Montana Board of Milk Control
Telephonic Meeting Minutes – Time Stamp Record to Accompany Meeting Recording
April 9, 2020 2:00 p.m.
Physical Location of Meeting: Milk Control Bureau Office, 1404 8th Avenue, Helena, Montana

PUBLIC MEETING

Call to Order
Chairperson Scott Mitchell called the telephonic meeting to order at 2:05 p.m.

Attendance

<table>
<thead>
<tr>
<th>Board Members</th>
<th>Present</th>
<th>Absent</th>
</tr>
</thead>
<tbody>
<tr>
<td>W. Scott Mitchell, Chair</td>
<td></td>
<td>X</td>
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<tr>
<td>Jerrold A. Weissman, Vice Chair</td>
<td></td>
<td>X</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></td>
<td>X</td>
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<tr>
<td>Erik Somerfeld</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>

Montana Department of Livestock Staff:
Chad Lee, Bureau Chief, Department of Livestock Milk Control Bureau
Mike Honeycutt, Department of Livestock
Brian Simonson, Department of Livestock
Cinda Young-Eichenfels, Department of Livestock
Rob Stutz, Montana Department of Justice, Agency Legal Services (attorney representing the Montana Department of Livestock)

Guests:
Rob Adamson, Meadow Gold
Wilmer Amstutz, producer delivering milk to Meadow Gold
Wes Almers, dairy nutrition consultant
John Brian, Cargill Animal Nutrition
Susan Brown, Montana Board of Livestock Dairy/Poultry representative
Krista Lee Evans, Montana Milk Producers Association (MMPA) representative
Scott Kiilsgaard, Meadow Gold
Joe Kleinsasser, Golden Valley Colony, producer delivering milk to Meadow Gold, MMPA member
Mark Kleinsasser, Mountain View Colony, producer delivering milk to Meadow Gold, MMPA member
David Lewis, producer delivering milk to Darigold, Northwest Dairy Association/Darigold board member
Marc Lindberg, Bozeman Plant Manager, Darigold
Dan McBride, Darigold
David Miller, Montana Correctional Enterprises Dairy
Pat Murdo, Economic Affairs Interim Committee
Ken Rowley, Rowley Trucking
Ed Waldner, producer delivering milk to Meadow Gold, MMPA member
John Waldner, Birch Creek Colony Dairy Boss, producer delivering milk to Meadow Gold, MMPA member
Peter Waldner, Pleasant Valley Colony, producer delivering milk to Meadow Gold, MMPA member
Elizabeth Williams, Darigold
David Wipf, producer delivering milk to Meadow Gold, MMPA member
Andy Wipf, Martinsdale Colony, producer delivering milk to Meadow Gold, MMPA member
John Wipf, producer delivering milk to Meadow Gold, MMPA member
Roger Witt, counsel for MMPA
Ike Wurz, Cascade Colony, producer delivering milk to Meadow Gold, MMPA member
Ned Wurz, Kingsbury Colony, producer delivering milk to Meadow Gold, MMPA member
<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>00:00 – 10:32</td>
</tr>
<tr>
<td>I. CONSIDERATION OF EMERGENCY RULEMAKING ENABLING SURPLUS SALE ADJUSTMENTS FOR MILK DUMPING ATTRIBUTED TO COVID-19 CRISIS</td>
<td>10:32 – 1:52:58</td>
</tr>
<tr>
<td>Explanation of meeting format and introduction to agenda item (Scott Mitchell)</td>
<td>10:32 – 18:50</td>
</tr>
<tr>
<td>Staff and legal counsel comments (Chad Lee and Rob Stutz, with comments from Scott Mitchell)</td>
<td>18:50 – 26:56</td>
</tr>
<tr>
<td>Comments from industry representatives, with questions from board</td>
<td>26:56 – 1:03:05</td>
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<tr>
<td>Krista Lee Evans</td>
<td>26:56 – 39:52</td>
</tr>
<tr>
<td>David Lewis</td>
<td>39:52 – 45:34</td>
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<tr>
<td>Rob Adamson</td>
<td>45:34 – 59:30</td>
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<tr>
<td>Dan McBride</td>
<td>59:30 – 1:03:05</td>
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<tr>
<td>Public comment from other meeting participants and discussion</td>
<td>1:03:05 – 1:13:32</td>
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<tr>
<td>(The following individuals spoke: David Lewis, Mark Lindberg, Chad Lee, Rob Adamson. There was discussion of written comments submitted by Mike Ragsdale of Darigold.)</td>
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<tr>
<td>Board Discussion and Action</td>
<td>1:13:32 – 1:52:58</td>
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<tr>
<td><strong>Motion</strong>: Mr. Somerfeld moved and Mr. Weissman seconded a motion to initiate the rulemaking set forth in the draft MAR Notice 32-20-309 as presented, with changes that include the edits to paragraph J as recommended by Mike Ragsdale, allowing for nonsubstantive modifications.</td>
<td>1:45:05 – 1:46:46</td>
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<tr>
<td>The motion carried. All members voted in favor.</td>
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<tr>
<td>*Note: The recommendations from Mike Ragsdale referred to in the motion are documented in Written Comment 4.</td>
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<tr>
<td>II. CONSIDERATION OF SUPPORT FOR EMERGENCY GOVERNOR DIRECTIVE TO ENABLE SURPLUS SALE ADJUSTMENTS FOR MILK DUMPING ATTRIBUTED TO COVID-19 CRISIS</td>
<td>1:52:58 – 1:53:18</td>
</tr>
</tbody>
</table>
### III. MINUTES

**Motion:** Jim Parker moved and Jerry Weissman seconded a motion to approve the time stamp document as written for the audio recorded minutes of the December 13, 2019 Board of Milk Control meeting.

The motion carried. All members voted in favor.

<table>
<thead>
<tr>
<th>AGENDA ITEM</th>
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<tbody>
<tr>
<td>III.</td>
<td>1:53:18 – 1:53:46</td>
</tr>
</tbody>
</table>

### IV. PUBLIC COMMENT

### V. ADJOURNMENT

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

The motion carried. All members voted in favor.

Mr. Mitchell adjourned the meeting at 3:59 p.m.

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<tbody>
<tr>
<td>IV.</td>
<td>Throughout</td>
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<tr>
<td>V.</td>
<td>1:53:46 – 1:54:10</td>
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Time stamps were recorded during the meeting and reviewed and adjusted by bureau staff.

**REVIEWED BY**

(Initials):

CPL Chad Lee, Bureau Chief, Milk Control Bureau
Montana Board of Milk Control  
Telephonic Meeting Agenda  
April 9, 2020 2:00 p.m.

Physical Location of Meeting: Milk Control Bureau Office, 1404 8th Avenue, Helena, Montana  

Latest version of agenda will be posted at http://www.liv.mt.gov/mc/public.mcpx

Due to COVID-19 considerations, please call into the meeting using the following directions

Configuration Call Access:  
Call-in Number: 1-406-444-9999 OR 1-646-558-8656 (toll-free)  
Meeting ID: 351-626-9899 and then press #

Zoom Meeting URL: https://mt-gov.zoom.us/j/3516269899

Meeting Participation Instructions:  
Many participants are anticipated. To enable this meeting to run smoothly:

- Place your phone on mute  
- Do not place your phone on hold.  
- The board chair will manage the meeting. Do not speak until called upon by the chair. Opportunity for input will be provided.  
- If you have a question during the meeting, you can email your question to livmilkcontrol@mt.gov, and staff will do its best to present the question to the board chair when called upon.

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. CONSIDERATION OF EMERGENCY RULEMAKING ENABLING SURPLUS SALE ADJUSTMENTS FOR MILK DUMPING ATTRIBUTED TO COVID-19 CRISIS

II. CONSIDERATION OF SUPPORT FOR EMERGENCY GOVERNOR DIRECTIVE TO ENABLE SURPLUS SALE ADJUSTMENTS FOR MILK DUMPING ATTRIBUTED TO COVID-19 CRISIS

III. MINUTES (DECEMBER 13, 2019 MEETING)

IV. PUBLIC COMMENT

V. ADJOURNMENT
Chad, looking thru this I would really like the processor (or the milk truck driver) be responsible for taking the milk weight and sample as well as dumping the milk. This would validate the actual dump. The processor would report the milk, producer gets paid, surplus goes in as normal surplus. If and when the processor reports the dump to the government any returns would be put into the pool as value received. If no payment is made value is zero. As far as packaged milk donated I would not consider that dump milk, hopefully the processor will be reimbursed for donations. We all have advertising dollars we can use for this. It’s a great idea but I’m afraid it would be awful hard to repot this as a dump.

Thanks again. Dave

Sent from my iPad

On Apr 8, 2020, at 4:49 PM, Lee, Chad <chlee@mt.gov> wrote:

Everyone,

Please review the attached draft language for an emergency rule that will be considered by the Board of Milk Control at its telephonic meeting at 2:00 p.m. on Thursday, April 9, 2020.

If you have input that you would like to have provided to the board:

- You can email it to me and I will forward it to the board prior to the meeting so that they can consider it. Similar to any input you provide during a board meeting, this input is public information and will become part of the official record of the meeting.
- You will also be provided opportunity for public comment at the meeting on this issue prior to any action being taken by the board.

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Zoom meeting URL: https://mt-gov.zoom.us/j/3516269899
[eur04.safelinks.protection.outlook.com]

[eur04.safelinks.protection.outlook.com]

Chad Lee
Bureau Chief
Milk Control Bureau
Montana Department of Livestock
1404 8th Ave.
PO Box 202003
Helena, MT  59620-2003
406.444.4300
406.444.1432 (fax)
chlee@mt.gov

<MAR 32-20-309 temporary emergency rule (draft for meeting).pdf>
Lee, Chad

From: dairy.fh@colonymt.com
Sent: Thursday, April 9, 2020 6:29 AM
To: Lee, Chad
Subject: [EXTERNAL] fairhaven dairy

Chad, hope everything is well
I would like to listen in,
I like to put this through
to the milk board today,

this excess milk were dumping,

why don’t we buy it back from the pool,

regarding the colonys, those with no
milk cows, they can use it for their
kitchen, so on unless the pool is not aloud
to sell raw milk, in that case will take it from the
farm, and get reimburse later
Lee, Chad

Chad- here some info on how many loads of milk the Darigold, Bozeman plant processed in addition to the MT NDA farmer milk we received. I’ve been in contact with Scott Kiilsgaard on a weekly basis and he sends me as much milk as I need if he has milk to spare.

Week of 2/16/2020- Took 2 loads from Meadow Gold
Week of 2/23/2020- Took 2 loads from Meadow Gold
Week of 3/1/2020- Took 3 loads from Meadow Gold and 4 loads from NDA Caldwell farmers
Week of 3/8/2020- Took 7 loads from NDA Jerome farmers and 4 loads from NDA Caldwell farmers
Week of 3/15/2020- Took 4 loads from NDA Jerome farmers and 7 loads from NDA Caldwell farmers
Week of 3/22/2020- Took 3 loads from NDA Jerome farmers and 5 loads from NDA Caldwell farmers
Week of 3/29/2020- Took 1 load from Meadow Gold and shipped out 2 loads from MT to Idaho via LTI
Week of 4/5/2020- Shipped out 2 loads from MT to Idaho via LTI
Week of 4/12/2020- Anticipate needing 1 load via Meadow Gold middle of the week

DARIGOLD : Marc Lindberg
Bozeman Plant Manager | 1001 N. 7th Ave | Bozeman, MT 59715 | m:206.550.9482

Chad Lee
Bureau Chief
Milk Control Bureau
Montana Department of Livestock
1404 8th Ave.
PO Box 202003
Helena, MT 59620-2003
406.444.4300

CAUTION: This email originated from outside the organization. Do not click links or open attachments unless you validate the sender and know the content is safe. Please attach this email and send to phishing@darigold.com if you believe this email is suspicious.

Here is a communication that went out to pool producers last night. It was an oversight that I did not send it to you. Other representatives of your companies have received it.

Chad Lee
Bureau Chief
Milk Control Bureau
Montana Department of Livestock
1404 8th Ave.
PO Box 202003
Helena, MT 59620-2003
406.444.4300
From: Lee, Chad
Sent: Wednesday, April 8, 2020 5:38 PM
Subject: April 9, 2020 Board of Milk Control Meeting: unapproved emergency rule draft language

Milk Producers,

Please disregard this email if you already received an email with an attached file of the draft language of an emergency rule being considered by the Board of Milk Control at its meeting on April 9, 2020.

Please review the attached draft language for an emergency rule that will be considered by the Board of Milk Control at its telephonic meeting at 2:00 p.m. on Thursday, April 9, 2020.

If you have input that you would like to have provided to the board:

- You can email it to me and I will forward it to the board prior to the meeting so that they can consider it. Similar to any input you provide during a board meeting, this input is public information and will become part of the official record of the meeting.
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- If you have a question during the meeting, you can email your question to livmilkcontrol@mt.gov, and staff will do its best to present the question to the board chair when called upon.


Chad Lee
Bureau Chief
Milk Control Bureau
Montana Department of Livestock
1404 8th Ave.
PO Box 202003
Helena, MT 59620-2003
406.444.4300
406.444.1432 (fax)
chlee@mt.gov
Begin forwarded message:

From: "Ragsdale, Mike" <Mike.Ragsdale@darigold.com>
Date: April 9, 2020 at 11:31:00 AM MDT
To: "David Lewis (dplewis1188@msn.com)" <dplewis1188@msn.com>, "McBride, Dan" <Dan.McBride@darigold.com>
Subject: J.docx  Change in MCB Draft

HI Guys,
They was just some language in the draft that I did not like. Item “J”.
Please see my recommendation.

The rest is “legalese” so I will leave that to the experts.
Thanks,
Mike
J. The closures of schools and limitations on restaurants and other institutional users of milk have caused a significant decrease in the demand for milk in Montana. The Montana Milk Producers Association estimates a decreased milk consumption in Montana of 1,500,000 gallons for the months of March, April, and May 2020 based on current demand compared to March, April, and May 2019. Montana’s dairy farmers continue to produce milk. Absent demand, some processors may not purchase their normal volumes of milk and it will the reduced demand may cause milk to be dumped by dairy farms, which may result in no payment to those dairy producers for that dumped milk. Uniform payment is an objective of milk market regulation that will not be achieved under these pandemic-caused circumstances. The number of dairy producers in Montana has been in decline. With no a reduced market for their milk, more Montana dairy producers likely will could go out of business. A temporary emergency rule pertaining to the definition of “dumped milk” will help ensure that there are sufficient dairy producers still in business when demand returns after the COVID-19 pandemic. There is a reasonable necessity to immediately adopt temporary emergency rules to allow milk dumped because of the chaotic market conditions caused by the COVID-19 pandemic to be treated as surplus milk for the purpose of uniform payment to Montana pool producers.