

Montana Board of Milk Control
Meeting Minutes – Time Stamp Record to Accompany Meeting Recording

December 14, 2017 9:00 a.m.

Montana State Capitol Building - Room 152, 1301 E. 6th Avenue, Helena, Montana

PUBLIC MEETING

Call to Order

Chairperson Scott Mitchell called the meeting to order at 9:10 a.m. in Room 152 at the Montana State Capitol Building; 1301 E. 6th Avenue; Helena, Montana.

Attendance

Board Members:

	Present	Absent
W. Scott Mitchell, Chair	X	
Jerrold A. Weissman, Vice Chair	X	
Brian Beerman	X	
R. James Parker	X	
Erik Somerfeld	X	

Montana Department of Livestock Staff:

Chad Lee, Bureau Chief, Milk Control Bureau

Mark Curtis, Dairy Accountant, Milk Control Bureau

Guests:

Rob Adamson, Meadow Gold

Sue Brown, Almatheia Organic Dairy / Board of Livestock

Bud Cary, Dairy Technomics, LLC

Bob Cort, Dairy Technomics, LLC

Cory Durling, Dairy Technomics, LLC

Krista Lee Evans, Montana Milk Producers Association (MMPA) representative

Leonard Kleinsasser, Pondera Colony Dairy / MMPA board member

Joseph Mandel, New Miami Colony Dairy / MMPA board member

Dave Miller, Montana Correctional Enterprises Dairy / Producer Committee

Karol Szot, Dairy Technomics, LLC

Andrew Wipf, Big Sky Colony Dairy / MMPA board member / Producer Committee

AGENDA ITEM	TIME STAMP
ROLL CALL & INTRODUCTIONS	0:00 – 4:45
I. MINUTES	I. 4:45 - 5:35
Motion: Mr. Somerfeld moved and Mr. Parker seconded a motion to approve the minutes of the November 8, 2017 Board of Milk Control meeting as written. The motion carried. All members voted in favor.	Motion 5:12 – 5:33
II. UNFINISHED BUSINESS & GENERAL ORDERS	II. 5:35 - 5:48
III. NEW BUSINESS	
A. Proposal to Amend ARM 32.24.450 Milk Control Assessments (MAR Notice 32-18-288)	III.A. 5:48 – 31:38
1. Recommended Milk Equivalent Conversion Factors	III.A.1. 8:40 – 17:03

AGENDA ITEM	TIME STAMP
<p>2. Board Action on Item 1</p> <p>Motion: Mr. Parker moved and Mr. Beerman seconded a motion that the Board of Milk Control initiate the rulemaking set forth in the MAR Notice 32-18-288 presented, to identify by rule milk equivalent conversion factors used for calculating the amount of fees levied on manufactured dairy products, approving the substantive language and allowing for nonsubstantive modifications.</p> <p>The motion carried. All members voted in favor.</p>	<p>III.A.2. 17:03 – 20:13</p> <p>Public Comment: Rob Adamson 17:05 – 17:57</p> <p>Motion 18:23 – 20:13</p>
<p>3. Recommended Fiscal Year 2019 Milk Control Assessment Rate</p>	<p>III.A.3. 20:13 – 25:31</p>
<p>4. Board Action on Item 3</p> <p>Motion: Mr. Beerman moved and Mr. Somerfeld seconded a motion that the Board of Milk Control initiate the rulemaking set forth in the MAR Notice 32-18-288 presented, setting assessment rates for Fiscal Year 2019 to be \$0.06/cwt for producer-distributors, \$0.03/cwt for producers, and \$0.03/cwt for distributors, approving the substantive language and allowing for nonsubstantive modifications.</p> <p>The motion carried. All members voted in favor.</p>	<p>III.A.4. 25:31 – 27:56</p> <p>Public Comment: none</p> <p>Motion 26:50 – 27:56</p>
<p>B. Producer Committee Appointments for Calendar Year 2018 & 2019 Term</p> <p>Motion: Mr. Weissman moved and Mr. Somerfeld seconded a motion that the Board of Milk Control appoint the following Producer Committee members for the term January 1, 2018 – December 31, 2019.</p> <ul style="list-style-type: none"> • Producer Committee members delivering to Darigold – Bozeman: Tim Huls, Nelson Kamerman, and David Miller • Producer Committee member delivering to Meadow Gold – Billings: Mark P. Kleinsasser <p>The motion carried. All members voted in favor.</p> <p>Motion: Mr. Beerman moved and Mr. Somerfeld seconded a motion that the Board of Milk Control appoint the following Producer Committee members for the term January 1, 2018 – December 31, 2019.</p> <ul style="list-style-type: none"> • Producer Committee members delivering to Meadow Gold – Great Falls: Sam Hofer, Andrew Wipf <p>The motion carried. All members voted in favor.</p> <p>Motion: Mr. Parker moved and Mr. Weissman seconded a motion that the Board of Milk Control appoint the following Producer Committee member for the term January 1, 2018 – December 31, 2019.</p> <ul style="list-style-type: none"> • At-Large Producer Committee member: Ruben Wurz <p>The motion carried. All members voted in favor.</p>	<p>III.B. 31:38 – 50:30</p> <p>Motion 36:44 – 37:12</p> <p>Motion 47:25 – 48:09</p> <p>Motion 48:25 – 48:44</p>
<p>C. Milk Control Bureau Report (Chad Lee)</p>	<p>III.C. 50:30 – 54:42</p>
<p>D. Milk Market Regulation Study</p>	<p>III.D. 54:42 – 1:44:06</p>

AGENDA ITEM	TIME STAMP
1. Introduction of Consultants – Dairy Technomics, LLC	III.D.1. 54:42 – 1:05:44
2. Discussion of Study Approach & Work Plan as Presented in Dairy Technomics Response to RFP	III.D.2. 1:05:44 – 1:44:06
a) Board Questions and Comments	
b) Dairy Technomics Questions and Comments	
Break	Break 1:44:06 – 1:57:05
IV. OTHER NEW BUSINESS	IV. 1:57:05 – 1:57:56
V. PUBLIC COMMENT Rob Adamson discussed prospective bottling of milk at the Meadow Gold – Great Falls plant for Organic Valley in 2018.	V. 1:57:56 - 2:04:08
VI. ADJOURNMENT Chair Scott Mitchell and the board tentatively scheduled the next board meeting to be held in April 2018 or May 2018. Motion: Mr. Somerfeld moved and Mr. Beerman seconded a motion to adjourn. The motion carried. All members voted in favor. Mr. Mitchell adjourned the meeting at 11:15 p.m.	VI. 2:04:08 – 2:05:57 Motion 2:05:40 – 2:05:49

Time stamps were recorded during the meeting and reviewed and adjusted by bureau staff.

REVIEWED BY
(Initials):

MC Mark Curtis, Dairy Accountant, Milk Control Bureau

CPL Chad Lee, Bureau Chief, Milk Control Bureau

Montana Board of Milk Control Meeting Agenda

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Agenda may change up to 48 hours prior to the meeting. Latest version of agenda will be posted at <http://liv.mt.gov/Attached-Agency-Boards/Milk-Control/Public-Notices>

WELCOME

ROLL CALL & INTRODUCTIONS

Board of Milk Control

W. Scott Mitchell, Chair

Jerrold A. Weissman, Vice-Chairperson

Brian Beerman

Jim Parker

Erik Somerfeld

Montana Department of Livestock Staff

Guests

I. MINUTES

II. UNFINISHED BUSINESS & GENERAL ORDERS

III. NEW BUSINESS

- A. Proposal to Amend ARM 32.24.450 Milk Control Assessments (MAR Notice 32-18-288)
 - 1. Recommended Milk Equivalent Conversion Factors
 - 2. Board Action on Item 1
 - 3. Recommended Fiscal Year 2019 Milk Control Assessment Rates
 - 4. Board Action on Item 3
- B. Producer Committee Appointments for Calendar Year 2018 & 2019 Term
- C. Milk Control Bureau Report (Chad Lee)
- D. Milk Market Regulation Study
 - 1. Introduction of Consultants – Dairy Technomics, LLC
 - 2. Discussion of Study Approach & Work Plan as Presented in Dairy Technomics Response to RFP
 - a) Board Questions and Comments
 - b) Dairy Technomics Questions and Comments

IV. OTHER NEW BUSINESS

V. PUBLIC COMMENT

VI. ADJOURNMENT

Study Information Gathering Session to be Led by Dairy Technomics, LLC (not part of board meeting)

Approximately one hour after the adjournment of the Board of Milk Control meeting (to give all parties an opportunity to eat lunch), Dairy Technomics, LLC will continue its discussions with Montana dairy industry stakeholders. The session will be held in the same meeting room. The discussion will continue until 5:00 p.m. or until discussion is exhausted, whichever comes first. All Montana milk pool stakeholders are welcome.