Montana Board of Milk Control
Meeting Minutes – Time Stamp Record to Accompany Meeting Recording
June 25, 2018 9:30 a.m.
Montana State Capitol Building - Room 102, 1301 E. 6th Avenue, Helena, Montana

PUBLIC MEETING

Call to Order
Chairperson Scott Mitchell called the meeting to order at 9:30 a.m. in Room 102 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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</thead>
<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>
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<tr>
<td>Brian Beerman</td>
<td>X</td>
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<tr>
<td>R. James Parker</td>
<td>X</td>
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<tr>
<td>Erik Somerfeld</td>
<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
Rob Stutz, Montana Department of Justice, Agency Legal Services (attorney representing the Montana Department of Livestock)

Guests:
Rob Adamson, Meadow Gold
Wilmer Amstutz, Wilmer Amstutz Dairy
Greg Braaksma, B-3 Dairy
Sue Brown, Board of Livestock
Dan Daugherty, Triple D Dairy
Krista Lee Evans, Montana Milk Producers Association
Tim Huls, Huls Dairy Inc. / Producer Committee
Joseph Hofer, Springdale Colony
Mike Honeycutt, Department of Livestock
Sam Hofer, Surprise Creek Colony / Producer Committee
Scott Langford, Meadow Gold
David Lewis, Big Creek Dairy / Northwest Dairy Association
Dave Miller, Montana Correctional Enterprises Dairy / Producer Committee
Mike Ragsdale, Northwest Dairy Association / Darigold
Ken Rowley, Rowley Trucking
Judi Rowley, Rowley Trucking
Ed Waldner, Riverview Colony / Board of Livestock
Ruben A. Wurz, Big Stone Colony / Producer Committee
### AGENDA ITEM | TIME STAMP
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**ROLL CALL & INTRODUCTIONS** | 0:00 – 1:46

### I. MINUTES

**Motion**: Mr. Parker moved and Mr. Somerfeld seconded a motion to approve the minutes of the April 30, 2018 Board of Milk Control meeting as written. The motion carried. All members voted in favor.

### II. UNFINISHED BUSINESS & GENERAL ORDERS

#### A. Montana Milk Market Regulation Study Final Report

1. Dairy Technomics In-Person Presentation | 5:01 – 1:15:58

#### BREAK

1:16:11 – 1:29:01

#### II.A.2. Board Comments & Questions

1:29:01 – 2:08:56
2:32:45 – 2:33:30

#### II.A.3. Public Comment & Questions

2:08:56 – 2:33:51

The following individuals made public comment.

- Rob Adamson | 2:09:28 – 2:10:13
- David Lewis | 2:11:00 – 2:18:21
2:30:04 – 2:30:40
- Mike Ragsdale | 2:28:56 – 2:29:44
- Chad Lee | 2:31:08 – 2:32:44

#### LUNCH BREAK

2:33:51 – 3:46:00

#### II.B. Overview of Legal Processes Required for Implementation of Rule or Statutory Changes Resulting from Board Action Arising from Study Report

3:46:00 – 3:51:20

### III. NEW BUSINESS

#### A. Proposal to Amend ARM 32.24.480 Producer Pricing Rules (MAR Notice 32-18-290)


4:54:27 – 5:11:49
The following individuals made public comment.

- Greg Braaksma
- David Lewis
- Tim Huls
- Dan Daugherty
- Krista Lee Evans
- Mike Ragsdale
- Rob Adamson

**Motion**: Mr. Somerfeld moved and Mr. Weismann seconded a motion that the board order a revision to the milk pricing formulas that reflect the revised pricing formulas presented in MAR Notice 32-18-290, Alternative 2, at this meeting with the following modifications: the language of the proposed ARM 32.24.480(4)(b)(i)(A) be modified for the Montana Class III Butterfat Price Differential to be $0.20/lb. upon passage for utilization before January 1, 2019; the language of the proposed ARM 32.24.480(4)(b)(i)(B) be modified for the Montana Class III Butterfat Price Differential to be $0.15/lb. from January 1, 2019 to June 30, 2019; and the language of the proposed ARM 32.24.480(4)(b)(i)(C), be modified for the Montana Class III Butterfat Price Differential to be $0.10/lb. from July 1, 2019 onward, with the language proposed in Alternative 2 for ARM 32.24.480(4)(b)(i)(D) and ARM 32.24.480(4)(b)(i)(E) to be stricken. The order must include written findings reflecting the facts presented to the board in support of the revised pricing formulas. The order must also include conclusions that the board has the authority to revise the pricing formulas and that the revised pricing formulas are reasonably necessary and in the public interest. The order would be effective only after being fixed by rule after notice and public comment.

The motion carried. All members voted in favor.

**Motion**: Mr. Somerfeld moved and Mr. Beerman seconded a motion to initiate the rulemaking set forth in the draft MAR Notice 32-18-290 presented in Alternative 2, with the substantive modifications recorded in the prior motion, otherwise approving the substantive language as presented and allowing for nonsubstantive modifications.

The motion carried. All members voted in favor.
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<tr>
<th>AGENDA ITEM</th>
<th>TIME STAMP</th>
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<tbody>
<tr>
<td>B. Legal Analysis of 81-23-302(11), MCA and Associated Administrative Rules</td>
<td>III.B. 5:17:56 – 5:21:30</td>
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<tr>
<td>C. Discussion of Future Consideration of Study Recommendations</td>
<td>III.C. 5:21:30 – 5:28:03</td>
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<tr>
<td>IV. OTHER NEW BUSINESS</td>
<td>IV. 5:32:55 – 5:33:02 NO OTHER NEW BUSINESS</td>
</tr>
<tr>
<td>V. PUBLIC COMMENT</td>
<td>V. 5:44:28 – 5:44:40 NO PUBLIC COMMENT RECEIVED</td>
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<tr>
<td>VI. ADJOURNMENT</td>
<td>VI. 5:33:02 – 5:44:19</td>
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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 3:15 p.m.

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
June 25, 2018 9:30 a.m.
Montana State Capitol Building - Room 102
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 Market Regulation Study Final Report
   1. Dairy Technomics In-Person Presentation
   2. Board Comments & Questions
   3. Public Comment & Questions
B. Overview of Legal Processes Required for Implementation of Rule or Statutory Changes Resulting from Board Action Arising from Study Report

**LUNCH BREAK**

**III. NEW BUSINESS**
A. Proposal to Amend ARM 32.24.480 Producer Pricing Rules (MAR Notice 32-18-290)
   1. Discussion of Alternatives
   2. Board Comments & Questions
   3. Public Comment
   4. Board Action
B. Legal Analysis of 81-23-302(11), MCA and Associated Administrative Rules
C. Discussion of Future Consideration of Study Recommendations
D. Milk Control Bureau Report (Chad Lee)

**IV. OTHER NEW BUSINESS**

**V. PUBLIC COMMENT**

**VI. ADJOURNMENT**