COMMISSION MEETING

January 15, 2013

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COMMISSION ON MARINE RESOURCES

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January 15, 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 15TH DAY OF JANUARY 2013
COMING ON AT 9:00 A.M. AND REPORTED BY NORMA JEAN LAIDNER
SORGE, CERTIFIED SHorthand REPORTER.
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COMMISSION MEMBERS PRESENT:

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

ALSO PRESENT:

DANNY GUICE, Interim Executive Director CMM
JOSEPH B. RENNEL, Esq., Asst. Attorney General
SANDY CHESSUT, Esq., Asst. Attorney General

A. Call to Order

DR. ASPER: Good morning. I’d like to welcome everybody to the regular January meeting of the Commission on
Marine Resources.

B. Approval of Minutes

DR. ASPER: Since the December meeting, we have
had two special meetings. And I’d like to -- actually, since
December we had a special meeting on December 28. We had a
special meeting for personnel matters. We have therefore three
sets of minutes in our packet. Are there any corrections to
any minutes, either for the last meeting or for the special
meeting on December 7 and the special meeting on December 28?
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.

DR. ASPER: So we have a motion to approve all
three sets of minutes. Those in favor say aye. Carries
unanimously. Thank you.

C. Approval of Agenda

DR. ASPER: We have an agenda before us. Are
there any additions or corrections to the agenda? Or is there
a motion to approve as distributed?

MR. GOLLOTT: I’ll make a motion that we approve
the agenda as distributed.

DR. ASPER: Is there a second?

MR. DRUMMOND: I second the motion.

DR. ASPER: Second by Commissioner Drummond.

Those in favor say aye. It’s carried.

D. Public Comments

DR. ASPER: We have a period of public comments,
and we welcome input from anybody on just about anything. In
order to do that, you need to fill out one of those little
forms in the back. And I don’t have any filled out, so unless
somebody asks to be recognized, I don’t guess we have any
comments or questions.

E. Executive Director’s Report

DR. ASPER: Okay. We’ll move on to the
executive director’s report.

MR. GUICE: We have administrative penalty cases
that Sandy will handle, Mr. Chairman.

MS. CHESSUT: This matter involves four adult
individuals, Alexander Fogg, Cause Number 011412-01, Holland
McCandless, 011512-02, Andrew Lamrier, 011512-03, and Justin
Goggins, 011512-04.

On January 15, 2012, Officers Webb and Southern
stopped these individuals in a recreational vessel bearing
MJ-6937-BA as they were coming into the Pascagoula ship channel
in the Gulf of Mexico.

Upon inspection of an ice chest containing red
drum, triggerfish, and a bag of files were discovered.

Mr. Fogg was the captain of the boat and advised
that the files were white trout, that they were being used
for bait, and that it was an unregulated fish, and that they
were NOAA biologists in Pascagoula.

Officer Southern advised that the files
appeared to be red snapper rather than white trout and it was
illegal to possess files until final destination.

Upon further questioning, Mr. Fogg advised that
the red fish on board were caught within 12 miles of the island
around some oil rigs.

Officer Southern informed Mr. Fogg that the red
fish were caught in federal waters since there were no oil rigs
located in Mississippi waters, and a citation was issued to Mr.
Fogg for possession of files.

On January 25, 2012, Captain Ames discovered
internet posts on two separate fishing websites by A. Fogg
dated January 15, 2012, stating that he and his friends had
moved offshore in 60 feet of water and had caught a bunch of
red snapper, catfish, triggerfish, and a nice red drum.

There were pictures of the total catch, a woman
with a red snapper, a man holding red fish and a triggerfish,
and a man and woman holding a red drum while fishing an oil
rig.

It was determined that the individuals in the

N.J. SOROE, CSR #1297
photographs were the four individuals listed above, and
citations were issued to all individuals for possession of red
drum in federal waters and possession of filet.

All four individuals were sent letters stating
that at the time of the -- I'm sorry. All four individuals
sent the department letters stating that at the time of the
incident they were unaware of the regulations and apologized
for their actions. They stated that they are now aware of the
regulations and that it would not happen again.

Three of the individuals, Holland McCandless,
Justin Goggins, and Andrew Lamier requested and attended an
informal settlement conference with Dr. Walker and Danny Guice.
All of the supporting documentation including
photographs are being provided to each member of the
commission.

Based upon the foregoing information, the
executive director found that the allegations contained in the
enforcement reports had merit and that the department
recommended to the commission to impose an administrative
penalty against Alexander Fogg, Holland McCandless, Justin
Goggins, and Andrew Lamier in the amount of $1,000, with $500
suspended contingent upon no new fishing violations being
committed in any jurisdiction for a period of two years and
payment of the $500 fine within 45 days of the approval of the
recommendation by the commission.

The commission may accept or reject or modify
the department's recommendation upon motion by the commission.
All the individuals have been advised this
matter would be presented to the commission today, and they may
be here and wish to address the commission.

When you come forward, state your name.

MR. GOGGINS: Hi. My name is Justin Goggins,
and I just want to say that we are very sorry for what we've
done and didn't have our thinking caps on and seeking leniency
of this commission.

That's all I have to say.

MR. GOLLOTT: Mr. Goggins, was this a charter
trip, or was it just a friendly trip?

MR. GOGGINS: Just a friendly trip.

MR. GOLLOTT: And did the captain know where you
were at?

MR. GOGGINS: Yes, sir, I believe so. I didn't
realize at the time that we were offshore in federal waters,
but I believe he did know that.

MR. GOLLOTT: Thank you, sir.

MS. CHESNUT: Would anybody else like to address
the commission?

MR. LAMIER: Hi. I'm Andrew Lamier. And as Mr.
Goggins said, I would like to say how sorry we are for this
incident and appreciate the director and assistant director's
leniency in their recommendation on us. And also, am truly
very sorry for this and hate to be a part of this entire
situation. I just want to make it right. Thank you.

MS. CHESNUT: If there are no further comments,
the commission can make a motion.

MR. GOLLOTT: Mr. Chairman, I think we ought to
-- I'll make a motion that we accept the director's
recommendation on everybody but the captain. And I think the
captain should pay at least a thousand dollars since he knew.
He was the one that broke the law really, and he knew where he
was at, and the captain is responsible for his boat and where
it's at.

MR. BOSARGE: I'll second that motion.

DR. ASHER: Is there any further discussion?
That ends the administrative penalty cases. Is
there anything else from the executive director?
I'd like to make a few comments about the things
that have been going on in the department and the reports that
you're hearing in the newspaper and the TV.
I just want to let everybody know that we're as
distressed about these things as everybody else is and that we
promise you that in the future we are going to pay a lot closer
attention to what's going on in the department.

It's really hard to deal with the situation

where you trust somebody explicitly and implicitly and that
person lets you down.

In this case, we trusted an individual, and we
gave that person free rein with everything. And we saw lots of
good things happening, and we never suspected that some of the
things were taking place that have been alleged.

So we are aggrieved with this.
Is there any other action?

MR. TAYLOR: Mr. Chairman, I'd like to make a
motion I want the commission to consider. On December 28,
2012, the commission met in executive session to discuss
personnel matters. The person at the center of discussion was
Executive Director Bill Walker.

The commission heard from Dr. Walker at the
meeting, and the commission reviewed information provided by
the commission's legal counsel.

The commission then voted to suspend Dr. Walker
without pay. However, upon further review and reflection in
light of continuing information received by the commission, it
appears that the commission has received sufficient information
that warrants the removal of the executive director for cause.

Therefore, in an attempt to move this matter
forward as soon as possible that will aid the department in a
swift recovery, I make the motion that Bill Walker be dismissed
immediately from his position as director of the Mississippi

Department of Marine Resources.

1  DR. ASPER: Is there a second?
2  MR. BOGARDE: I second that motion.
3  DR. ASPER: Is there any further discussion?
4  Those in favor signify by saying aye. Those opposed. Carries unanimously.

5  And I'd like to just say again on our behalf, we're heartbroken by this. We think that Dr. Walker did a fantastic job as director. And it's such a disappointment that it has come to this. Hope those things are resolved and that they're resolved quickly. We have been informed that it's not going to be February. It's going to be much longer than that. And it's going to be a very careful process. We have been informed by the various investigators that they are doing their job, but there's a lot to go through, so it's going to be a while.

6  I'd also like to thank the media, especially the Sun Herald, for bringing this to light. Although it's been really painful, I think that they have been instrumental in bringing this to the public in a way that it wouldn't have been had they not been as diligent as they are.

7  And I'd like to encourage you to help us work together to rebuild the agency because it is a good agency, and we have so many tremendous, fantastic employees here. Everybody does their job diligently, their job accurately and in a friendly manner. We've got the best law enforcement that we could ever imagine having. The permitting process is just fantastic. Fisheries are being managed extremely well. Have no complaints there.

8  I assume the next step in the process is going to be to choose a new director. In the meantime, our deputy director will be acting, and I would assume that we will be starting the process which will be an open process. State statute requires that we submit three names to the governor, so we will be looking for the very best person we possibly can to step in and fill Dr. Walker's shoes.

9  And at this point, we just have no idea who that is going to be. So we're wide open for that search.

10  And with that, we will move on to marine patrol.

Mississippi.

1  I have a little letter I'd like to read just telling you a little bit about some of the hardworking people that work here.

2  I'm going to leave word or two out of this letter, but this letter came from the Criminal Investigation Division for the United States Navy Headquarters in Quantico, Virginia, for NCIS. This isn't the TV show. These are the real people here.

3  On behalf of the criminal investigation service, I'd like to take the opportunity to commend the marine patrol dive team members, Tommy Jennings, Eric Gex, Matt Caspolich (ph.), Donnie Lackner, and Scott Sauzier for their assistance in assisting them in trying to gather evidence from a 1995 cold case homicide. And I'm not going to tell you what city it is because some of the stuff is still under investigation.

4  But this person that was killed or came up missing was an active member of the United States Navy, and his body still hasn't been recovered.

5  But with short notice, Captain Donnie Ames and a member of the dive team developed and executed operational plan in September which used our boat, gear, and personnel for several days. And it says the dive team was prepared, professional, and they exhausted all search efforts in zero visibility diving conditions, handling extremely sensitive

6  case, eliminated several possible locations for the remains.

7  And like I say, this has come from Michael Keeler, and I'm not sure exactly what his rank is with the U.S. Navy.

8  But they came to us. They solicit our help, our dive team, for some of the work they've done in the past recovering evidence in homicides in other cases.

9  Those are just some of the hardworking people that you have working for you along the coast here.

10  We had a few cases of dredging on the tonging reef.

11  We had one for failure to call oysters, and one case of a tonging boat that had a dredge on it which is illegal.

12  Our crabbing cases, we had one with no commercial license.

13  Gill net. We had a gill net violation.

14  Somebody forgot to tell this guy it was illegal to gill net in St. Martin Bayou. He got caught and was charged with five or six different counts.

15  Saltwater fishing license tickets went way down.

16  I think a lot of that had to do with the weather.

17  Even our possession of undersized seatrout, we only and one case and only two red fish cases during the month.

18  We taught a marine class, St. Martin High
School, during the month of December and certified 53 students.

The outreach went to the high school, some high
school students at Point Cadet and conducted a little
presentation for those students down there.

Christmas on the Water parade, Christmas by the 
River in Moss Point, Christmas on the Water fireworks in Pass
Christian, Christmas on the Bayou in Gulfport, those are some
of the events that we took and assisted these people with.

We only had one boating accident with injuries.

Had no fatalities.

On JEA patrols, we're a little slower during the
winter months. There's not quite as many people out there, but
they're still doing some patrolling.

We ended up issuing one state citation and four
enforcement action reports that went to the feds.

Any questions?

DR. ASPER: Thank you. Appreciate it.

G. Marine Fisheries

MR. OZB: Good morning, commissioners, Dr.
Asper, Mr. Guice, Ms. Chesnut. Chief Chatagnier, we're glad to
have you back. It's good to see you back at work.

I've got a few things I'd like to lead off with
for marine fisheries to let you know about before we get
started with our presentations.

First, we got a letter from FDA Southeast.

Region, and I'd like to read that to you if it's okay.

The letter says, enclosed please find a copy of
the U.S. Food & Drug Administration FY 2012 annual program
evaluation report on Mississippi shellfish sanitation program
prepared by John Veazeys (ph.), Southeast Regional Shellfish
Specialist stationed in Baton Rouge, Louisiana, and David
Wiggins, Southeast Regional Shellfish Specialist, stationed in
Tallahassee, Florida.

Each year, the FDA evaluates program elements
within each state's shellfish program to ensure compliance with
the National Shellfish Sanitation Program guidelines to ensure
the safety of molluscan shellfish shipped into interstate
commerce.

We are pleased to report that the Mississippi
shellfish sanitation program is in conformity with the NSSP
requirements and would like to thank you and your staff for the
cooperation provided through the 2012 evaluation.

And that is signed, Sincerely, Ellen Lehmann
(ph.), Acting Director of State Cooperative Programs, Southeast
Region for FDA.

So I'd like to commend Scott Gordon and Ruth
Posadas and the shellfish staff and the seafood technology
staff for the hard work that they do to keep us in compliance.

It's very important that we stay in compliance because we have
5

1 shellfish in interstate commerce and keep our fishermen and our
processors and a whole bunch of other people working.

So I appreciate the staff's hard work on that.

I'd also like to let you know that the
Mississippi derelict crab pot cleanup is scheduled for February
21st through the 23rd. Traci and the shrimp and crab bureau
have been working closely with the crab task force planning for
this event this year. The staff has sent out letters to all
the fishermen, and they're aware that this program is going to
be conducted. And we do this program in cooperation with CGRL,
so it's a partnership. And we appreciate all of their help.

And lastly, I mentioned this I believe at the
November meeting, but I wanted to let you know that this is
coming up. The Gulf Council has scheduled scoping workshops
around the Gulf of Mexico to get public input on a proposed
amendment that examines regional management of recreational red
snapper. Scoping workshops are the first and best opportunity
for the public to make suggestions or raise issues and concerns
before the council begins developing the amendments. The
regional management of recreational red snapper would enable
areas of the Gulf to propose management measures tailored to
their specific regions. These scoping workshops will address
regional management issues, including locally operable
management measures, regional boundaries, allocation, and other
components for the design of a regional management proposal.
that we utilize for reefs.
And then the offshore reefs are a half mile
offshore. I generally call those the offshore reefs.
And then you've got the Rigs to Reef which is in
offshore in federal waters.
So there's three types of programs underneath
the artificial reef bureau. It's one program, but there's
three type of facets underneath it.
DR. ASPER: So how do we interact with the
government on Rigs to Reefs? I mean, this is something
that takes place totally in federal waters. How is it that the
government isn't basically claiming those funds and
those activities for themselves or get involved?
MR. CUEVAS: What happens is the oil and gas
company comes to the state that they want to work with for a
reef to reeef their platform. It saves the oil and gas
companies money. Instead of going ashore, they take it to one
of the state's reef sites. They put it in their reef site, and
they save funds.
But there's no -- the only government entity in
there is the Minerals Management Service, and that's called
BESSIE. Now, they regulate the oil and gas companies offshore
in federal waters. But they let the states handle their own
Rigs to Reef program.
DR. ASPER: So this means that whoever -- which
state actually lays claim to this offshore water, it's not
theirs, it's federal water, but we've had discussion about the
state boundaries, and that means that where these boundaries
are drawn and who manages these offshore reefs really is
extremely important, not only for the reefs themselves, but for
this program.
MR. CUEVAS: That's correct. The state has to
go to a Corps of Engineers and get a permit in federal waters,
and they have to work -- the Corps of Engineers has to work
with BESSIE, the former MMS, Minerals Management Service
Company, and to get a reef site. And then once a reef site is
obtained, then the state can reef that jacket, the state and
the oil and gas company can reef that jacket.
DR. ASPER: Okay. Thank you for clearing that
up.
MR. BOSARGE: I have a question just for
clarification. How -- what's the furthest reef we have south
of here mileage-wise?
MR. CUEVAS: We have a reef in the south -- it's
not in the -- probably Main Pass 280.
MR. BOSARGE: Which is?
MR. COLLOTT: Sixty miles or so.
MR. CUEVAS: It's approximately 80 miles south
of Pascagoula.
MR. BOSARGE: With all the de-commissioning
that's taking place now, are there very many more rigs in the
pipeline to be reefed for Mississippi?
MR. CUEVAS: Right now, we don't have -- we have
under contract two. But I'm not sure when that's going to
happen because there are so many -- we're east of the river.
Most of this is coming out west of the river, Texas and
Louisiana, of course. And the Main Pass area, there's very few
older jackets. It's a relatively new area. So we're kind of
slow on this area. And it wouldn't behoove the State to
Mississippi to go west of the river to look for, you know, reef
and jackets over there.
MR. BOSARGE: So you're saying that we're not
going west of the river --
MR. CUEVAS: No, sir.
MR. BOSARGE: -- to reef jackets?
MR. CUEVAS: Right. We'll just stay east of the
river south of Mississippi.
MR. BOSARGE: Thank you.
DR. ASPER: Sorry to interrupt like that, but
that was something that we just needed to have cleared up so
we're all on the same page.
So continue with your report, please.
MR. CUEVAS: Thank you. This is a NOAA project
that the inshore state Department of Marine Resources obtained
from, of course, the RF.
We deployed five reefs toward the eastern side
of the State of Mississippi. This is our map of the inshore
reefs. You can see, we have inshore reefs from state line of
Alabama to state line of Louisiana. These reefs are there for
our inshore fishermen, wade fishermen, and pier fishermen.
They're located near boat ramps for fishermen that utilize our
small skiffs and such. They're located where wade fishermen
can and do fish, and our pier fishermen who don't have boats,
they can get on the pier and still fish on the reefs.
The first reef was the Pascagoula Reef Site 1.
We put approximately 900 cubic yards of fresh concrete. And
J.E. Boories won the contract with this. And they did a good
job to everything -- they did everything that we asked to
create the habitat and create in a manner that will last a long
time.
Our next one was Pascagoula front beach reef. Approximately 900 cubic yards there. And then this is the Pascagoula municipal pier reef. We only put 400 cubic yards there due to the area. It's a small area. And the Graveline reef, 900 cubic yards. This is one of the best reefs I hear from our fishermen on the Gulf Coast. A lot of people utilize this Graveline reef. And the Belle Fountain reef, another 900 cubic yards there. These are the five reefs. Approximately 4000 cubic yards of material was put on these reefs. And in March when the tide is a little bit better for them to get in with their tugs and their barges, we'll restart up in March and finish the rest of the 67. So we look forward to enhancing and restoring the rest of Mississippi's inshore reefs. Any questions?

DR. ASPER: The same shell is what you're going to put on that?

MR. GOLLOTT: Kerwin, just a quick question. Is the Katrina Reef, the one outside of Deer Island, in Jackson or Harrison County?

MR. CUEVAS: Harrison County. It's close, but it's in Harrison.

And we are going to utilize material from the NRDA project to around the Katrina Key to deploy some material more that's around there now.

MR. GOLLOTT: You know, I understand that there was an oyster reef in that area years ago before we did all of this. Is there a possibility that we could make a half-moon and put an oyster reef in the middle, a tonging reef or something, and could we look into that? Sounds like a good idea.

MR. CUEVAS: Yes, sir, we'd be glad to look into that for you:

I'd be glad to work with you. If you knew any historical data where the reef was, we can utilize our side scan and possibly look for it. And if permits allow, it's something we could do, I'll get with Dale and Mr. Guice and we'll do what we can do.

MR. GOLLOTT: Thank you.

DR. ASPER: Thank you, Kerwin.

MR. DIAZ: Thank you, Kerwin.

have a couple of staging sites throughout the Gulf Coast. And we will work with the contractor which sites he wants to do and, you know, as it gets in summer, people are going to be utilizing the reefs to fish in. So I'd like to get it, you know, before it's heavily used so we don't bother our fishermen.

MR. GOLLOTT: The reefs that are not around the piers, are they marked in any kind of way?

MR. CUEVAS: Yes, sir. We do mark them. They're marked with PVC poles with a sign. Sometimes people tie up to them. But we try to keep them up because most of your inshore fishermen -- not most -- some of your inshore fishermen, they don't utilize GISs on their small boats, so it's easier for them to see with a pole.

MR. GOLLOTT: Thank you.

MR. DRUMMOND: Kerwin, all these reefs in Jackson County, are they strictly shell reefs?

MR. CUEVAS: Yes, sir. They're all low profile limestone crushed concrete oyster reefs.

MR. DRUMMOND: Thank you.

DR. ASPER: And when you say this is a NRDA project, NRDA means Natural Resource Damage Assessment. The funding for that ultimately comes from BP?

MR. CUEVAS: Yes, sir. This is one of two Phase 1 projects. Scott has the other one from Mississippi.
1. I went back a month so you could see what the
2. Pearl River is doing. And as you can see, it's just been
3. steadily stair stepping upwards.
4. These little triangles below, this is the median
5. daily statistic over a 17 year period. So the Pearl River is
6. above what that 17 year average has been.
7. And to show you what it's forecast for the rest
8. of this week, they've got it forecast to go up to 17.7 feet,
9. which is just below the major flood stage of 18 feet and just
10. staying there. So we keep a watch on this.
11. And I thought it would be interesting just to
12. look at the past year what the Pearl River has done. Again,
13. these triangles on here that shows the median daily statistic,
14. and this is over a 14 year period. Largely, we are above that,
15. so this seems to be a wetter year. And generally slightly
16. wetter years, they tend to be conducive to good oyster
17. production.
18. So this looks good for the future. We don't
19. want to get too much fresh water, such as them opening up the
20. Bonnet Carre Spillway and killing a lot of oysters. But a good
21. steady supply of water is what is needed.
22. I wanted to tell you a couple other activities
23. that we have going on in the shellfish bureau.
24. The CONSERVATIONIST will be doing some
25. cultivation with bagless dredges. We're going to start in the
26. west first, and we are hoping to improve some of the conditions
27. with the hook mussel problem that we have.
28. And also later on closer to the spring to clean
29. shell that will make it more conducive to getting a successful
30. spat set.
31. We're in the process, and they had bid openings
32. about a week or two ago, for a spring NRDA cultch plant which
33. could exceed 1400 acres. This is a leftover fall cultch plant
34. plus an additional spring cultch plant.
35. That would be in excess or has the potential in
36. excess of 140,000 cubic yards of material. We are working with
37. the Mississippi Department of Environmental Quality on this.
38. We have an NQA with them to provide oversight and supervision
39. of the deployment process.
40. To put that 1400 acres into perspective, one
41. oyster restoration group in the Chesapeake Bay area reported
42. restoring of about 1400 acres over more than a 15 year period.
43. And I made the comment to some of the folks I believe this may
44. be one of the largest single cultch plantings ever. I don't
45. have any proof of that, but I haven't been able to find
46. anything that exceeded this. But it's going to be a very large
47. undertaking. And if you were looking at large barges that
48. would hold a thousand cubic yards of material, we're talking in
49. excess of 141, 142 bargeloads. So that's a pretty sizeable
50. undertaking.
The applicant is requesting a four year extension of an existing permit. The current project description as approved consists of a 500 room hotel, 2500 space multi-level parking garage, permanent mooring structures, a 216 by 15 foot pier, 450 linear feet of bulkhead, four mooring cussions, four entrance ramps, the dredging of 1500 cubic yards of material, and landscaped work includes porte cochere, 425 foot space parking area, continuance of a hotel and parking structure, road improvements to Boney Avenue, Bayshore Drive, and the I-110 Rodriguez Street interchange, construction of a sewer lift station, and a six inch force main from the casino to the D'Iberville sewage treatment plant.

Special conditions included in the original permit approved by the commission include that the non-water dependent footprint over the water be no greater than 24,135 square feet and also no greater than anything approved by the Secretary of State's Office.

The project should have minimal exterior lighting with no bright lights directed on or towards the bay so as to prevent disturbance to wildlife in the area.

Structures would have to comply with the Keeler Air Force Base height restriction of 170 feet. The permittee was required to submit $100,000 to the Mississippi Coastal Preserves Program.

And two wetland areas, one measuring 41,933 square feet and the other 9,699 square feet, were required to be restored and enhanced with Spartina alterniflora.

This is the project diagram. All the upland areas are the lighter white areas, and the bay is down here. And these areas are the Spartina alterniflora marsh enhancement and restoration areas.

On November 16, 2003, a permit application was submitted to DMR with the environmental impact statement. On January 20, 2004, the commission approved that permit with all work to be completed by January 20, 2007.

On April 17, 2007, the commission granted a two year extension of the permit until January 20, 2009. And on December 21, 2010, the commission granted a four year extension of the permit, one of which was retroactive until January 20, 2013.

Staff has conducted a thorough evaluation of the project and recommends that the commission approve the four year extension request with all work to be completed by January 19, 2017.

I know Mr. Terry Moran is here if you have questions for him. And I would also be happy to answer any questions.

MR. DRUMMOND: Jennifer, how many — is there a limit on the number of extensions that we can approve for this project?
Kara Vesa. I'll be giving the financial report today.

As of December 31, 2012, our budget was

$6,152,176. On the same date of December 31, we had spent

$3,818,011, leaving a remaining balance of $2,334,165.

And our tideland funds remain obligated for this
6 fiscal year.

Are there any questions?

DR. ASIFER: We have lots of questions, but I
9 think we're going to postpone those for now. We regret not
10 being better informed about the full financial picture of the
11 agency.

I believe we have a motion.

MR. BORGIE: Yes.

MR. GOLLOTT: We do, Mr. Chairman, at this time.

Mr. Chairman, it is apparent that the commission needs to
16 require that the executive director to be more forthcoming with
17 information regarding the executive director's day to day
18 operations for the Mississippi Department of Marine Resources.

Specifically, the commission needs to be
20 informed about employee decisions, especially contract
21 employees, land acquisition programs, and budget information.

The statute grants the executive director
23 authority over personnel matters, but the commission has
24 oversight of the department and the executive director. The
25 commission needs to be advised when the executive director

hires contract employees to be sure that there is a need for
2 the employees and the resources to pay the salaries.

The commission needs to be informed about land
4 acquisition programs to make sure that the programs are
5 justified and that the properties acquired serve the mission of
6 the Mississippi Department of Marine Resources and that the
7 properties will not be a drain on the department's resources.

Finally, the commission needs periodic updates
9 on the status of the budget from the executive director, and
10 the commission needs to be specifically informed as to whether
11 or not there are sufficient state funds available to meet the
12 operational costs of the Mississippi Department of Marine
13 Resources.

Therefore, I make the motion that the staff and
15 legal counsel review the commission's administrative handbook
16 and propose amendments to the duties of the executive director
17 to specifically require the executive director to report to the
18 commission on the matter that I just outlined.

DR. ASIFER: Is there a second to this motion?

MR. DRUMMOND: I second the motion.

DR. ASIFER: Just for clarification for the
22 public, we as a commission have not been involved in the day to
day management of the budget, and we have not been well
24 informed of how that budget is being handled. And that is
25 going to change. We are going to know as much as we possibly

can about it, not because our staff is incapable of doing it,
but simply because we are ultimately responsible for the
agency. Therefore, we need to be better informed.

So that's what the intention of this is, to
5 require more complete information. As you saw, Kara Vesa's
6 report covered just basically the state appropriation and the
7 money that we get from offshore vehicle taxes. It doesn't
8 cover any federal grants, it doesn't cover any of those things.
9 And we just feel that we need to be better informed. So that's
10 where this is coming from.

Is there any further discussion? Those in favor

And I believe at this point, Sandy would like to
13 address us.

MS. CHESNUT: Right. There have been
15 allegations recently that the department has wrongly denied
17 documents to the Sun Herald. And I just want to advise the
18 commission on that matter so that they will be fully informed
19 of what's going on.

The department has provided the Sun Herald
20 numerous documents pursuant to the public records request in a
timely and efficient manner. However, last week the department
23 was served a subpoena which was issued by the state auditor's
24 office and returnable to the grand jury.

This subpoena specifically mandated that the
25

records requested by the subpoena may not be released to any
other entity besides the state auditor's office.

To provide the requested documents to the Sun
Herald would have violated the terms of the subpoena and would
place the department in contempt of court pursuant to

Mississippi Code Annotated 13-7-2.

Furthermore, any individual that violates the
terms of a subpoena is subject to charges of obstruction of
justice by the state auditor's office.

Accordingly, pursuant to the terms of the
13 subpoena and upon the advice received from the state auditor's
12 office, the department's only course of action was to comply
13 with the subpoena and deny the release of records to the Sun
14 Herald.

If the Sun Herald chooses to do so, they may
16 challenge the validity of the state auditor's subpoena in a
17 proper forum. Until then, the department will comply with the
18 mandates of the subpoena, and requests for any documents
19 subject to the state auditor's subpoena will be denied.

DR. ASIFER: And I'll summarize that in one

sentence. We're caught between trying to not negatively impact
the investigation and want to, of course, comply with the
subpoena, but on the other hand, we want to be as open as
possible with all the information we have.

So our legal counsel is doing a really good job
of walking the fine line between those two demands.

And we're about to close the meeting. I just
want to remind you again that we as a commission are trying to
do our very best job to manage the resources for the State of
Mississippi and trying to do the very best job we can with the
agency. And we voted last December that if the media has
questions the point person should be myself. I will be the
person to answer any questions regarding our actions and
activities. Of course, you're always welcome to contact the
deputy director, as well.

With that, is there a motion to adjourn?

MR. DRUMMOND: I make a motion to adjourn.

MR. GULLOTT: I'll second.

DR. ASPER: We're adjourned.

(Meeting adjourned 9:55 a.m.)

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COMMISSION ON MARINE RESOURCES

COURT REPORTER'S CERTIFICATE

I, Norma Jean Lachere Soroe, Certified Shorthand
Reporter, do hereby certify that to the best of my skill and
ability I have reported the meeting of the Commission on Marine
Resources and that the foregoing 37 pages constitute a true and
correct transcription of said meeting held on the 15th day of
January 2013.

I do further certify that my certificate annexed
hereeto applies only to the original and certified transcript.
The undersigned assumes no responsibility for the accuracy of
any reproduced copies not made under my control and direction.
Witness my signature this the 29th day of January
2013.

[Signature]

NORMA JEAN LACHEERE SOROE, CSR #1297
Certified Shorthand Reporter