

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

August 31, 2017 12:00 p.m.
Montana State Capitol Building – Room 172
1301 E. 6th Avenue; Helena, Montana

*Agenda may change up to 48 hours prior to the meeting.
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<http://liv.mt.gov/Attached-Agency-Boards/Milk-Control/Public-Notices>

PUBLIC MEETING

Call to Order

Chairperson Scott Mitchell called the meeting to order at 12:07 p.m. in Room 172 at the Montana State Capitol Building – Room 172; 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
Rob Stutz, Montana Department of Justice, Agency Legal Services (attorney representing the Montana Department of Livestock)

Guests:

Rob Adamson, Meadow Gold
Bob Bos, Bos Dairy
Greg Braaksma, B-3 Dairy
Tony Denio, Meadow Gold
Krista Lee Evans, Montana Milk Producers Association
Sam Hofer, Surprise Creek Colony / Producer Committee
Tim Huls, Huls Dairy / Producer Committee
Jack Kane, Department of Administration, State Procurement Bureau
Shane Leep, Leep Dairy
David Lewis, Big Creek Dairy / Northwest Dairy Association
Dave Miller, Montana Correctional Enterprises Dairy / Producer Committee
Mike Ragsdale, Northwest Dairy Association / Darigold
Tia Snyder, Department of Administration, State Procurement Bureau
Ed Waldner, Riverview Colony / Board of Livestock
Elias P. Wipf, New Rockport Colony
Ike Wurz, Cascade Colony
Ruben A. Wurz, Big Stone Colony / Producer Committee

AGENDA ITEM	TIME STAMP
ROLL CALL & INTRODUCTIONS	0:00 – 1:00
I. MINUTES	
<p>Motion: Mr. Parker moved and Mr. Somerfeld seconded a motion to approve the time stamp document and audio recording minutes of the May 23, 2017 Board of Milk Control teleconference meeting. The motion carried. All members voted in favor.</p>	<p>I. 1:00 – 1:44</p> <p>Motion 1:29 – 1:44</p>
II. UNFINISHED BUSINESS & GENERAL ORDERS	
A. Report from Legal Counsel Pertaining to Unfinished Business Agenda Items	II.A. 1:44 – 4:45
B. Montana Milk Industry Study	II.B. 4:45 – 3:11:23
1. Process: Request for Proposal (RFP) & Evaluation Process	II.B.1. 4:45 – 33:33
2. Evaluation Committee Selection	II.B.2. 33:33 – 56:10
Request for Public Comment: no public comments received	55:30 – 55:53
3. Approval of Request for Proposal (RFP)	II.B.3. 56:10 – 2:43:02
a) Scope of Services	II.B.3.a. 56:10 – 1:21:24 1:38:57 – 2:30:09
Break	Break 1:21:24 - 1:38:57
b) Evaluation Criteria and Scoring	II.B.3.b. 2:30:09 – 2:43:03

AGENDA ITEM	TIME STAMP
<p>c) Public Comment</p> <p>Public Comment on Agenda Item II.B.3.a. Scope of Services:</p> <p>The following individuals commented on this topic during this time of the meeting: David Lewis, Ed Waldner, and Greg Braaksma.</p> <p>The following individuals commented on this topic during this time of the meeting: David Lewis, Tim Huls, and Sam Hofer.</p> <p>The following individual commented on this topic: Mike Ragsdale.</p> <p>Public Comment on Agenda Item II.B.3.b. Evaluation Criteria and Scoring: no public comments received</p>	<p>II.B.3.c. Public Comment was taken on individual agenda sub-items of Agenda Item II.B.3. The times listed below indicate times in the recording when public comments were received.</p> <p>Public Comment 1:03:55 – 1:18:53</p> <p>Public Comment 1:48:39 – 1:56:22</p> <p>Public Comment 2:10:26 – 2:12:10</p> <p>Public Comment 2:42:51 – 2:43:03</p>
<p>4. Board Action on Agenda Item II.B.2. and Agenda Item II.B.3.</p> <p>Motion on Agenda Item II.B.2. (Evaluation Committee): Mr. Parker moved and Mr. Somerfeld seconded a motion that the evaluation committee be comprised of the five members of the Montana Board of Milk Control, Chad Lee (bureau chief of the Milk Control Bureau), and Christy Clark (bureau chief at Department of Agriculture) with Dr. Joseph Janzen (economist at Montana State University) serving as a subject matter expert. The motion carried. All members voted in favor.</p>	<p>II.B.4. 2:43:03 – 3:11:23</p> <p>Motion 2:57:01 – 2:58:24</p>

AGENDA ITEM	TIME STAMP	
<p data-bbox="272 136 727 199">4. Board Action on Agenda Item II.B.2. and Agenda Item II.B.3. <i>(continued)</i></p> <p data-bbox="159 237 727 468">Motion on Agenda Item II.B.3.a. (to amend proposed language of Scope of Services Study Subtask 4B): Mr. Somerfeld moved and Mr. Weissman seconded a motion to strike the words “and elsewhere” from the first sentence in Study Subtask 4B. The motion carried. All members voted in favor.</p> <p data-bbox="159 510 747 978">Motion on Agenda Item II.B.3.a. (to amend proposed language of Scope of Services Study Subtask 4D): Mr. Somerfeld moved and Mr. Parker seconded a motion to change the wording of Study Subtask 4D to: “Make recommendations to guide the board in future rulemaking affecting Montana’s quota system, including flexible provisions to adjust quantities of outstanding quota, idling of quota, and triggers to prompt the board to re-evaluate its quota system. Idling quota means allowing ownership of quota to continue after ceasing delivery to pool plants for more than 90 days.” The motion carried. All members voted in favor.</p> <p data-bbox="159 1020 743 1556">Motion on Agenda Item II.B.3.a. (Scopes of Services - Provision of Services, Cost Proposal - Price Sheets): Mr. Somerfeld moved and Mr. Beerman seconded a motion that, to the extent that additional language is necessary for further provision of services in the description of Provision of Services in the Scope of Services in the RFP, that the bureau, in conjunction with legal counsel and the State Procurement Bureau, add that language. The motion includes amending the language of the Cost Proposal, Price Sheets section in the RFP to add the following sentences: “Offeror’s costs must include all travel. The state will not allow for any additional compensation related to travel.” The motion carried. All members voted in favor.</p> <p data-bbox="159 1598 743 1724">Motion (RFP Approval): Mr. Weissman moved and Mr. Somerfeld seconded a motion to adopt the request for proposal as amended. The motion carried. All members voted in favor.</p>	<p data-bbox="773 136 841 163">II.B.4.</p> <p data-bbox="773 237 857 264">Motion</p> <p data-bbox="773 510 857 537">Motion</p> <p data-bbox="773 1020 857 1047">Motion</p> <p data-bbox="773 1598 857 1625">Motion</p>	<p data-bbox="1003 237 1203 264">2:59:14 – 2:59:45</p> <p data-bbox="1003 510 1203 537">3:02:03 – 3:05:25</p> <p data-bbox="1003 1020 1203 1047">3:07:50 – 3:10:02</p> <p data-bbox="1003 1598 1203 1625">3:10:25 – 3:10:48</p>

<p>C. Consideration of Montana Class III Price Formula</p> <p>Public Comment: The following individuals commented on this topic: David Lewis, Bob Bos, Tim Huls, Shane Leep, Ed Waldner, Mike Ragsdale, Rob Adamson, and Elias Wipf</p> <p>Motion: Mr. Somerfeld moved and Mr. Beerman seconded a motion that further efforts to adopt an adjustment to the Class III price formula be tabled by the board until the board receives the draft report of the study [Agenda Item II.B.] from the consultant and that the bureau not devote substantial time to the issue until that time.</p> <p>The motion carried. All members voted in favor, except for Mr. Weissman, who voted against the motion.</p>	<p>II.C. 3:11:23 – 4:10:05</p> <p>Public Comment 3:31:03 – 4:06:17</p> <p>Motion 4:06:24 – 4:08:32</p>
<p>1. Review of the Issue / Upcoming Board and Bureau Activity</p>	<p>II.C.1. 3:11:23 – 3:17:48</p>
<p>2. Milk Price and Production Economic Trends and Other Developments (Chad Lee)</p>	<p>II.C.2. 3:17:48 – 3:31:03</p>
<p>3. August 7, 2017 Letter from Doug Kamerman</p>	<p>II.C.3. 3:31:03 – 3:31:39</p>
<p>III. NEW BUSINESS</p>	
<p>A. Milk Control Bureau Report (Chad Lee)</p>	<p>III.A. 4:10:05 – 4:17:22</p>
<p>1. Financial Report</p>	<p>III.A.1. 4:10:05 – 4:15:00</p>
<p>2. Implementation of MAR 32-17-282</p>	<p>III.A.2. 4:15:00 – 4:16:22</p>
<p>IV. OTHER NEW BUSINESS</p>	
<p>Raw Milk Sales Occurring in Montana (Mr. Weissman)</p>	
<p>V. PUBLIC COMMENT</p> <p>Ed Waldner, responded to Mr. Weissman’s comments on raw milk being illegally sold in Montana.</p> <p>Ed Waldner presented Chad Lee with a plaque of appreciation from the Montana Milk Producers Association (MMPA) to the Milk Control Board and Milk Control Bureau.</p>	<p>V. 4:20:32 – 4:22:17</p>
<p>VI. ADJOURNMENT</p>	
<p>Chair Scott Mitchell and the board tentatively scheduled the next board meeting and a RFP evaluation committee meeting to be both held on the same day, around October 26, 2017. The date will be finalized by September 8, 2017.</p>	
<p>Motion: Mr. Parker moved and Mr. Weissman seconded a motion to adjourn.</p> <p>The motion carried. All members voted in favor.</p> <p>Mr. Mitchell adjourned the meeting at 4:32 p.m.</p>	<p>VI. 4:22:17 – 4:25:44</p> <p>Motion 4:25:30 – 4:25:40</p>

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