving wife, mother, grandmother, aunt, and friend; and

20 Whereas, Michaela Marie Sabattini Hill passed
21 away on August 18, 2012.

22 Now therefore in a duly constituted and
23 assembled meeting that the Mississippi Commission on Marine
24 Resources recognizes and appreciates the long and valuable
25 service of Michaela Marie Sabattini Hill to the marine

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1 commission, Department of Marine Resources, and the marine
2 resources of the State of Mississippi.

3 Done and resolved in this duly constituted and
4 assembled meeting on this the 18th day of June 2013.

5 MR. GOLLOTT: Mr. Chairman, I'm very proud to
6 make the motion that we accept this resolution.

7 MR. DRUMMOND: I second the motion, Mr Chairman.

8 DR. ASPER: Any further comments? Those in
9 favor say aye. Thank you, Matt. Thank you, Joe.

10 What this resolution does is really captures
11 what a wonderful person Michaela was. I mean, she was just
12 such a delight in everything that she did, and just we sorely
13 miss her. We sure do appreciate her. This is basically a way
14 we express our affection and our appreciation for all she did.

15 Thank you.

16 MR. JEWELL: Thank you, commission.

17 Next on our agenda is Item Number 5, shrimp
18 season report by Ms. Traci Floyd.

19 5. Shrimp Season Report.

20 MS. FLOYD: Good morning, Mr. Chairman,
21 commissioners, Director Miller, and Ms. Chesnut and
22 distinguished guests.

23 I'm Traci Floyd, shrimp and crab bureau
24 director, and this is the shrimp season report.

25 Mississippi waters opened to shrimping last

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1 Tuesday, June 11, at 6:00 a.m.

2 Our opening date was in line with our historic
3 opening dates. And as you can see, we usually open around the
4 first week in June when the shrimp population reaches the legal
5 count size of 68 per pound.

6 The new license season that began May 1 and
7 going into the opening, we saw 380 resident commercial
8 shrimping license, 100 nonresident commercial, and 92
9 recreational.

10 On opening day in our aerial survey, we counted
11 250 boats trawling in Mississippi waters, and that was actually
12 up from 40 last year.

13 On opening day, the majority of boats were
14 concentrated working north of Ship Island where 60 boats were
15 counted and, of course, boats were found throughout the Sound,
16 mainly to the east and north of the islands.

17 And as one would expect, the DMR sampled prior
18 to the opening. Our brown shrimp averaged in the 61/70 count
19 range and in smaller numbers than we've seen in previous years
20 as I mentioned at last month's commission meeting.

21 And on opening day, we did have the same reports
22 from fishermen, smaller numbers, and that progressed to fair
23 abundance of 41/50s and 51/60 count brown shrimp. On opening
24 day and since, as well, we've seen a few of the nice white
25 shrimp in the 16/20 count range.

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1 We conducted an additional aerial survey on June
2 13. That was last Thursday. And we found 90 boats working in
3 Mississippi waters.

4 And that concludes my report. And I'd just like
5 to congratulate our own Commissioner Gollott for being crowned
6 the Shrimp King this year.

7 DR. ASPER: Any questions for Traci?

8 MR. DRUMMOND: I have a question, Traci. I
9 noted that the last two years, '11 and '12, the season opened
10 in May. The rest of the years it opened in June. Is there
11 some rationale behind that?

12 MS. FLOYD: The shrimp just grew quicker. The
13 conditions were warm enough and salty enough that we were able
14 to open a little bit earlier.

15 The reason why I can't tell you. But those were
16 conditions that led to the shrimp being legal size.

17 MR. DRUMMOND: There is a relationship with
18 shrimp growth and salinity and water temperature.

19 MS. FLOYD: Yes, sir, that's correct.

20 MR. DRUMMOND: Okay. Thank you.

21 MS. FLOYD: Thank you.

22 MR. BOSARGE: Because our brown shrimp season
23 looks a lot more average, I was wondering is there going to be
24 any testing done to try to see what maybe our white shrimp
25 season looks like?

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1 MS. FLOYD: Yes. We'll continue to sample
2 throughout the summer and into the fall, and we will be sharing
3 that with you.

4 MR. BOSARGE: Good. Thank you.

5 MR. JEWELL: Commissioner Gollott, I apologize.
6 I failed to acknowledge you as Shrimp King.

7 MR. DRUMMOND: Speak up, Joe, would you?

8 MR. JEWELL: I failed to acknowledge you as
9 Shrimp King for 2013. Congratulations.

10 Our final item on the agenda for marine
11 fisheries is state record by Mr. Erick Porche.

12 6. State Records - Erick Porche

13 MR. HILL: Sorry, Sandy. I'm going to do it for
14 Erick.

15 We had a new saltwater conventional tackle
16 record for your consideration. It's an Atlantic sharpnose,
17 terraenovae. The old record is 12 pounds 9.5 ounces. The new
18 record is 15 pounds 4.6 ounces. And the angler was Steven J.
19 Bracknell.

20 And there's a picture of it on the board. And
21 there he is. He was happy.

22 We submit this for your consideration for the
23 new record.

24 MR. DRUMMOND: Mr. Chairman, I make a motion
25 that we accept this new record for the State of Mississippi.

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1 MR. GOLLOTT: Second it.

2 DR. ASPER: Those in favor say aye. Carries
3 unanimously.

4 MR. JEWELL: That's all for marine fisheries if
5 there are no questions.

6 DR. ASPER: Let's take a short break.

7 (Off the record.)

8 DR. ASPER: I'd like to call the meeting back to
9 order. And that moves us into coastal ecology. Jan.

10 H. Coastal Ecology

11 MR. BOYD: Good morning, Mr. Chairman,
12 commissioners, Director Miller, Ms. Chesnut.

13 Coastal ecology has three action items for your
14 consideration this morning. And after that, Dave Ruple will
15 have a NERR update.

16 3. Bureau of Wetlands Permitting

17 a. VT Halter Marine, Inc.

18 MR. CHRISTODOULOU: Good morning. I'm Greg
19 Christodoulou. I will be presenting all three of the action
20 items for coastal ecology this morning.

21 The first project is a request for a permit by
22 VT Halter Marine. VT Halter Marine will also be the applicant
23 for the next one.

24 This project is located at the Moss Point yard
25 at 5801 Elder Ferry Road, and it's in the industrial

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1 development use district.

2 It's kind of hard to see with the lighting. But
3 the yellow thumb tack indicates the location of the project.
4 Here is I-10, Highway 63 going south, Highway 90 here. And
5 it's just off the Escatawpa River.

6 The applicant is requesting to dredge an area
7 402 feet by 100 feet from the current depth of 13 and a half
8 feet below mean low water to a depth of 20 feet below mean low
9 water to facilitate launching of large vessels. It will be
10 approximately 8100 cubic yards of material that will be
11 removed.

12 Here is just kind of a schematic of the diagram.
13 It will be the area here that will be dredged to 20 feet in the
14 darker area. The lighter area is the three to one slope that
15 we mandate so it doesn't fall in on itself.

16 Picture of the area. Here is the tilt beam
17 launcher and existing bulkhead. I couldn't get a better
18 picture of the launch area because there is a vessel under
19 construction that they didn't want pictures.

20 The project will provide required depths needed
21 to launch vessels over 300 feet in length and provide increased
22 employment opportunities from contracts received by the
23 applicant to construct and service vessels.

24 The project is allowable within the industrial
25 use district.

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1 The applicant has requested a variance from
2 Coastal Program Chapter 8, Section 2, Part III.C.5 reads in
3 part that marinas and boat slips shall be designed to avoid
4 sumps and the depths of marinas, boat slips, and access
5 channels shall not be any deeper than the controlling depth of
6 the parent body of water and shall become gradually shallower
7 proceeding from the parent body of water to the nearshore area.

8 And the applicant has provided justification for
9 the project that the activity does require a waterfront
10 location, there's a significant public benefit in the activity,
11 and a public hearing has been held for the project.

12 Similar projects have been approved by the
13 commission, and this is not expected to set a negative
14 precedent.

15 There will be a temporary increase in turbidity
16 which will not exceed the DEQ standards. A temporary decrease
17 in benthic organisms from the dredging. And with dredging to a
18 depth that's larger than the parent body of water, there is a
19 possibility of a creation of a sump. And the sumps do have a
20 tendency to have lower dissolved oxygen levels than the rest of
21 the surrounding water. And this permit will be contingent upon
22 DEQ water quality. In most cases, we like to get the DEQ water
23 quality certification for a project, but because of the time
24 crunch that they're in to launch this vessel and the length of
25 DEQ review, we're going to recommend that you approve the

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1 project contingent on water quality certification.
2 Best management practices will reduce any
3 adverse impacts to the coastal wetlands.

4 There weren't any alternative sites considered
5 since this is a maintenance dredging project and an existing
6 shipbuilding facility.

7 Dredging should not affect the scenic qualities
8 of the area.

9 And VT Halter does have contracts to construct
10 and service military vessels and for companies that are
11 essential to the nation's energy policy.

12 We did place public notice in both the Sun
13 Herald and Mississippi Press as required. And on June 4, we
14 had a public hearing for the project. We did not receive any
15 public comments from either the notice or the public hearing.

16 Archives & History is reviewing the project.
17 DEQ is reviewing the project. There were no tidelands issues
18 as this is just a dredging project. And Wildlife, Fisheries &
19 Parks has indicated that best management practices be
20 implemented.

21 And staff has reviewed the project, and our
22 recommendation is that the project is for a water dependent
23 industry with a national interest. It will increase the local
24 tax base and help in creation of jobs in the area. And staff
25 approves the applicant's variance request and approval of the

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1 project contingent on water quality certification from DEQ.

2 Any questions?

3 MR. DRUMMOND: Mr. Chairman, I make a motion
4 that we accept the staff's recommendation and approve this
5 project.

6 MR. TAYLOR: Second.

7 DR. ASPER: Greg, I just have a quick question.
8 How deep is this sump?

9 MR. CHRISTODOULOU: It's only 20 feet. It's
10 only a six and a half foot difference from the average depth in
11 the area, and the depth they want to go to is 20 feet. So it's
12 a six and a half foot difference.

13 DR. ASPER: So this is in the river?

14 MR. CHRISTODOULOU: It's in the river. It's
15 adjacent to the bulkhead there on the shore, yes.

16 DR. ASPER: I mean, there are sumps like that
17 naturally in rivers quite often, so this is probably not such a
18 big deal?

19 MR. CHRISTODOULOU: The difference is really
20 kind of small. And again, DEQ is going to make the call on the
21 whole water quality issue. So we just like to defer to them
22 since that's their area of expertise.

23 DR. ASPER: Any further questions?

24 Those in favor say aye. Carries unanimously.
25 Thanks, Greg.

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1 b. VT Halter Marine, Inc.

2 MR. CHRISTODOULOU: And the next project is also
3 VT Halter Marine, but this is a modification. And this is the
4 Pascagoula yard located on Bayou Casotte. It's in the
5 industrial development use district, as well.

6 The yellow thumb tack indicates the location of
7 the project here midway along Bayou Casotte and Mississippi
8 Phosphates across the bayou and Chevron and Highway 90 here to
9 the north.

10 The applicant is requesting to modify an
11 existing permit. A portion of it was for widening of an
12 existing keyhole slip by 60 feet. The previously authorized
13 excavation of the slip was 50,533 cubic yards of material.
14 This was located on the north side of the slip. And they are
15 requesting to excavate 62,320 cubic yards of material. And
16 this is on the south side of the slip.

17 Here's a diagram of the project. As you can see
18 here, the existing conditions, the slip has a little area that
19 juts in on the north end. They were authorized to excavate the
20 slip on this end to take away that little area to widen it.
21 However, the logistics for moving this large crane would cause
22 a shutdown or a slowdown in operations that they can't really
23 afford at this time. So they're asking to excavate 60 feet on
24 the south side of the slip.

25 Public benefits of the project include increased

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1 employment opportunities in implementation of the project and
2 employment opportunities from contracts received from the
3 applicant to construct and service vessels.

4 The project is allowable within the industrial
5 use district.

6 Similar projects have been approved by the
7 commission. This is not expected to set a precedent.

8 The project is not located on coastal wetlands,
9 but widening of the existing slip would result in temporary
10 increase in turbidity within the slip and perhaps Bayou
11 Casotte. And there will be a decrease in the number of benthic
12 organisms. They will be doing this work at the same time they
13 are going to be doing some dredging that was also authorized,
14 so a lot of the turbidity screens and best management practices
15 will already be in place.

16 The widened slip will allow additional vessels
17 to be moored, serviced, and constructed at the site.

18 The applicant did originally propose to widen
19 the keyhole slip by 60 feet on the north side, but because,
20 again, that would result in having to remove that large crane
21 and cause a slowdown or halt in the production, the applicant
22 has requested to widen the slip by 60 feet on the south side.

23 No alternative sites were considered for the
24 project.

25 And the site is located in an industrial area

1 with other shipbuilding facilities adjacent to the site, so
2 scenic qualities should not be impaired by the project.

3 And once again, VT Halter is contracted to
4 construct and service vessels for the military and companies
5 essential to the nation's energy policy.

6 Public notice was published as required. No
7 public comments were received.

8 Archives & History has no reservations for the
9 project. DEQ is currently reviewing the project. No tidelands
10 issues with the Secretary of State's office since this is in an
11 excavated slip. And Wildlife, Fisheries & Parks has
12 recommended best management practices be implemented.

13 Staff's recommendation. The project is for a
14 water dependent industry with a national interest, increase in
15 the local tax base, and creation of jobs in the area. And
16 again, staff recommends approval of the proposed modification
17 contingent on water quality certification from DEQ.

18 DR. ASPER: Greg, what is the land that is being
19 excavated, what kind of material is that? Was that previously
20 filled?

21 MR. CHRISTODOULOU: It's previously filled.
22 It's the existing dredge disposal site. Before there was
23 beneficial use area, there was onsite area for their dredge
24 spoils.

25 MR. DRUMMOND: Mr. Chairman, I make a motion

1 that we accept the recommendation of the staff and approve this
2 modification.

3 MR. BOSARGE: I'll second the motion.

4 DR. ASPER: Further discussion? Those in favor
5 say aye. Carries unanimously.

6 c. Mississippi Phosphates

7 MR. CHRISTODOULOU: And the final project is for
8 a permit extension by Mississippi Phosphates Corporation
9 located on Bayou Casotte in the industrial development use
10 district.

11 Again, the yellow thumb tack indicating the
12 location. Mississippi Phosphates on the east bank of Bayou
13 Casotte, Highway 90, Chevron to the south.

14 November 2007, a permit was approved by the
15 commission to allow the applicant to maintenance dredge 22,500
16 cubic yards of material under a five year maintenance
17 agreement.

18 December 18 of 2012, the commission approved a
19 six month extension until June 4, 2013, due to shoaling from
20 Hurricane Isaac. At that time, they had approximately 9,000
21 yards still left to remove.

22 June 12, 2013, DMR received a request to extend
23 the permit for an additional six months.

24 Here's a diagram of the area in question that
25 they need to get to. Some areas right adjacent to some of the

1 berthing areas there in the red. In checking with the
2 applicant, they've still got about 4,000 yards that they'd like
3 to move. They've been slowed down because of the weather
4 during the spring. And at that time, they weren't required for
5 beneficial use so their onsite disposal consists of dirt roads,
6 and it's hard to move trucks carrying that much material on
7 dirt roads and wet conditions.

8 Staff's recommendation is that the project will
9 restore safe navigable depths to the company's docking
10 facility, so we recommend the extension of the permit for an
11 additional six months until December 4, 2013.

12 DR. ASPER: Is there a motion?

13 MR. BOSARGE: I make a motion we accept staff's
14 recommendation.

15 MR. GOLLOTT: Second.

16 DR. ASPER: Any further discussion? Those in
17 favor say aye. Carries unanimously.

18 Next we have a Grand Bay NERR update from Dave
19 Ruple.

20 4. Grand Bay NERR Update

21 MR. RUPLE: Greg gave a great introduction to
22 Jackson County there, so we'll stick with the Jackson County
23 theme.

24 As a manager of the reserve at Grand Bay,
25 periodically, usually once or twice a year, I like to give an

1 update and thought this was an appropriate time with some of
 2 the changes and restructuring that are going on at the DMR.
 3 Every several years, NOAA requires the reserves,
 4 all the reserves in the country, to update their management
 5 plan. And so I wanted to share with you a little bit of the
 6 focus of our new management plan that we're just working to
 7 complete this month. It's been a several month process. And
 8 we are about reaching the end of that period now.

9 Again, just as a little bit of background on the
 10 reserve for the commission. The reserve program is a national
 11 system that was created in 1972 through the federal passage of
 12 the Coastal Zone Management Act. And we work primarily with
 13 the program through the U.S. Department of Commerce and NOAA.

14 And the mission of the entire system is to
 15 practice and promote wise stewardship of our coastal and
 16 estuaries through programs of education, research, and
 17 training.

18 Nationally, there are 28 reserves located in 23
 19 states. The reserve in Mississippi was created in 1999,
 20 officially designated as the twenty-fourth reserve in the
 21 system. And you can't see this map too well, but again there's
 22 reserves across the country in most of our coastal states.

23 As I mentioned, we were originally designated in
 24 1999. And this -- the operational partnership for the reserve
 25 is between NOAA and DMR.

1 have changed somewhat in this plan is our focus on habitat
 2 protection, water quality, and climate change. So basically
 3 through the different programs at the reserve our science,
 4 education, and stewardship programs, we're looking to better
 5 understand the threats to our resources, to better understand
 6 the changes in water quality and what that means to the flora
 7 and fauna of the area and our coastal habitats that so much of
 8 our seafood depends upon.

9 And so we do this working with our own
 10 scientists, as well as scientists from other universities,
 11 agencies, actually really across the country that come to do
 12 work at the reserve.

13 The last area of focus being climate change is
 14 something that's a little bit new, and we don't talk about it a
 15 great deal here before the commission, but it is something that
 16 obviously you've heard about in the news. And if we believe
 17 climate change is happening, what the results of that may or
 18 may not be, the fact is, things are a little bit different than
 19 they have been, is this a short term trend or a long term
 20 trend. You know, it's really too early into the study of
 21 climate change. But again, looking at the potential effects on
 22 our coastal resources, particularly through sea level rise, it
 23 is something that we are focusing on and establishing
 24 infrastructures to help monitor the impacts to our coastal
 25 resources here in Mississippi.

1 The reserve's boundaries extend approximately
 2 18,000 acres in southeastern Jackson County, and we work to
 3 accomplish our objectives through a variety of different
 4 partnerships with different agencies and communities.

5 Go to our website. Get additional information.
 6 And actually this management plan is found on the -- at least
 7 the draft on the website currently.

8 Southeasternmost Jackson County to the actually
 9 where Greg was showing the Mississippi Phosphates and Halter
 10 Marine were just to the east of there right up to the Alabama
 11 state line.

12 There is a diversity of habitats, and really a
 13 continuum from the barrier areas along the Grand Battures and
 14 the Mississippi Sound all the way up to Highway 90 at the
 15 interstate, several miles worth of transitional coastal
 16 habitats found in very few other places along the coast.

17 Again, looking at what we're trying to focus on
 18 in the new management plan, you know, our vision, you know, we
 19 want coastal ecosystems throughout the entire Gulf of Mexico to
 20 be conserved and valued and used for, you know, their natural
 21 and economic value by the residents.

22 As I said, the mission of the reserve management
 23 plan is to practice wise stewardship of those resources along
 24 our coast.

25 Basically, the three focus areas that we really

1 And again, for those three focus areas, we have
 2 developed a suite of objectives and paths that we will try to
 3 implement the plan. And this is a five year plan.

4 Just going to quickly go to the next
 5 presentation. As I'm doing this, does any of the commissioners
 6 have any questions relating to the management plan or your
 7 knowledge or understanding of what we do at the reserve?

8 Again, it's a little bit different than many of the things that
 9 you typically consider in that we don't deal with regulations,
 10 we don't bring a great many actions for you to consider.

11 Again, we are I believe an integral part of what goes on at
 12 DMR. And as Vernon had mentioned earlier, we do work with many
 13 federal and state grants to help support all the programs at
 14 the reserve.

15 MR. BOSARGE: Dave, I do have one question.
 16 When I was looking at your boundaries and your presentations,
 17 are you -- are we expanding any more, or are we at a state
 18 where this is where we're going to be? Are we trying to
 19 acquire more properties?

20 MR. RUPLE: The habitats within the reserve
 21 within our boundaries we've been able to operate for nearly 15
 22 years pretty effectively. Within that 18,000 acreage that I
 23 mentioned, there are several areas, two or three thousand acres
 24 approximately in private landholdings. And we've been able to
 25 operate with those in holdings. If in the future opportunities

1 present themselves for acquisition, that is part of what is
2 laid out in the management plan.

3 MR. BOSARGE: And are you looking at any
4 specific directions to expand?

5 MR. RUPLE: Well, again, within the boundaries
6 we're pretty much -- any additional changes in what the
7 boundaries would take another change in the management plan.
8 And that potentially could happen in future years.

9 You know, ideally there is some potential to the
10 north. One of the aspects of the reserve is one of those
11 partnerships I mentioned in that we're affiliated with the
12 Grand Bay National Wildlife Refuge, as well. So there's a
13 national wildlife refuge that actually has some of the acreages
14 surrounding to the east and to the north in the reserve
15 currently.

16 So much of that area that is not in private
17 ownership now is part of some type of conservation area.

18 MR. BOSARGE: I would love to see it moved even
19 further north to kind of get the whole ecosystem a little more
20 into the fresh water that's feeding all the area.

21 MR. RUPLE: Yeah. But, you know, there are some
22 opportunities and working with the Fish & Wildlife Service, you
23 know, their boundaries extend into Alabama. So some of the
24 area into Alabama is also protected in some of those, not just
25 the estuaries, but some of the more freshwater coastal

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1 are many in nature. Are we wanting to get into the -- you
2 know, to be first responders at the reserve? We don't want to
3 get into that. We have folks like the emergency responders in
4 the county. We have the sheriff's department. We have DMR
5 officers. However, because of our isolated area, we sometimes
6 are first responders with staff that may have had heat
7 exhaustion, visitor breaks his ankle, you know, until somebody
8 with greater authority comes along, we do have responsibilities
9 for the health and safety of our visitors and our staff.

10 So a couple years ago we were able to secure
11 some funding from the disaster response center in Mobile, a
12 part of NOAA, to develop not only a disaster response for the
13 Grand Bay Reserve, but also working with the five Gulf reserves
14 in the Gulf of Mexico. And so we worked with a consultant to
15 put together a template actually which will be used nationally
16 at different reserves to help develop further response plans
17 across the system.

18 So as part of this project, we worked with local
19 emergency responders, state, federal. We had folks from DMR
20 attended our workshop. And we put together a comprehensive,
21 again, not detailed plans of everything that we would do for
22 every type of a disaster, but we've identified the hazards and
23 the risks and some of the contacts, some of the incident
24 command structures that are in place that our enforcement
25 officers are very well aware of that will help us implement.

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1 wetlands.

2 MR. BOSARGE: Good.

3 MR. RUPLE: Another planning effort that was
4 initiated about a year and a half ago at the reserve was the
5 development of a disaster response plan. And over the years
6 that I've been at the reserve, you know, we've always worked in
7 conjunction with the DMR and responding to any disasters, and,
8 you know, worked within the framework of our hurricane
9 evacuation plans.

10 However, some of those plans here at the
11 building in Biloxi and our location in Moss Point are somewhat
12 different. Again, we've followed those. But sometimes we've
13 been flooded out when we haven't been flooded here. So there
14 are some special considerations.

15 But over the course of several years now, we've
16 had several sort of manmade disasters, natural disasters, a
17 couple of big hurricanes, Mississippi Phosphates had some
18 chemical incidents in the area. And again, just looking at our
19 location, we're on Bayou Heron Road, our facility where we have
20 staff, researchers, visitors, there's one way in and one way
21 out, and that's intersected by a CSX railroad track. So there
22 are a lot of opportunities that we feel that we needed to plan
23 for better and to take into consideration as we think of
24 responding to disasters.

25 And what are some disasters? You know, there

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1 Again, just wanted to bring this to your
2 attention because this, as well as the management plan, are two
3 very important planning initiatives that we've undertaken in
4 the past year now.

5 So this is just a list even of some of the
6 hazards and risks that we've identified that potentially could
7 befall, not only us at the reserve, but much of the area along
8 the Mississippi coast.

9 Any questions about the disaster response plan?

10 Well, I would -- one last thing I would like to
11 do, sort of in the same theme of planning and our work with
12 NOAA, I would like to introduce Matt Chasse who'd like to give
13 a couple of brief comments this morning. And Matt is the
14 program analyst that we work with at NOAA's new coastal
15 offices.

16 And Matt, if you'd like to give a few comments
17 to the commission on how he works with the reserve and DMR.

18 5. DMR/NOAA Partnership Re: Grand Bay NERR

19 MR. CHASSE: Thank you, Dave.

20 Mr. Chairman, Director Miller, commissioners,
21 thanks for this opportunity.

22 NOAA has been a strong partner with the reserve
23 since 1999, since it was designated. And we really appreciate
24 the DMR's long term relationship with NOAA to operate the
25 reserve. And since 1999, our collaborative partnership has

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1 really made some valuable local, regional, and national
2 contributions in our understanding of how estuarine systems
3 work, especially in the northern Gulf of Mexico, in educating
4 our children about these special places that Mississippi has
5 secured for the reserve, and then in forming coastal management
6 using science based information that's been developed through
7 this reserve.

8 So I just want to ensure that we at NOAA in
9 general will say that this has been a highly productive
10 partnership with the department, and we'd like to continue that
11 over the course of many years to come.

12 And that's it. It's one of our most productive
13 members of our 20 year reserves in the system, so we appreciate
14 the support the department has provided over the years.

15 Thank you.

16 DR. ASPER: Thank you.

17 Dave, I don't think you mentioned very much
18 about the funding. This is mostly from NOAA, but there are
19 some matching funds?

20 MR. RUPLE: Yes. We work from a variety of
21 different grants. Our primary source of funding being a
22 cooperative agreement award annually. It's non-competitive
23 with NOAA that Congress provides to NOAA for the operation of
24 the reserve system nationally. And that funding is a 70-30
25 match. So we get for every 70 percent of federal dollars, the

1 Thank you.
2 DR. ASPER: Thank you.
3 Unless I'm mistaken, we are at the end of our
4 agenda.

5 Is there a motion to adjourn?

6 MR. DRUMMOND: I make a motion that we adjourn,
7 Mr. Chairman.

8 DR. ASPER: Is there a second?

9 MR. GOLLITT: Second.

10 DR. ASPER: We're adjourned.

(Meeting adjourned 11:15 a.m.)

1 department provides 30 percent match. And typically over the
2 course of the time that I've been here, we've been fortunate
3 enough to be able to use tidelands match for that. And again,
4 it fits perfectly with the criteria established by the
5 tidelands funds. We hope that will continue over time.

6 Then also along the course of years, different
7 funding opportunities that do come up, we apply for those funds
8 oftentimes with various partners, and we work in collaboration
9 with other reserves or other universities.

10 So we don't use too much and yet that 1.1
11 million of general funds. We are quite creative in trying to
12 get sources of funding to support the programs of the reserve.

13 Other questions?

14 DR. ASPER: Those of you who haven't visited the
15 reserve yet, I'd encourage you to do so. They've got a really
16 nice, very energy efficient building there and excellent
17 exhibits. And you can, of course, go out into the actual
18 reserve.

19 Just to stress one point. This is a research
20 reserve. This is not a preserve. And so the activities that
21 go on there are those of research scientists. You can see some
22 of those in action. So it's a neat place to go.

23 MR. RUPLE: And, yes, for you commissioners, the
24 habitat that we hope you'll be able to visit soon and try to
25 provide those opportunities for you.

COMMISSION ON MARINE RESOURCES

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