



Southern Maryland Agricultural Development Commission

Thursday, September 5, 2024

Approved – Minutes

Microsoft Teams

- SMADC Members:** Mary Wood, Lucille Walker, Senator Jack Bailey, Delegate Gary Simmons, Joan Bearden, Edward Goodman, Bill Hitte, Linda Jones, Brian Russell, Dan Rider, Russell Shlagel, Tresor Thomas, Deana Tice, Jamie Tiralla, Commissioner 'BJ' Bowling,
- Non-Voting Members:** Steve Connelly, Priscilla Leitch, Caroline Trossbach, Steve Wall, Sydney Garner, Charles Sasscer III
- Members Absent:** Delegate Brian Crosby, Senator Michael Jackson, Willie Goddard, Karl Shlagel, Jennifer David, Shelley Garrett, Dan Donohue, Elizabeth Robinson,
- Staff:** John Hartline, Shelby Watson Hampton, Craig Sewell, Heather Hulsey, Kelley Koeppen, Rachel Norris, Kelly Swann, Sophia Brauns, Sabrina Dobbins, Terri Wright Gresholm
- Guests:** Joseph Milone- Agricultural Programs Manager, Department of Commerce

Minutes

Chairwoman Mary Wood called for a motion to approve the minutes for July 11, 2024. Lucille Walker made a motion to approve the minutes and Joan Bearden seconded the motion. All approved.

Staff Program Reports

MMM Team- It's peak farmers market season for Maryland and MMM so the food access team is working with access points to transition to FY 2025. We have added new access points like Trossbach Produce and Eco City Farms just to name a few and distribute incentives to all participating markets. SMADC is also providing technical and marketing assistance to support Southern Maryland WIC pop ups, a new farmers market on Bryan's Road, and a new farmers market at TCC headquarters organized by SMECO. MMM e-Incentives switched technology platforms, the new platform is the Healthy Together app which is the same app contracted by MDA to launch the electronic Farmers Market Nutrition Program (eFMNP).

Food Access- Our team is still working with the community refrigerator project. There is still lots of activity at the one in La Plata and second one should open soon in Waldorf. The food access team is working on a new site for a SoMD fridge/freezer at the Lifestream Church of the Nazarene in Waldorf. The church will serve as a site for a Thanksgiving turkey/food box giveaway initiative on November 22nd. We are also working with LifeStyles of Maryland and all the local food pantries in Charles County that were lacking fresh food. The team is also onboarding 5 new Community Schools, totaling 10 new SoMD Fridge / Family Markets participating in Charles County.



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Buy Local Challenge 2024: BLC was a remarkable success. We had over eight hundred people attend. We would like to thank all our sponsors and everyone that had a hand in this to make it a successful event. We had over ten organizations that help sponsor the event and we raised over \$7100.00. We appreciate everyone who supported the BLC.

Maryland Farm Link: The mentor match program plans to be renewed starting with an informational workshop/meet and greet on Tuesday September 10th from 5-8 pm. This workshop's cost is \$15 for individuals interested in becoming a mentee and free for those interested in becoming a mentor. Solicitation of mentors has begun and has been published for experienced farmers. The goal of the mentor match program is to match new and beginning farmers(mentees) with an experienced farmer (mentor). Through these relationships, the mentor provides knowledge and resources on how to grow and run a successful farming operation to the mentee.

SMILE Show Budget Increase Request - We spoke about increasing the sponsorship request from \$12,000 to \$15,000. Jay Farrell who coordinates the SMILE program is requesting \$20,000. They have received a lot more inquiries and youth participation. The funds are used for youth activities and awards. **Motion to Discuss approved by Joan Bearden and seconded by Deana Tice.**

It's a program that helps to raise new generations of farmers, by starting children out with projects where they can succeed and have fun at the same time. It's been wildly popular and growing every year since it started, and Jay Farrell has done an absolute outstanding job in developing the program.

Motion passes and we will increase the allocation to smile to \$20,000, for the next season.

Regional Agricultural Center (RAC)

Shelby opens up the discussion about the Regional Agricultural Center.

Shelby: Regional Agricultural Center or the RAC as it is known. A lot has happened in the last 7 years. This project has gone to the Forefront that a lot of us have been working on a lot has happened in the last 6 months and even in the last 4 to 6 weeks.

Mary: I was hoping that we would have a brief update from Craig, but I will do my best to give you all some information on where we are, and what the business of today entails. It's been six and a half years since we started this. We signed the first agreement with St Mary's County government in July of 2019. We gave them 1 million dollars at that point to build what we thought was going to be a 2-million-dollar building. That money has been sitting in St Mary's bank account I guess all these years earning interest, but they have been spending it. They have been spending their own money as well but also spending our money developing a plan and a design for the building. All those things cost. Craig's estimate is that they have spent probably one third to one half of a million dollars we have provided so far. What we have gotten for that spending is a lesson in patience and not much more than that. At this point the cost of the building has jumped over 8 million dollars according to cost estimates that were done by a contract company hired by the county. These are not bid numbers. These are estimated cost numbers. Just recently John, Shelby and Craig presented to St Mary's County along with Public Works director on the two options that were available for the rack project. First project RAC 1.0, we've been working on for 6 and 1/2 years and trying to find money to complete.



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(Mary Cont.): The second option was RAC 2.0 which was the use of an existing store front or what used to be the McKay's grocery store building in Charlotte Hall. Some at SMADC thought RAC 2.0 was the best of the two options. It was faster, it was cheaper, and it had most of everything there that we needed. It is an older building but the building itself was good and the owners had agreed to replace all the refrigerated areas and the rooftop air conditioning and bring the building up to ideal standards. When Shelby, John and Craig presented, St. Mary's County Commissioners they commented that they had really no interest in leasing a building. They preferred to own whatever it is they were going to do project wise. Following that meeting, the executive committee of Tri-County Council, which is our primary agent that we are a part of, voted to eliminate rack 2.0 building from consideration in this project. What we have left is RAC 1.0, the new build. Where the cost escalated from 2 million to 8 million dollars. There is not 8 million dollars to build that building. The County Commissioners noted at that same presentation that they were not willing to contribute one more penny to that project. So where does that leave us? That leaves us six and a half years into this project. We have to decide where we're going to go on this. We could build part of the building with the money we have. The counties putting in money. There would be some outside money if we used it within the correct time frame. We have the money that we've contributed and some additional money we were able to come up with. It's still not enough. If we take that money and build part of the building, Craig is adamant in his studies and his research. All the work that he's done. All these years, for the rack facility to be financially self-supporting all the pieces of the rack need to be in place. If we build one little piece of the building and put one piece of the project in there, we must ask ourselves "Are we setting this up to fail, can it be self-supporting in one piece?" The answer is no.

We have a working committee for the RAC project. It consists of the executive director from Tri-County Council, Chair and Vice Chair from SMADC, Eddie Bowling to serve as livestock resource, Bill Hitty serves as our small business resource, and then Shelby and Craig representing staff from SMADC that makes up the committee. The committee met, and we've been over this and over this and over this for years. Each time we think we're very close, something happens that sets us back. The committee made the recommendation at this last meeting to recommend to SMADC that we withdraw from the agreement with St Mary's County. Try to recoup what money we can. Take a step back and rethink what we're doing to see if we want to start over on a new path or if we want to recommit what money is there to other agricultural processes. We need a vote on this because we are not the decision makers, and the commission is not the decision maker either. What you would be voting on today is to take the working group recommendation and forward it on to the Tri-County Council. They along with St Mary's County government are the decision makers on this project.

So, what we have is a motion and it reads:

"It is the recommendation of the rack working committee that the MOU Agreement between Tri-County Council SMADC and the St Mary's County government to construct a Regional Agricultural Center be given a mutual and amicable dissolution. Further, it is recommended that this action include a mutual and amicable division and return of the money provided to St Mary's County Government by the Tri-County Council and SMADC for the RAC and finally, that a joint press release be drafted and approved by both parties explaining this situation to the general public."

Who have been so patient and waited so long for this RAC project to be completed. On a final note, separate from the motion the working committee also recommended that any funds that be returned to SMADC from St Mary's County Government be put on a temporary hold until such time as SMADC/TCC have had appropriate opportunities to plan for their best use.



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(Mary Cont.) With that we will open this up for discussion and then later a vote. First, I want to say to anybody who is still at this meeting who is not a voting member of the commission, this action that we take today concerns voting members only. You're welcome to stay you're welcome to listen but you are here as an observer not as a participant in this discussion or decision making. Will open it up to any of the members who have questions about this, or comments about this before we move on to the vote.

Full disclosure about this, I have had an opportunity to hear from someone within St Mary's County Government who does not agree that rack is all but dead or dying. I don't know what that means. I don't know where that would take us at this point. We are dealing strictly with the recommendation of the RAC working committee.

Chris Kaselemis: I don't know if Mr. Weiskopf wants to speak, I would just say in terms of the comment from your chair about nothing to show. We do have approved plans. I'm not arguing that it didn't take us a long time to get there because there were changes and there were funding shortfalls. But we do have approved plans now and the other thing, the directions from our County was to have SMADC go out and ask the other four counties of SMADC to participate financially. I don't know that that's happened. I mean it was supposed to be a Regional Ag Center and St Mary's County was the only one I think that was asked to provide funding. So that was another piece of direction. One final comment in terms of Shoppers, Ms. Woods stated, it's faster and cheaper. I don't think we ever actually got a cost on what it would entail to get the Shoppers in order, and I think our commissioners were clear that they didn't want to go that big. They thought to keep it to meat processing the original intent. They wanted to stick with that. It was a little bit it wasn't really Apples to Apples comparison for our commissioners. I don't know if Mr. Weiskopf has anything to add.

David Weiskopf: I just jumped on so feel like I'm sort of in the middle. My understanding is that a vote is about to happen. I know we were looking at different options. I know Jim Gotch was looking at shrinking it and seeing what the bare minimum was required. I don't know where that's gone or how long that'll take.

Chris Kaselemis: Our commissioners were clear that they didn't want to put any more money into it. In terms of the cost, estimates going up absolutely true. I mean it is what it is. If you go out and ask professionals what the cost is to build this footprint with the approved plans, they tell you that's what it is. So, I don't know. You can put blame on anybody for that and it seems like we're getting a little bit of blame for that, but the cost is the cost and if there's another alternative, the counties probably open to that.

Mary: I don't think we mean to imply blame here. The issue is that we have to deal with the reality of our situation. And our situation is not really taking us to the place where we need this project to be in order for it to be successful and do what our livestock producers need it to do. So, it's not a matter of blame, it's a matter of making the best out of a less than perfect situation.

Chris Kaselemis: I understand.

Shelby: If I can have added one point of clarification too. We came back from the meeting with Saint Mary's County Commissioners, and they made clear their thoughts. Chris followed up with an email, so we have that. The Tri-County Council executive board who we are under then had their meeting and they decided that based on that meeting with the Commissioners and the follow-up email that option 2.0 that we have been calling which was the Shoppers/McKay's was taken off the table on our end. So that was a joint decision. At that point it was asked that staff, Ms. Mary and Ms. Lucille take this back to the RAC working group get their recommendation on how we want to present the update to the



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(Shelby Cont.) commission. Then have you guys vote on your recommendation moving forward. As Miss Mary said you're the commission members you get to decide where this goes but your recommendation will bounce back to the Tri-County Council executive board for their next meeting to decide what they want to do with your recommendation. It will be the Tri-County Council executive board & St. Mary's County who eventually decide. But you all have skin in this game obviously and it's important to have your thoughts and recommendations noted.

Mary: Commission members, please keep in mind that this recommendation that is being made by the working group for your action you can vote to approve. You can vote to reject the recommendation. You can vote to amend the recommendation. You can vote to take no action on the recommendation. We're taking it from the working group to the commission so that we can get on a path forward of some kind to make a final recommendation from the commission to Tri-County Council. The Tri-County Council is our decision maker. Not us.

Motion to Open up for Discussion was seconded by Commissioner Bowling

Ms. Mary opened the meeting up for questions or comments.

Steve: Just want to give everybody heads up, that of course I am not a voting member Ex Officio member. But the fact that the Commerce Rural of Maryland funded over \$1 million dollars is going into this project. If this vote was to move forward and the decision would be to move forward, then this money would have to be moved to another initiative. It just can't sit there and wait upon you know further evaluation of this project. It has to be spent so just as a heads up when you make this vote, know over a million dollars that came out of Commerce Rural of Maryland is going to be lost towards this project and that's really all I need to comment about.

Shelby: I have a question. I believe you and Mr. Hartline have worked on this together. Was there a request made to extend the timeline for the RAC project if the rack were to move forward that funding has a year from now to be expended?

Steve: As long that there is a solid project yes. But I believe that if this decision were to come forward and that I can't speak 100% for my management. If they were to understand what this letter is saying that I believe that the decision would be made to take those funds and put it towards something else.

Shelby: Of course, We don't want to say we can do a project keep the 1 million and a default on it a year.

Steve: We have to have something solid and we have to spend this money. We would need something like in this situation that the money would go back to sort of a limbo land. So just want you guys to keep in mind that it's a good chunk of money that's going to be lost.

Bill Hitte: When was this originally approved? Fy21-22?

Steve: I believe it was 23. John is the one that's handling the Rural Maryland funds to the Tri-County Council from Commerce. I believe he can probably comment more on the timeline associated with those funds being approved.



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John: We signed an agreement with Commerce back in October of 2022. At that time, we had allocated about 1.2 million. Since that time through projects that have been canceled or regional projects that have come in under budget we then have allocated additional funds. Right now, we have approval to spend roughly one and a half million dollars, but the money has to be spent under the current program by the end of 2025. The problem is that it's allocated for construction and for the equipment and there's no way we're going to buy the equipment before the building's done. We won't be in that building by right now by December 2025. Our choice at the executive board would be to reallocate those funds to projects that are still in play and underway and are meeting their deadlines. If it were put into limbo land that wouldn't qualify, we would reallocate the funds. That's my opinion. I haven't talked to each board member. That would happen at the next meeting.

Commissioner Bowling: I appreciate all the work you put in. I don't think anybody believes that either SMADC intent or St Mary's who I have to say thank you because they took the ball with this and ran with it was ill intended. I think that we're at a point now where we need to Pivot and adjust to what it is right now. As a producer and a commissioner. I'm going to try to speak as a producer. From that standpoint, the meat market is flourishing. I mean it is doing very well. The challenge that I have found in a lot of other producers have found has been refrigeration and access to a reasonable timeline. Now I will say that the Amish as far as the kill process and hanging process are great. They're close, they get it done but the final product that they come out with sometimes has a little more to be desired. You don't necessarily get the best cuts out of it and sometimes the wrapping isn't as good. It's hard to provide a good product to our customers. So, from that end, I mean I think that some alternatives to them and I don't know how we can spend the money or if we could maybe you know get Refrigeration units whether it's Refrigeration or freezer units for individual producers. Or to support some up-and-coming private shops through Grant programs. I know there's a one in St Mary's is trying to get up and running. I mean I don't think anybody has had bad intent here, but I think it's been a long process that unfortunately has got us to the point we are right now. I think people just want it to be successful and taking input from producers is probably the best way to move forward because there's a lot of opportunity. I'll be honest with you we're making a lot off of a 600 lb. steer. We send it to the market and we're making a ton of money. So even selling a 600 lb. steer to be honest from a cow producer to local people that have the time and energy to do those local farmers markets. They feed them out and then they send them to the Butcher. They can say it's all local cow. I think just needs to be pivoted and there's no blaming again. I thank Saint Mary's because you know it's tough to take that big nut and try to make it work. We just found challenges. When the government gets involved, it inflates the expensive things sometimes you might be better off just you know investing in the private sector. That's my two cents and I'm willing to sit back and listen and try to come up with solutions.



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Mary: Thank you, Commissioner. The one thing that we don't talk very much about, that according to the studies and according to Craig who has done the studies and done all the leg work and done all the investigation and spent years in this project is that the future of the beef industry for southern Maryland, a big part of it lies outside the boundaries of Southern Maryland. It's not just a matter of processing beef and selling it's at a local farmers market. It's getting beyond the boundaries. It's getting to high-end restaurants and getting it to delicatessens it's getting to big volume institutions that want local product. Schools, jails and whatever is out there that is looking for this product. An individual producer would struggle and likely not succeed in trying to do that on their own. If we can aggregate product and deal beyond the boundaries of our own region then the industry grows and what we have put in place through the RAC facility and the RAC services, and the RAC resources sets up future generations of meat producers to be more profitable than those of us who are doing it today. That was what the RAC was going to do for Southern Maryland Meats. It's not a matter of giving a producer a freezer and telling them to go to the Farmers Market. Those things are good, and they work. It's happening right now, and people are making money, and consumers are getting local products. People are happy but that is today's agriculture. What the RAC is talking about is the future of agriculture. See the bigger picture to understand the goal here. We're six and a half years in and we're no closer to the goal really than we were when we started.

Chris Kaselemis: I'm not here to influence your vote in one way or the other but I did pull out the MOA that we have with SMADC. Just for information purposes. There is a provision that if SMADC terminates the MOU it does say if less than 3 million dollars has been expended the county shall return 360,000 dollars of SMADC funds. I think Mary said that Craig thought we'd spend about a third of the million dollars. I don't know the figure but that's just wanted to make sure people knew that the provision is in the agreement.

Joan: I wanted to bring up a couple of points. Did we say that Senator Bailey was here on the meeting? I was hesitant to recommend a voting on this without our legislative voting members to be present. The second thing was I wanted to put in a note from the consumer side. I was very excited about this project because I thought that it would give opportunity to the consumers in getting different product than they get from a cut up beef. Mary Jo said it very well you get that I have a lot of roast in my freezer because I buy the whole cow but the opportunity to have exactly what I might want from that cow to me is very valuable.

Shelby: I would also like to interject that; this has been put on the floor for discussions. Ms. Mary Wood and Ms. Lucille and other voting members, you have the option to vote today, not vote today, or decide to wait. This is an open discussion about the RAC working group suggestion. If you feel like today is not the day for the vote, then we can kick it back to our chair and vice chair. Senator Bailey since you joined would you like to speak to everyone?



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Senator Bailey: Good Morning Everyone! I just wanted to say first off, that sorry that I was a little late this morning. I had some other obligations. I did want to weigh in on this decision and just tell you that, I'm really disappointed with the recommendation, but I am really disappointed. It appears to me and some regards and it's easy to blame different people and in this situation. It's almost like when we look at the future that when we deal with County governments, they can't see the forest for the trees. It's just really frustrating because we run into that situation. Our office is committed as we have been to this project. We will remain committed to it because I think that what it offers to the public and to the future is something that is not available. It is something when we look at the things that SMADC is doing and the way that the state government has accepted and moving forward, it's the future of agriculture. Southern Maryland has always been a leader in a lot of agricultural related topics. I thought that this was a good way for us to be the leader again and it's just disappointing to see the roadblocks and the amount of hard work that we've had to overcome to get to this point. I understand the discussion that we had about the problems dealing with McKay's and there were a lot of valid concerns. But at the same time go ahead and scrap the project. I mean just about a year ago we were taking pictures of what was then to be a groundbreaking. If the county doesn't want the RAC, then they should just come right out and say it. But if that was the case, they shouldn't have bid on it. I would like to hear from some other people and our office is staying committed to our farmers and Southern Maryland. Thank you so much.

Del. Simmons: Thank you, Shelby! I appreciate the abundance of information that's provided. I do think it's kind of heart wrenching knowing the hard work that this committee and so many others have contributed to the success of this project and to know that over years of trying to get it done and the setbacks that have occurred. I too agree with the Senator in a sense of supporting Southern Maryland farmers and the best outcome. I think is what we're all here about. So, whatever that takes and whatever that looks like I think should be our focus point of this committee and this working body. To make sure we continue to stand up for the best product for the residents and the farmers of Southern Maryland and not rush through a project that's set to fail. So I think this definitely is due to some reconsideration on how we move forward so thank you and we look forward to standing by you.

Craig: The commission has heard from me several times over the last few years. Our commitment has been unwavering the entire time. I think the way I have put it in the last couple of meetings to the executive committee and this commission if that in my view we've run out of track and the brick wall that I see in front of us is the following. The last estimate that was given to us and presented to the St. Mary's County Commission at their meeting that was two weeks ago was 8.2 million dollars. That is being taken as the as the given for what this facility would cost us. In the best of accounting ways, we have roughly 6 million dollars between St Mary's and us to contribute to this to this project so that is 2.2-million-dollar short fall. Now that's important in several different ways. That is the benchmark figure that St Mary's County needs that money in hand before it actually goes out to bid for construction bid. Now there was some discussion that they may have to do that; they may not have to do that; they may be able to send it up for construction without having all the money in hand. I'm not sure personally if that was totally confirmed. Confirmed I believe it's probably sound however so they would need an additional 2.2 million dollars to be able to send it out for a construction bid. The recommendation that was made to us was for SMADC to go out to the remaining four counties and ask them to contribute to that fund so that's roughly \$600,000 per county. Before we left the meeting, where that was actually proposed one of the counties said, "That was ridiculous." They're not going to put up that amount of money up themselves. Anyway, which pretty much in my opinion killed. That deal seemed to be the requirements that St Mary's wanted additional buy-in from the other counties. In that case then I think that we have reached the brick wall. And unfortunate as that may sound, I think it is in fact the reality of this project. Now there are ways for us to make a path



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(Craig Cont.) forward from this. I would be more than happy to lay it out at some time in the future. Senator Bailey, it includes your help. For SMADC to be able to continue to undertake big projects. Certain regulations within the Comar that we live under which is the TCC, need to be addressed so that SMADC would be able to pursue options to do bigger things and not have to worry about some of the small things and other things that are limiting us. So, Mary, as we have discussed, I think that this project in my opinion and as unfortunate and as tragic as this sounds, we have reached our brick wall. So those are my comments.

Mary: We respect your thoughts and your work on the project. If there's anybody who knows this project inside out and upside down, it's you. It's your project. The sadness of this kind gets to all of us at some point. Everybody has worked so hard and so long and we all recognize the need for this facility. We all recognize the value of this facility. As we look to the future of Agriculture and our region, we just can't seem to make it go for some reason. I don't know if it's in the wrong place. I don't know if we've taken the wrong approach to it. I don't know if we should be in the private sector instead of the government sector. I don't know what's wrong here. I only know that we can't, despite our best efforts we cannot make this thing work. I think it's time to stop, regroup, take a step back, take a deep breath and rethink this thing. I don't think we should abandon it. It's too important to agriculture in southern Maryland, our livestock, and producers many of them not all of them but many of them I would even dare to say most of them. I have been looking forward to this if you read the recent article in the Delmarva Farmer about a similar project that's just flying with wings on the Eastern Shore and will be in full operation soon. What does it say? 50% of his business comes from the western shore and Southern Maryland. Why in the hell are we taking our animals and our time to Pennsylvania, Virginia and the Eastern Shore when we could have the exact same service for our Farmers right here? We've got the know-how, we thought we had the money, we had the RFP. Everything but it still didn't go. How long do we beat on this dead horse before we stop and rethink what we're doing and take a new pair towards success for it? I don't know the answer to that. Do we keep doing what we're doing? You know what the definition of insanity or stupidity is when you keep doing the same thing over and over and over and over expecting a different result.

Senator Bailey: I'm just going to be really candid and caution the board about the fact to think that you walk away from money on the table, and you look at the future of the state budget and think that it's going to be easy to get money back. The future of the state budget is definitely in jeopardy right at the moment for additional projects. So, when you say well, we just walk away right understand that that I know things are frustrating but I just you know it's the decision. Taking a vote today where everybody says well, we just walk away from this project because of some frustration is giving money back that is going to be extremely challenging. You know it was challenging to get money versus some of the other things that happened in the state when we had a surplus. We have a significant deficit that we are looking at. To say well okay now we're going to have a bigger project. We're going to come back with the justification, but we couldn't make it work last time is going to be a challenge to say the least. Craig, how much money did the other four other counties commitment? Where did we fall short in that? Or because one county said no that, we just stopped and didn't ask anything else?



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Craig: One county said that they didn't want to do it. So that would have clearly increased the amount for other counties to contribute. The consensus among the group is that amount of money would be another couple hundred thousand dollars. In the current state of county economics would send everyone scrambling to complete you know blueprint stuff and all the rest of that. The discussion has been that going to another County and asking for quarter million dollars for a project that's taking this long and we haven't turned into ground yet is would be a non-starter. To directly answer your question, we haven't gone to Charles County and ask for three quarters of the million dollars for this. So no we have not done that yet.

Senator Bailey: So you haven't asked any of the other counties? You just heard from one county that they were not interested in putting money in but you haven't asked the other ones ?

Craig: The one that said no was it was a significant no.

Mary: Craig, can I interject here? I had just a very brief unofficial conversation with one of the other counties who said if you come and ask for a small amount of money, I may be able to find something but if you asked me for a half a million dollars the answer is no. Now that is not official, but it was said.

Senator Bailey: So I'm just going to say that that as we work on budgeting and things of that magnitude, this should not be an unofficial. This needs to be an official request to each County. Then we need to have a discussion with their legislators to say this is the issue and this is what your county said. I mean just having an informal discussion and then turning around and saying well we scrapped the project because of what this person said without making it completely public is short circuiting the whole process. We should be following through with exactly what it is when we're looking for the future.

Shelby: Out of the five counties that Southern Maryland serves, two have said they're not giving any money three others have not yet been asked. You all as a voting commission can decide today that you want to do the official asking. This goes to the Tri-County Council level. That means Mr. Hartline's level and to the executive board level which Commissioner Bowling sits on, and I do believe Commissioner Hance might still be with us as well so your recommendation from here if this is what we decide on we'll go up to that level. and It will be up to them to ask for additional funds and of course the support from staff. But the decision has to be made at the executive TCC board meeting.

Senator Bailey: So, Shelby let me get this straight, decided a while ago that we did not have the money that we needed? We needed \$2 million dollars and then moved forward. We never had a motion to ask other people. We just call around and just asked to see if we could do it. We clearly need a motion to move forward officially.

Shelby: We do. All these conversations are happening like within the last couple days to the last couple weeks or so. We're trying to follow an order of operations. It was given to us by the TCC executive board that we bring this RAC working group recommendation to the to the SMADC voting members to decide how to go forth. This was the RAC working groups suggestion. You all could take that or leave that or change it. So yes and putting a motion forward to ask for more money from the counties is what you want to do that's what we will send to the TCC executive board.



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Joan: Jack really asked my question I was going to ask about the five counties and if they had been asked. I would like to make a recommendation that we do officially ask the other counties you know maybe addressing the shortfall and where the counties coming in and you know bring that back to St. Mary's and see what we're left with.

BJ Bowling: Sorry good afternoon, everybody so I'm sorry so just to be clear up you're correct I know commissioner Patterson sat on this committee a year or two before I came back. Charles County was never officially asked Because that's something that should probably have come through our budget process. I would have been more than happy to put in either a fund balance request or a budget item. That needs to become official so that I can present that to my board and say that this is a request. Now it's outside of our budget year but it doesn't mean we can't do it. It just means it makes it a little more challenging. I would like to try that. My hesitation comes a lot because St Mary's has burdened a lot of this, and I don't want to come at St Mary's who's trying to make a good effort. If we're all equal Partners in five member counties SMADC who is refusing to participate? That's to me is significant because they're going to benefit from this program. I mean I'm not trying to put anybody out there, but I think that's worth noting so maybe we is other elected officials can go advocate to this these other counties as to why this is important.

Shelby: I would like to just add an appointment clarification for Senator Bailey as well it was just 2 weeks ago that the St Mary's County Commissioners asked us to consider going out to other counties for the money at their commission meeting on that Tuesday. In that time, we've had all these meetings the executive board meeting, RAC working group meeting and this meeting. So, it's only really been recently that the firm idea of asking the other counties to contribute money has happened so like the last two weeks. We haven't had a chance to do anything official and again your recommendation from SMADC has to go to the TCC executive board and then they would make the recommendation to the counties. So yes would love to make that happen if that is what this group decides. I do think that Miss Mary was alluding to Senator Bailey is that the discussions that have been happening. There's just been tension and not a lot of anecdotal joy for asking for additional money. We can definitely do it. Maybe we will be lucky for it and maybe if the project has multiple Champions and multiple counties including those of the legislative level, I will be better suited for that County ask.

Bowling: And I'll tell you Shelby just from a producer perspective well first as a commissioner don't feel bad about asking for money. Everybody and their brother does it all the time. We get emails all the time it's just it's the way things work. Second, from a producer standpoint I don't not want to see the RAC successful. I do want to see it successful. I understand where Craig is coming from with all the auxiliary things. are things that need to help make it a viable thing that pays for yourself moving forward. I can tell you just for the couple times I've been over to Settlers Ville, it seems like they're making things work. I noticed a little bit different dynamic, but they literally are a very small building with minimal. I mean it sounds like we're doing a lot more is what I mean I don't have a problem with that, but I think that's where the frustration is coming that there's just nothing that you know I know there's some plans that have been done but there's just something needs to happen. I guess you all don't feel comfortable telling me what counties absolutely refuse to participate because that is a little disheartening they won't even have a conversation in a formal format or is that just one liter in that county saying I just refused to participate in this.



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Shelby: It was an informal conversation with a leader from that County. I would suggest that if we are going forward to ask all the other four counties for money officially, then it would go through official channels each time to ensure that each county would get the same ask.

Bowling: How much are we talking about officially?

Shelby: Well see that's the interesting thing. This keeps climbing. Every time we go back into the plans and every time we go back to potential bid process, it keeps getting more and more. Right now it's a little over 2 million I think.

John: 440,000 if each county was to participate to equal to 2.2 million dollars

Bowling: I can say from our County that doesn't sound unreasonable. That's just one commissioner, but what I've seen through our budget that doesn't sound unreasonable for something like this. Thank you

Bill: As a member of this RAC committee, also we were aware of what Chris talked about with the first of the information. As far as what SMADC would get back, I think the other complication that we have that we have to take into consideration it's great to talk about the money. I'm a money guy just what John talked about is that state money is only going to be available through December of 2025. So you know we're not only talking about having 2.2, we have a possibility of that million maybe not being available plus that 8.2 is not going to go down between now and the middle of next year. So you know I think there's a combination of all those factors. I just wanted to make sure that everybody was aware of those conversations when this recommendation was made during our conversation on Tuesday so I just want to leave it at that so just to share that information.

Mary: Just in having the unofficial conversations with people about money for this project that is a question that comes up. Well, how do you know this will be enough? The cost keeps climbing. If I give you money and I take money away from some other project or I find money wherever and I give it to you, are you going to be back in 6 months or be back in a year asking for more. What do you say to that?

Brian: I had a couple questions I guess clarification questions for Craig. I know at one meeting Craig had mentioned trimming the size of the RAC back to save some money. My question is 8 million, what would we be getting? Was that for the full RAC, not just the meat producing part. I know there was more to it. We talked about cold storage for seafood oysters and that kind of stuff is that still included in the 8 million like the full thing or is this just for the trim back.

Craig: The 8.2 million is just for the meat processing area that would be finished out. There are two additional areas that would be the commercial kitchen, the instructional kitchen and retail area. Those were probably more than a year ago taken off the table as far as being an interior finish. So, what this bid is that it's an 8900sq ft building with two part of it is just going to be framed out and not finished. The butchering part which I think is like 6,200sq ft would be finished. So, to answer your question about cold storage for oysters and what not, that would not be part of this.

Brian: What has been done and as far as the first phase? Is there a facility I guess I miss that information.

Craig: We have approved plans for the construction bid.

Brian: I know there was a hang up with the health department on septic and stuff. Did that get figure out?



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Craig: Over a ten-to-11-month process was resolved.

Chris K.: We have approved plans from all the agencies. Just to give a little more information. The bid we have is for the basic production space only. 6100 Square that bit is 7.6 million. Then if you add another bay of 7300 that's 7.8 and the full 8500 also includes the two bays that's 8.1 million. Just again go back to that if you were looking at only the production space of 6100 square feet the finding gap, I think is 1.4million dollars if I'm interpreting this correctly. St Mary's County has inputted about two and a half million dollars into it. I mean that's how much we have allocated. Thats our figure just for reference.

Bailey: Is MARBICO involved in this process? Where are they at?

Craig: MARBIDCO is not involved in this process.

Bailey: Have we asked MARBIDCO at all?

Craig: I think John has talked to with Steve a time or two but no investigation.

Bailey: We did a bill last year with MARBIDCO because of the fact when it came to helping out Seafood producers they had more money than what they could spend. They came to us and said if you could do this you know we could help more people get in the business and that's why we did that bill. Secondly, the cold storage that involves with the RAC I mean we did separate line items that we got the money for that.

Craig: The original 200,000 for cold storage was a separate portion from the meat processing, Senator Bailey. The more recent money that you were allocated is in the total sum that is for a SMADC involvement with the RAC itself. The original cold storage is a separate designed as a separate facility.

Bailey: Just make sure that everybody understands how much I appreciate their work. I went to Annapolis there was a couple things that I learned didn't matter about all the discussions you had when it came right down to it. If something wasn't written down , it didn't happen. Everybody walked away. When we talk about money and we talk about the commitment it, has to be a committed ask and it has to be committed decision whether they agree or not. I want to say that kudos to commissioner bowling I think he is right on track with us as thinking. The reality of something that is going to affect Southern Maryland, there is only a small portion of us that sit on the budget in the Senate. Five of the budget members are from Southern Maryland. Almost half are directly influenced by this and their counties are influenced by this. Just my opinion, I think Joan had a great idea. Form of a motion I think if you all want to move forward with that today then I think that that's something that we could get in process. We could see where all the counties when you send that request to them I would like to have a copy of that so we can make sure that their delegations are aware of the issue behind us. We do it officially and that that way we can make sure that we get the full response that everybody knows what the issues are.



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Shelby: If I may add a little bit of background as well. I think it's important for this group to be aware while we have had Farmers Champion the RAC the entire time. Over this process, we've had farmers who thought it would be a great idea but we're unsure. We've also had farmers who generally don't like the idea for their particular reasons. I have heard thoughts from each of those groups and I got some phone calls and some meetings over the past week. A few of the farmers you are frustrated with and they're afraid to bet on this now because it's taken 7 years. Which I completely understand, and part of what Commissioner Bowling is bringing up as alternative ideas and pivoting ideas has come from a few of those farmers in the farming community. That is important to know I want the farming Community which you are a part of which are on this call now to be aware that we are hearing them and with their input that all of this is being done. We still have Farmers calling me saying they really hope it succeeds and they really want it so as with any group of people you're going to have split opinions on it. Part of this discussion is working in all of what I have been told basically in confidence. By putting that forth for folks and I also like to say that these meetings are open. These meetings are monthly. Folks can come forward and give their opinions. My personal cell phone is on every email I send most of you. If not all of you have it I don't need to hear things third party people could come directly to me or to Ms. Mary or John Hartline. You may request a meeting. We can take those notes and bring them forward. I do want us to be as transparent as possible. Please don't be afraid to express them. I do ask you to express and respectfully. We are all adults in the room. We're all working for the greater good of Southern Maryland Agriculture, but I want you to feel like they have a buy-in.

Russell: I've got a lot to say but I'm not going to say it. Everybody's comments have pretty much echoes a lot of my thoughts that I've had. I've got some opinions. One of the questions I did have hadn't equipment already been bought for this RAC and is sitting in storage what their something about special coolers and freezers or tractor trailer large screen TVs and computer equipment and components?

Craig: Way back at the beginning Rus, I had \$90000, from a couple sources and we did buy some equipment. Unfortunately, at the time of the plan was for it to go into the kitchen area which is now taken off the table. So we have equipment but we don't have the butchering equipment that we need.

Russell: In the circle of people I travel in, farmers it's just kind of 50/50. Those that are for it and those that are against it. There's even a certain amount of people that believe if you can buy land where they put up a parks and centers for people to play in. We can spend a few dollars for Farmers to try to stay profitable. The business plan or the model at best it's maybe a fact-based presentation. That goes along with the opinion based presentations. Will it be sustainable won't it be sustainable? I think at this point in time after seven years that we won't even bother to go looking at why. Or what's been going on for seven years that we gotten to this point and nothings gotten done. I don't think with the amount of work and goodwill that's been put into it we can walk away from it. So I honestly think that accepting the recommendation of the working board at this point in time is ludicrous especially that we just gained the knowledge that the other four Southern Maryland counties haven't been approached formally the way it supposed to be done. To leave everything to St Mary's County kick it back on them. They been carrying the water for this project for a long time. I don't even live in St Mary's County, but I think if I did I'd be upset that they did so without the other four counties stepping up. Maybe we should scale back on this project. Because I'm running under the assumption that you need the project to be so big to be self-sustainable. Well, what if it isn't? and you're going to have to dig into budget resources and find a way to supplement it every year. If you're dealing with a smaller project, then you don't have to put so much supplement into it. I think we need to get the waterman involved with storage. They're just as important as cattle



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producers right now. I think it's a fallacy what our strength in southern Maryland are the people and the marketing opportunities that we have. We are not a large industry by any means. We're not Iowa or South Jersey or any of the other Farm states that are out. We are able to do what we can and make a living on the little that we can do because we are retail based. Nobody is going to stop doing retail to start wholesale and we don't even have the numbers here to adequately be a wholesaler. You know Purdue pulled out of the regional why did Purdue pull out because their business model didn't coincide with the lack of growth in agricultural enterprise in Southern Maryland. They didn't see Southern Maryland becoming a major grain producer. I think it's too early to vote to kill it. I think if it's a separate motion I think Joan has got it out here. I think we need to send boots back out on the ground and request funds. Also, we need to scale the RAC back down to an affordable building.

Shelby: Thank you for your input. I just I want to remind everybody that everything that's been done so far has been operating within the current MOU that's TCC/SMADC has with St Mary's. We are only allowed to operate within that MOU. At this time, because it's signed by both parties. Changing the dissolution of the MOU with the RAC and potentially pulling back the money that the working group put forward is also in the spirit that if we need to dissolve the current MOU with St Mary's and do a new one with St Mary's that also allows other counties to contribute. Or however you all want it to look that's open too. I don't think anyone is completely like you know throwing the idea down. We just need to pivot as to what it going to look like. So yes, you guys can make recommendations here as to how we move forward. If we want to ask the TCC executive board to ask St Mary's County if we can amicably dissolve the current one and create a new one? That will open up other County involvement because we do have to think we're operating with five different counties with five different budgets. Everyone has their own accounting attorney. SMADC operates under the state attorney and what does it look like when each County owns a piece, or each county is granting money towards a project located in one County. I think it's 100% doable but I believe we're going to run into those bureaucratic complications as well. One of them is the current MOU. So, pushing this to the next meeting means we need to look at that and see what that looks like for the greater good of all of us. Working together to make it happen and see what Saint Mary's County is willing or wants to do as well.

Mary: That's exactly right Shelby. And you know we need to keep in mind that a lot of time has passed and when the original RFP went out these other counties did not respond. It was St. Mary's who was so eager to have the RAC and who responded to it. But a lot of has gone by we don't know what those other counties might be thinking. What they might be willing to contribute or participate in. Maybe they have a better understanding of the RAC now than they did 7 years ago. I don't know. We are in a very unusual and uncomfortable place right now and we need to make a decision.

Bailey: The reality of the situation is you have six million dollars. Russell, I appreciate you on stepping up and your comments. If you have six million dollars that is a considerable amount of money. If we have to scale back to get started, we can always do additions. The fact of having this albatross sitting there that we can't move is losing support and it loses people. They say well it's always just a dream and we have nothing to show for it. All this work and all this effort that's been put forward and at some point, in time you have to you know we have to move the project forward. You figure out how much commitment you have, how much money you have, and you build what you can build. I do really think that St Mary's County definitely has gone a long way much further than other counties in trying to move this project forward. I give them a lot of credit with it. I do think that it might be some way we can look at the MOU. You need to get the commitment to find out how much money you have and maybe St Mary's County is willing to say hey based on this amount of money this is the easiest way to change the plans and we can move forward.



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Steve: If you guys are to go forward with Joan suggestion, there's got to be a solid game plan going forward for these four counties for the ask. You know it can't be well you know what if we do this what if we do this with the extra Bay what if it's 7.6 or 8.1 million, I would go in for what would be the thing that's going to be the solid way of getting this off the ground. They all probably understand the history here. They're probably scratching the head going as soon as I get asked for money when this project been going on for 6 years. So immediately there's going to be some trepidation to this decision-making. We need to make a decision have an exact amount of money .S ay exactly what you're going to do. Pick the exact plan move forward have the exact ask. This way it seems like you're not going in frivolous. That's my two cents there.

Edward: I would like to echo Senator Jack Bailey and Russell Shlagel here I'd be really disappointed in the loss of opportunity cost here just by a flat out walking away in time spent not only by our staff members here at SMADC you know obviously including Craig but many of the others who have been you know trying to roll this project through. Commission Members who have spent their time talking about this project for multiple years as well our elected officials who has taking time going to bat for us. You know financially and amongst their networks for this project. As a voting member I'd like I am open to opinion. I'm open to any and all these innovative or creative means to try to make this work. Maybe by removing footprint asking other counties or anything else that we could come up with to really continue to work towards this as a common goal. Thank you

David: You know if you're if you're looking at trying to save it then obviously we have to shrink it right so looking at the 2.2 doesn't make any sense you need to look at the smallest number which is roughly 1.4. For starters which brings it down to 3 or 400,000 for the other four counties. Jim Gotch is pouring over the plans and speaking to the USDA and whomever else trying to figure out what is the bare minimal needed. I don't know the plans call for four cold storage. Can we get by with two? Get the number down and maybe that's you know the best thing. Maybe we can get the best number from Mr. Gotch and then make the ask right now. That's what happens with construction . The estimate is really unknown in the beginning because you have so many different variables still up in the air. Every time the project moves along the estimate gets better and better. So my understanding is DPWT feels pretty good about the estimate they currently have thank you.

Lucille: I'm a little confused about process to John's Point as well as David. To ask we need an understanding of the ask in a way that I don't feel right now we do have we do have some numbers but if this is a serious ask to other counties is there I mean since this was not in the original mou or the original bid do I'm just talking process here not opinion what is it that we need to do to amend the MOU? Is there anything we need to do to amend the MOU as it stands? Let's say one County contributes a certain amount, another County contributes less. I mean all of this is kind of hitting a wall. I think we need to step back to see how we will proceed.

RAC Working Group Motion- Chairwoman Mary Wood called for a motion to Take no action and table any discussion until the next commission meeting. Joan Bearden made a motion and Lucille seconded. All approved.

Adjournment – Chairwoman Mary Wood called for a motion to adjourn the meeting. Joan Bearden made a motion to adjourn. Lucille Walker seconded the motion. All approved.

Next SMADC Meeting: Thursday October 3, 2024.