Montana Board of Milk Control
Meeting Minutes – Time Stamp Record to Accompany Meeting Recording
April 30, 2018 9:30 a.m.
Montana State Capitol Building - Room 137, 1301 E. 6th Avenue, Helena, Montana

PUBLIC MEETING

Call to Order
Chairperson Scott Mitchell called the meeting to order at 9:32 a.m. in Room 137 at the Montana State Capitol Building; 1301 E. 6th Avenue; Helena, Montana.

Attendance

<table>
<thead>
<tr>
<th>Board Members</th>
<th>Present</th>
<th>Absent</th>
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<tbody>
<tr>
<td>W. Scott Mitchell, Chair</td>
<td>X</td>
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<tr>
<td>Jerrold A. Weissman, Vice Chair</td>
<td>X</td>
<td></td>
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<tr>
<td>Brian Beerman</td>
<td></td>
<td>X</td>
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<tr>
<td>R. James Parker</td>
<td>X</td>
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<td>Erik Somerfeld</td>
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<td>X</td>
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Montana Department of Livestock Staff:

- Chad Lee, Bureau Chief, Milk Control Bureau
- Mark Curtis, Dairy Accountant, Milk Control Bureau
- Linda Grady, Auditor, Milk Control Bureau
- Rob Stutz, Montana Department of Justice, Agency Legal Services (attorney representing the Montana Department of Livestock)

Guests:

- Rob Adamson, Meadow Gold
- Joel Bos, Bos Dairy LLC
- Greg Braaksma, B-3 Dairy
- Sue Brown, Almatheia Organic Dairy / Board of Livestock
- Bill Cok, Cok Dairy
- Krista Lee Evans, Montana Milk Producers Association
- Tim Huls, Huls Dairy Inc. / Producer Committee
- Loren Dyk, Amsterdam Dairy
- Leland Heidema, Plain Vista Dairy
- Sam Hofer, Surprise Creek Colony / Producer Committee
- Doug Kamerman, Dairyland Farms
- Shane Leep, Leep Dairy
- Dave Lewis, Big Creek Dairy / Northwest Dairy Association
- David Peil, Peil’s Dairy Farm
- Dave Miller, Montana Correctional Enterprises Dairy / Producer Committee
- Ed Waldner, Riverview Colony / Board of Livestock
- Andy P. Wipf, Big Sky Colony / MMPA board member / Producer Committee
- Ike Wurz, Cascade Colony
- Ruben A. Wurz, Big Stone Colony / Producer Committee
<table>
<thead>
<tr>
<th>AGENDA ITEM</th>
<th>TIME STAMP</th>
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</thead>
<tbody>
<tr>
<td>ROLL CALL &amp; INTRODUCTIONS</td>
<td>0:00 – 3:56</td>
</tr>
<tr>
<td>I. MINUTES</td>
<td>3:56 – 4:25</td>
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<td><strong>Motion:</strong> Mr. Parker moved and Mr. Weissman seconded a motion to approve the minutes of the December 14, 2017 Board of Milk Control meeting as written. The motion carried. All members voted in favor.</td>
<td>Motion 4:15 – 4:25</td>
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<tr>
<td>II. UNFINISHED BUSINESS &amp; GENERAL ORDERS</td>
<td>II. 4:25 – 57:49</td>
</tr>
<tr>
<td>1. Board Comments and Questions to be Submitted to Dairy Technomics</td>
<td>III.A.1. 4:25 – 38:37 49:48 – 57:49</td>
</tr>
<tr>
<td>b) Overview of Legal Processes Required for Implementation of Rule or Statutory Changes Resulting from Board Action Arising from Study Report</td>
<td>III.A.2.b. 38:37 – 49:48</td>
</tr>
<tr>
<td>III. NEW BUSINESS</td>
<td>III. 57:49 – 1:34:49 2:19:30 – 2:52:50</td>
</tr>
<tr>
<td>A. Milk Control Bureau Report (Chad Lee)</td>
<td>III.A. 57:49 – 1:34:49</td>
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<tr>
<td>Bureau Comments and Questions to be Submitted to Dairy Technomics</td>
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<tr>
<td><strong>Break</strong></td>
<td>Break 1:34:49 – 1:53:35</td>
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<tr>
<td>Bureau comments on Overview of Legal Processes Required for Implementation of Rule or Statutory Changes Resulting from Board Action Arising from Study Report</td>
<td>2:31:50 – 2:40:39</td>
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<tr>
<td><strong>Motion:</strong> Mr. Parker moved and Mr. Weissman seconded a motion to direct the Milk Control Bureau to prepare a draft rule proposal that addresses the Montana Class III butterfat price formula and Montana Class II pricing to be similar to the recommendation in the draft study report. The motion carried. All members voted in favor.</td>
<td>Motion 2:43:55 – 2:51:14</td>
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<tr>
<td><strong>Motion:</strong> Mr. Parker moved and Mr. Weissman seconded a motion to direct the Milk Control Bureau to prepare a draft rule proposal to also amend the Montana Class III skim milk price formula while preparing a proposal to amend the Montana Class III butterfat price formula. The motion carried. All members voted in favor.</td>
<td>Motion 2:51:45 – 2:52:42</td>
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<td>IV. OTHER NEW BUSINESS</td>
<td>IV. 2:52:50 – 2:52:58</td>
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V. **PUBLIC COMMENT**

The following individuals made public comment.

- Tim Huls
- David Lewis
- Doug Kamerman
- Greg Braaksma
- Joel Bos
- Shane Leep
- Krista Lee Evans
- David Peil

Written comment was submitted by Bill Cok (attached to time stamp document)

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<th>AGENDA ITEM</th>
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<tbody>
<tr>
<td>V. PUBLIC COMMENT</td>
<td>V. 1:53:36 – 2:19:30</td>
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<tr>
<td></td>
<td>Tim Huls 1:55:29 – 2:00:34</td>
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<tr>
<td></td>
<td>David Lewis 2:00:50 – 2:04:13</td>
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<td></td>
<td>Doug Kamerman 2:04:25 – 2:05:33</td>
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<td></td>
<td>Greg Braaksma 2:05:40 – 2:07:27</td>
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<td></td>
<td>Joel Bos 2:07:37 – 2:08:36</td>
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<td></td>
<td>Shane Leep 2:08:49 – 2:11:14</td>
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<td></td>
<td>Krista Lee Evans 2:11:22 – 2:14:00</td>
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<td>David Peil 2:14:14 – 2:18:37</td>
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VI. **ADJOURNMENT**

Chair Scott Mitchell and the board tentatively scheduled the next board meeting to be held on June 22 or June 25.

**Motion:** Mr. Parker moved and Mr. Weissman seconded a motion to adjourn.

The motion carried. All members voted in favor.

Mr. Mitchell adjourned the meeting at 12:29 p.m.

Motion 2:56:36 – 2:56:47

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

REVIEWS BY

(Initials):

MC ________ Mark Curtis, Dairy Accountant, Milk Control Bureau

CPL ________ Chad Lee, Bureau Chief, Milk Control Bureau
To Chairman of the Board, Jire Parker

From Bill Cole, dairyman, Gallatin Valley

Very good study, excellent information,

The fat price needs to be addressed soon,
as you can see from the report this would result in a $+1.00 cut.

Also the intra plant hauling of .20
costs the farmer. Basically the farmers
that produce excess milk should be
charged for this hauling since Quota
milk does not cause the need for this
hauling.

The excess price difference should
be raised to discourage the production of
excess milk, currently $1.50 should be
raised to $5.36 (page 52 4.d.11) to come
in line with the market.

- Elimination of the Quota system should not be an option. This would be a "taking" and dairy farmers would need to be compensated.

Going back to the last item, once the production was reduced in line with class I consumption, [We are producing +37% more milk than needed for class I, so let's cut back on the excess]. Once that is under control, we could possibly lower the amount of Quota available. Once the value of excess milk is lowered, there would be more demand by producers to purchase Quotas, making it more valuable.

Thank Bill Coh
Montana Board of Milk Control
Meeting Agenda
April 30, 2018 9:30 a.m.
Montana State Capitol Building - Room 137
1301 E. 6th Avenue, Helena, Montana

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
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
A. Montana Milk Industry Study Draft Report
   1. Board Comments and Questions to be Submitted to Dairy Technomics
   2. Report from Legal Counsel
      a) Classification of Draft and Final Report
      b) Overview of Legal Processes Required for Implementation of Rule or Statutory Changes Resulting from Board Action Arising from Study Report

III. NEW BUSINESS
    A. Milk Control Bureau Report (Chad Lee)

IV. OTHER NEW BUSINESS

V. PUBLIC COMMENT

VI. ADJOURNMENT