

# Vermont Citizens Advisory Committee (VTCAC) on Lake Champlain's Future

Monday December 14th, 2020

5:00 pm – 7:00 pm

## APPROVED MEETING SUMMARY

**Committee Members Present:** Mark Naud (Chair), Lori Fisher, Eric Clifford, Bob Fischer, David Mears, Wayne Elliott, Hilary Solomon, Sen. Randy Brock, Sen. Ginny Lyons, Rep. Leland Morgan, Rep. Carole Ode

**Committee Members Absent:** Bill Howland (Vice-Chair), Jeff Wennberg

**LCBP Staff in Attendance:** (LCBP - Eric Howe, Lauren Jenness, Sue Hagar, Cynthia Norman, Elizabeth Lee, Colleen Hickey) (VTANR - Sarah Coleman)

**Speakers:** Alli Lewis, Roger Allbee, James Maroney, John Cleary, Brad Keating, Scott Magnan, Marie Audet, Maddie Kempner

**Public Guests:** Crea Lintilhac, Tom Berry (Leahy's Office), Haley Pero (Sander's Office), Marli Rupe, Laura DiPietro, Kent Henderson, John Barrows, Kiersten Bourgeois, Buzz Hoerr, Vic Putman, Fred Woodward, Ricky Laurin, John Roberts, Fran Hodgins, Sen. Ruth Hardy, Brenda Gail Bergman, John Dillon (VPR), Amanda Gokee (VTDigger),

Meeting summary by Lauren Jenness, Lake Champlain Basin Program (LCBP)

### **5:00 – 5:15 pm**

#### **Welcome and Introductions – Mark Naud**

Mark thanked the seven presenters, Alli, and the public for attending the meeting. The discussion tonight will be one in a series of conversations for the CAC members to discuss and learn perspectives related to future of agriculture in Vermont, one of two key questions the CAC is focusing on. This process was started about a year ago but was interrupted by the pandemic. The discussion tonight provides an opportunity to hear from a diverse set of opinions relating to the current and future state of agriculture in Vermont. Key topics include how the dairy industry relates to water quality issues impacting the Lake Champlain Basin and how the Covid-19 pandemic has impacted the dairy industry's economic outlook. The CAC will work to facilitate consensus which will inform their upcoming Legislative Action Plan.

#### **Public Comments**

No comments made.

#### **Review and vote on Draft November 9<sup>th</sup> VTCAC Meeting Summary – Mark Naud**

Bob Fisher moved to approve the meeting summary. Lori Fisher seconded. Mark provided a small update to the language on page three that was incorporated into the summary. The motion was approved unanimously.

### **5:15 – 6:30 pm**

#### **Views on the Future and Economic Sustainability of Dairy Farming in Vermont**

Moderated by Alli Lewis, VT Agriculture Water Quality Partnership Coordinator

(each speaker had up to 10 minutes to present. 1-2 minutes were available for clarifying questions after each presentation)

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### **Advocacy Perspective**

- **Roger Allbee, Past Secretary of VTAAFM, one of the organizers of the VT Dairy and Water Quality Collaborative Action Plan**

Roger has been involved in agriculture and agricultural policy over many years at many levels. He highlighted several key recommendations made within the [VT Dairy and Water Quality Collaborative Action Plan](#) (recommendations can be found on pages 5-6). The Action Plan was created with a diverse group of 22 representatives who shared the common belief that a comprehensive systems approach was needed to ensure that the Vermont agricultural industry progresses and survives. He noted that the CAC was first briefed on this Action Plan back in 2018 by David Mears, who was involved in the study's creation. Highlighted recommendations include: (1) Using VTDEC's Tactical Basin Plans, which identify the projects or actions needed to protect or restore specific waters and identify appropriate funding sources to complete the work, to prioritize funding and investment. (2) Adopt and adhere to whole farm nutrient management plans that are centered in a net-zero approach. Dr. Ketterings at Cornell is well versed in this work. (3) Transition land known to be severely leading to water quality degradation out of production. (4) Create a process that helps transition Vermont away from commodity agriculture as it has been shown that the State cannot survive long-term in the commodity arena. This includes focusing on farm diversification which adds new value products, infrastructure, and new markets. (5) Create a one-stop-shop for farmers that provides all needed information in a clear and comprehensive manner.

- David Mears asked if the Plan still had momentum. Roger replied that he talked to people involved in the Plan's creation just today. One idea that is being discussed is to investigate and perhaps model southern Maryland's comprehensive process that brought together farmers, the science community, citizens groups, etc. after the tobacco settlement.
- Sen. Ginny Lyons asked if the Plan evaluates any issues that may restrict agricultural tourism, an exciting venture and economic resources for the agricultural community, in the State. Roger replied that the Plan didn't address ag tourism directly, but the recommendation for a one-stop-shop is critical to its success. He provided the example of talking with the gentleman who was responsible for bringing Commonwealth Yogurt to Brattleboro who said that Vermont's process is like a matrix, having to deal with so many agencies.

- **James Maroney, Personal Advocate**

James' full comments can be found within the meeting materials. He advocated for the State to withdraw all support from the conventional modality of dairy farming as by design it entails unwanted externalities, namely nutrient runoff and over production which drives milk prices down, farm attrition up, broad-based rural economic decay, and the need for taxpayer-funded support programs. He recommended the State (1) redirect resources to convert the entire Vermont dairy industry to organic (2) organize all farms under a newly created Vermont Organic Co-op, and (3) market and grow demand for the Co-op's organic products. He explained that these steps must also be paired with a simultaneous, top-to-bottom change in Vermont's agricultural and water quality policies.

- Rep. Carole Ode asked if there is anything besides organic, additional to or different from, that could give Vermont a special brand and increased revenue. In doing farm visits last fall she heard that as soon as VT farmers tried to provide organic milk into the market, huge megafarms in other states began undercutting their production. James responded that the megafarms out west can't flood the organic market because organic co-ops don't allow farms to join unless the demand for organic products manifest. He reiterated his point that converting to organic is essential because 'organic' pays – there is a huge premium and market already attached to 'organic' unlike, for example, 'regenerative agriculture'. Converting to organic is essential to both get farmers in a stable economic situation and obtain water quality standards.

### **Dairy Cooperative Perspective**

- **John Cleary, Organic Valley Co-Op**

John has worked for Organic Valley Co-Op for fifteen years. He has seen a lot of changes with the organic market going up and down, but it has been stable now for a period of years. Going organic is a bit complicated, but VT is a great place for grass-based farming. Not everywhere has enough rainfall and the cool season grasses that are unique to our region. Dairy

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is also the highest value produce that we can produce from grass. In his view, the State needs to continue to reward farmers for managing their cows and their grass to sequester carbon and mitigate climate change's effects. There are about 200 organic dairies in Vermont with between 15-350 cows. The Co-op also has several milk routes for 100% grass-fed milk (cows are fed legume-based forages in winter and grass in the summer) which adds an additional premium. There is a growing number of consumers that recognize that healthy fats from grass-based products are worth the additional price. A stable market is achieved by balancing supply and demand. It's hard to predict exactly how much farmers will procure and what the consumer demand will be 1-3 years out, which is when decisions are made. John would like to see a growth of consumer demand for organic milk and a growth in farmers accessing the market in response. To make this happen, Vermont needs to: (1) Maintain strong processing capacity. The only commercial scale bottling plant in the State is in Barre and the State should ensure this plant is maintained. (2) Provide strong financial and technical support to farmers who want to switch as many educated farmers are ready. (3) Provide investment and support to create a stronger identity and brand for Vermont organic milk as VT's brand currently isn't a big driver for growing organic milk demand in the region. During this pandemic, his co-op saw an increased demand for organic milk and is allowing producers to increase production. People are looking for healthy foods that align with their values during this stressful time. While Organic Valley hopes to be bringing in more farmers from Vermont soon, the number of farmers can only grow in step with consumer growth and demand as they are selling perishable products. The key is to increase consumer education on the benefits of grass-fed organic dairy, including its water quality benefits, and allow for farmers to find a balance. If the State could convert more of its land to permanent perennial grasses, there would be many benefits. He is optimistic that we can get more out of the organic market in the State.

- David Mears asked if it is realistic to think that Vermont can switch to organic in the near term. John replied that the key question is how to make a Vermont-brand attractive to consumers as the State is close to major east coast locations. About 40% of Vermont's organic milk currently goes to Stonyfield. The pandemic caused an increase in consumer demand that had been flat for the last three years. Even a 3-7% increase in the market means we would need to produce quite a bit more milk. It's a reasonable assumption to see the number of organic dairies increase by 50 new farms in Vermont over the next 5-10 years.
- Mark Naud asked if John believes there is enough demand to create what would need to exist for all dairy in the State to switch to organic and why the Vermont brand is not a driver for organic milk at this time. John responded that when milk has to come from small farms, as it does with organic, it takes a lot of farms to meet national demand. Its important to help consumers understand why organic matters and change their habits. Consumers also must have confidence in what a Vermont organic brand would stand for. Right now, there isn't a strong Vermont organic brand in the marketplace. The high cost of infrastructure for processing plants balanced with the perishable and regional nature of the dairy industry make things difficult, but there is an opportunity to grow a Vermont brand on a regional scale.

- **Brad Keating, COO of DFA**

Brad is a chief operator of Dairy Farmers of America (DFA) for the Northeastern states and is based out of Syracuse New York. His responsibilities include marketing and working with the people and logistics that run the co-op. He thanked Eric Clifford for inviting him to present. DFA has had a longstanding relationship with the St Albans group, who became a member of DFA in 2019. DFA is a large national corporation with 7500 farm locations, 6600 of those milk on average 87 cows. DFA includes 327 farms in Vermont, 227 of which milk on average 58 cows. Brad and DFA work within a simple strategy: to market milk effectively. His company provides services to farms and invests in commercial operations across the US so DFA has some control of where milk goes across their 87 manufacturing facilities. DFA markets milk through Commonwealth and Ben and Jerry's which provides dairy products to Vermont's surrounding states and St Albans has a fairly large manufacturing plant. The pandemic had a dramatic and disruptive impact on the industry. DFA is working to preserve milk markets and was fortunate for the support coming from the Federal and State governments. During the pandemic DFA has also seen a decrease in the number of farms, exacerbating a trend that has been happening for years, and the farms left are getting larger and more efficient. DFA is certainly investing in Vermont and are going to be long-term players. For example, DFA has just invested \$30M in the St Albans operations which is going to rebuilding facilities including a new silo and receiving rooms and \$10M in upgrading their company transportation fleet. When DFA began their relationship with the St Albans operation back in 2003 one of their discussions was around taking an active role in the industry's sustainability. [DFA's 2020 Sustainability Report](#) is broken into three pillars: planet, people, and communities and focuses on what DFA is doing to protect the land and animals, reduce emissions, conserve resources and unite efforts. DFA

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hears that its member farmers want to do the right thing but need assistance to do so. Since 2007 over 45,000 surveys and farmer evaluations have been completed. DFA has been included in discussions around agricultural practices in Vermont as well as with industry coalition members such as Vanguard, Unilever and Starbucks who are using science to create targets to reduce greenhouse gas emissions. DFA will continue to support its Vermont members and farm communities and is invested in the State long-term.

- David Mears asked about using New Zealand's model for creating balanced nutrient management plans for farmers. Brad answered that DFA tries to work with its members but can't make blanket commitments that would apply to all farmers. Most farmers want to make those commitments, but it may take them some time to get to those standards.
- Mark asked how DFA would respond if Ben and Jerry's switched to organic. Brad responded that DFA deals with a lot of organic companies now and it's a choice they can help farmers make. DFA has organic people on the payroll and can work with customers and Organic Valley to grow the supply chain.

### **Dairy Farmer Perspective**

- ***Scott Magnan, Custom Agriculture Services***

Scott's full introduction and presentation can be found with the meeting materials. He grew up in St Albans and has worked with all different types of agricultural operations. He became involved in the precision agriculture industry back in 2012 when he noticed that many local farmers were having a hard time recording the information they needed to place into their Nutrient Management Plans, especially data on their manure spreading operations. The automated displays on tractors which calculate dates, acres, and application rates are now increasingly being used to maximize the use of input and create efficiencies in how farmers are using resources. The data collecting using precision agriculture technologies are more accurate and create better paper trails to help farmers understand the inputs and outputs on their farms.

- David Mears commented that Scott's presentation was very helpful and he realizes that on-farm technology is advancing faster than many in the public can keep up with.

- ***Marie Audet, Blue Spruce Farm***

Marie Audet provided many video links and resources that are available with the meeting materials. Marie and Eric Clifford have both served on the Farm to Plate Committee and she is proud of how it has evolved since its inception. Eric and Marie are also founding members of the Champlain Valley Farmer's Coalition which brings together farms of all sizes to work together for a clean Lake Champlain and a thriving agricultural economy in Vermont. Marie also noted her work on the Governor's Climate Action Committee and how she learned much about carbon sequestration through that process. While the pandemic has decreased consumer purchase of conventionally produced milk, the dairy industry saw an increase in the retail sale of cheese by 20%. Because of this, for the first-time, farmers collectively and cooperatively reduced their milk production. Beginning in March her farm transitioned away from fluid milk and ramped up their retail packaging operations. It was all hands-on deck as the farm shifted many of their operations to comply with COVID-19 protocols. The milk from Blue Spruce Farm goes to Cabot's Cheesemaking plant. What is unique about the Cabot Cooperative is that the company is the first cheesemaker to achieve B-Corp status. Soil gives us life. As stewards of the soil, farmers are a dedicated resource and a key to create cleaner water and cleaner air. Marie finds that the greatest misconception of non-farmers is that they believe farming hasn't changed its practices. Dairy farming today is not the same as even ten years ago; plows belong in the history books and, as her nephew says, a tractor without a computer is worthless. Farming practices are being developed with science and farmers are constantly investing in and implementing new gentler equipment and regenerative practices that help the soil retain water and bind with nutrients. They are learning that precision planting saves fuel and resources and time. Almost all of Blue Spruce Farm's neighbors are utilizing manure injection technology. She remembers Chuck Ross and David Mears talking with farmers at the Middlebury Inn about how farming is responsible for 40% of the pollution problem to Lake Champlain on their road show. While it was a shock to hear this, the conversation has led to the creation of the Champlain Valley Farmer's Coalition and dozens of farmers in the area working with UVM Extension to working together for a clean Lake Champlain and a thriving agricultural economy in Vermont. Marie recommends that the State and farmers begin monetizing more than milk as manure can be a valuable resource. Since 2005 her farm has placed all manure into an anaerobic digester which converts the manure into methane which is used as a reliable source of baseload electricity. The manure is then separated in a mechanical process and the solids are used by cow bedding.

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### **Organic Agriculture Perspective**

- **Maddie Kempner, NOFA-VT**

Maddie has been the policy director at NOFA-VT for the past seven years. NOFA-VT does a wide-range of work in the food and farming system in Vermont. They promote organic practices to build an economically viable, ecologically sound, and socially just Vermont agricultural system that benefits all living things. Staff provide technical assistance and planning, work to secure community food access, and support local institutions in purchasing food from local farmers. They also run the USDA-accredited Vermont Organic Farmer certification program. During the pandemic, many learned firsthand of the brittleness of the national food supply chains and NOFA-VT's main focus was on feeding Vermont, which is ranked top three in the nation for food insecurity. Staff are supporting any effort they can to make sure farmers in Vermont are supported in good times and bad so they can continue to feed all Vermonters. Maddie talked about Agrilab Technologies' innovating on-farm composting program which builds healthy soils using manure and food waste which has increased due to Vermont's Universal Recycling Law. NOFA-VT supports the continuous improvement of all farms and a transition to more pasture-based systems. Organic farmers have led the way in developing innovative practices that are now being incorporated on conventional farms, such as cover cropping. Staff are excited to think about other ways farmers will be mimicking natural systems in their practices to ensure clean water, carbon sequestration, and local healthy food. NOFA-VT is working to add staffing capacity to help market organic products and build consumer demand, which is a critical part of the equation. At the same time, staff understand the need to support farming as a whole livelihood. So many farms in Vermont rely on at least one person having off-farm income to keep afloat financially and to have access to healthcare and retirement plans. By looking at the whole picture, you start to see so many intertwined problems: an aging farming population in depth with no opportunities to retire with a good quality life. It will be important to ensure the right intertwined and intersectional systems are in place to support farmers into the future.

### **6:30 – 7:00 pm**

#### **Committee Member Discussion**

- A member of the public asked if whole farm nutrient management plans achieve a balance of water, soil and air quality issues given the volume of manure spread on lands adjacent to our waters. Maddie answered that it is critical to have the expertise in place to help farmers develop the plans and reach the outcomes that we want instead of it being a bureaucratic box-checking exercise. Scott answered that the goal should be to have a land base that supports and meets nutrient reduction targets and that work can be done to make things better. Marie added that all manure and plant fibers on her farm gets completely recycled.
- Roger asked Brad if DFA is seeing an increase in the public asking how farming practices are effecting land and animal health. Brad replied that they are and that the consumers are ultimately impacting many internal discussions. Consumers want to know how the farmers are treating the environment, their cows, and their workers. DFA is trying to stay ahead of that curve by helping farmers tell their stories and working with supply chains and retailers to provide information. DFA has begun having third parties verify that certain practices are taking place on farms and is working to help create standards.
- Mark asked what the barriers are to getting precision agriculture on all farms in Vermont. Scott replied that they are still gaining interest and participation and are asking as a company what they need to do to help farmers get more acres cover cropped. John Roberts added that the number of cover cropped fields has risen from 5,000-50,000 acres. There are about 85-89,000 acres of corn in Vermont, so there is still a way to go. He hopes that in his lifetime he will see every acre green. While cover cropping is still fairly new in the conventional world, the benefits are clear. He does find it frustrating that there seems to be a large number of people who dismiss what conventional farmers are doing. Even the EPA has credited VT farmers with how much less phosphorus they are putting into the lake. Continuous improvement will require all of us to work together. Soil health is key to making strides in sequestering carbon. Marie added that from 2012-2017 VT increased its no-tilled lands by 173%, according to the 2017 census, and is ranked in the top seven states for the adoption of cover cropping. Eric added that farming has dramatically changed over the past 20 years and he, as a farmer, is proud of it though it is not without stresses. A dairy farmer's stress is raised as they implement different methods as farming is their livelihood.

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### **Meeting Conclusion**

Mark thanked the speakers for taking the time to put together presentations and information for the CAC to consider. He thanked Alli for helping develop the agenda and for moderating the discussion.

The next meeting will be on January 11<sup>th</sup> and feature presentations on Vermont's pesticide, herbicide, and fertilizer utilization, tracking, and reporting efforts.