



North Carolina Department of Environment and Natural Resources

Pat McCrory
Governor

John E. Skvarla, III
Secretary

MEMORANDUM

TO: JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL OPERATIONS
The Honorable Thom Tillis, Speaker of the House of Representatives
The Honorable Phil Berger, President Pro Tempore

FROM: Neal Robbins
Director of Legislative Affairs

SUBJECT: N.C. Shellfish Rehabilitation Program Report
Division of Marine Fisheries

DATE: Oct. 1, 2014

Pursuant to Session Law 1997-443, the Division of Marine Fisheries shall report to the Joint Legislative Commission on Seafood and Aquaculture on the expenditure of Shellfish Rehabilitation Program funds annually, beginning Jan. 1, 1998. The report will now be presented to the Joint Legislative Commission on Governmental Operations since the Joint Legislative Committee on Seafood and Aquaculture was eliminated in Session Law 2011-291.

If you have any questions or need additional information, please contact me by phone at 919-707-8618 or via email at Neal.Robbins@ncdenr.gov.

cc: Assistant Secretary Brad Ives
Division of Marine Fisheries Director Louis Daniel
Deputy Director of Legislative Affairs Carr McLamb



Division of Marine Fisheries Shellfish Rehabilitation Program 2014 Annual Legislative Report

Each year, the Division of Marine Fisheries is required to report to the Joint Legislative Commission on Government Operations on the purchases and expenditures of the state's Shellfish Rehabilitation Program. Following is a report covering the 2013 activities.

Cultch Planting Activities - Oyster shell and marl are "planted" in coastal waters identified as prime shellfish-growing areas to promote oyster growth and enhance habitat. The division purchases shell from vendors for cultch planting activities.

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| • Cultch Material (purchase and transportation) | \$ 125,167.58 |
| • Salaries and personnel | \$ 899,998.29 |
| • Operations, support equipment, and sampling programs | \$ 542,604.44 |
| TOTAL PROGRAM EXPENDITURES | \$1,567,770.31 |

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|-----------------------------|------------------------|
| • Purchased oyster shells | 89,137 bushels |
| • Recycled oyster shells | 26,049 bushels |
| • Purchased #4 marl | <u>45,041 bushels</u> |
| TOTAL CULTCH PLANTED | 160,227 BUSHELS |

Oyster Sanctuaries – Sanctuaries are created by building reefs on previously viable oyster producing sites. Reefs are constructed with a combination of Class B rip-rap marl, processed recycled concrete and /or precast concrete materials. These reefs serve as habitat that attract native oyster larvae, as well as clams, juvenile finfish, crabs and marine organisms, which in turn attract larger fish, enhancing hook-and-line fishing. Harvest of oysters and the use of bottom-disturbing gear are prohibited in the sanctuaries, allowing a brood stock of oysters to develop. Spawn from this brood stock is carried by tides throughout North Carolina's coastal waters, enhancing oyster populations.

Currently, 12 oyster sanctuaries are located in estuarine waters from Dare to Carteret counties. This is the eighth year of operation under the Oyster Sanctuary Program. The program is supported by state appropriations, grants, and cooperative agreements.

In 2009, the Marine Fisheries and Wildlife Resources commissions approved a Coastal Recreational Fishing License Grant to build a Coastal Fishing Reef/Oyster Sanctuary to enhance recreational fishing opportunities in the Pamlico Sound. The project, the Gibbs Shoal Oyster Sanctuary, was completed in June 2013.

The Oyster Sanctuary program was awarded a Coastal Recreational Fishing License grant in 2012 to build three Inshore Fishing/Oyster Reefs. Raccoon Island Sanctuary was completed during the fall of 2013. The remaining two reefs are proposed for areas near Pea Island in Pamlico Sound and in the Cape Fear River and are scheduled for completion in 2014.

As mitigation for reopening the Long Shoal Bombing Range, The Department of the Navy (DON) and The Nature Conservancy (TNC) jointly funded Long Shoal Sanctuary. That project was completed in December 2013.

Albemarle-Pamlico National Estuary Partnership (APNEP) provided funding for enhancement of West Bluff sanctuary, which was conducted in June 2013.

Croatan Sound Sanctuary was enhanced in December 2013 with Marine Fisheries Commission Conservation Funds (mitigation).

2013 Oyster Sanctuary activities created 16.4 acres of habitat. The following information outlines development and material expenditures for 2013 Oyster Sanctuary program projects:

Raccoon Island (7 acres)

- Purchased 1169 Ultra Balls \$ 374,080.00
- Deployed 1169 Ultra Balls in Sept. - Oct. 2013..... 80 Grids
- Funding Source: CRFL

Long Shoal (6.6 acres)

- Site Marking (Contracted)..... \$ 44,475.00
- Purchased 880 Ultra Balls (DON) \$ 281,660.00
 - TNC Purchased 264 Ultra Balls
- Deployed 1124 Ultra Balls in July - Sept 2013 52 Grids
- Funding Source: DON, TNC

West Bluff (1.25 acres)

- Purchased 10 Ultra Balls, 75 Pallet Balls, 125 Bay Balls in May - June 2013 . \$ 34,075.00
- Deployed 10 Ultra Balls, 75 Pallet Balls, 125 Bay Balls in June 2013..... 10 Grids
- Funding Source: APNEP

Croatan Sound (1.55 acres)

- Purchased 290 Pallet Balls in May - Aug. 2013..... \$ 63,800.00
- Deployed 290 Pallet Balls in Dec. 2013..... 12 Grids
- Funding Source:.....MFC Conservation Fund/Mitigation

Oyster Shell Recycling – The division collects oyster shells from individuals, businesses and festivals and places them in hand-harvest areas to help rebuild oyster stocks. These shells, which historically were considered garbage, or were used for landscaping purposes, now go back into our coastal waters to help produce more oysters. In 2013, a total of 31,418 bushels of oyster shell were donated to the division and tax credits were issued for 14,004 bushels.

2014 Operations

The proposed enhancement activities will continue to incorporate the recommendations of the Oyster Fishery Management Plan as follows:

- The division will continue to hold and encourage participation in cultch planting meetings and incorporate input into enhancement activities to minimize effects of management actions.
- The existing policy to limit the number of new planting sites to 30 per year in the northern area has been formalized and will continue to be used.

- The Oyster Sanctuary Program will continue by making deployments on existing and new oyster sanctuaries, monitoring existing sanctuary structures, and investigating new locations for program expansion. Permitting and construction are planned for the Pea Island site and site selection and permitting are planned for the Cape Fear River project.

Future funding will be sought through grants and cooperative projects.

Projected 2013-14 Expenditures:

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|---|--------------------|
| ○ Cultch 220,000 bushels | \$ 374,000 |
| ○ Pea Island Reef/Oyster Sanctuary(CRFL-Funded) | \$ 487,586 |
| ○ Salaries and personnel | \$ 831,915 |
| ○ Operations | \$ 367,344 |
| PROJECTED TOTAL PROGRAM EXPENDITURES | \$2,060,845 |