

**IDAHO BARLEY COMMISSION
MEETING MINUTES
JUNE 15-16, 2015, IBC OFFICE, BOISE, ID**

I. Roll Call – Chairman Tim Dillin called the IBC meeting to order at 10:03 a.m. on Monday, June 15, 2015 at the IBC office in Boise, ID. **Attendees included:**
Tim Dillin, Chairman
Pat Purdy, District II Commissioner
Scott Brown, District III Commissioner
Tim Pella, Industry Representative
Kelly Olson, Administrator

Guests included: ISDA Director Celia Gould (Boise); UI CALS research scientists Christopher Rogers (Aberdeen) and Juliet Marshall (Idaho Falls); UI CALS Director of Industry Relations Rich Garber (Boise); USDA ARS Aberdeen Research Leader Mike Bonman (Aberdeen); USDA ARS Barley Breeder Gongshe Hu (Aberdeen); USDA RMA Spokane Regional Director Ben Thiel (Spokane); USDA FSA State Director Mark Samson (Boise); and *Capital Press* reporter Sean Ellis (Boise). **Participating by telephone were:** Lynn Tominaga, Idaho Groundwater Appropriators (Boise); Terry Whiteside, Whiteside & Associates (Billings, MT); and Kimberly Atkins, Lyndsey Erb-Sharkey and Manuel Sanchez, US Grains Council (Washington, D.C.).

II. IBC Meeting Minutes

The minutes from the IBC's February 18, 2015 meeting and March 4, 2015 conference call were reviewed. **A motion was made by Industry Representative Tim Pella, and seconded, to approve the minutes of the February 18, 2015 meeting and March 4, 2015 conference call as presented. The motion carried unanimously.**

III. IBC Budget

Monthly check-off receipts, balance sheet and income statements -- The Administrator reviewed budget reports as of May 31, 2015, showing check-off receipts totaling \$512,816.91, which is down \$112,552 from the same period the year before. The Administrator reported she has estimated final check-off receipts will reach \$552,000. The Administrator reviewed the IBC's balance sheet and income statement, showing assets at \$457,526.76; total income to date of \$513,401.28, which is 97% of the budgeted amount for the year; and expenses of \$569,937.17, which is 84% of the budgeted amount. This includes the \$200,000 endowment installment to the University of Idaho, our single largest budget expenditure. The Administrator estimated that reserves will be drawn down at the end of FY 2015 by about \$89,000, which is below the February estimate of \$151,000. **A motion was made by Commissioner Scott Brown, and seconded, to approve the IBC financial report as presented. The motion carried unanimously.**

IV. IBC Administration

LIA session sponsorship – Commissioner Pat Purdy presented a proposal that he had sent to the three Idaho grain organizations in May asking us to consider underwriting one of the Leadership Idaho Agriculture sessions in the 2015/16 year (either Moscow or Pocatello). Pat originally proposed an even three way split of total session sponsorship of \$5,000, but the Administrator recommended splitting it two-thirds wheat commission and one-third barley commission, recognizing the significant difference in overall commission budgets. **A motion was made by Commissioner Pat Purdy, and seconded, to provide support in the amount of \$1,600 to help underwrite one of the LIA sessions in 2015/16. The motion carried unanimously.**

Idaho State Department of Agriculture report – Celia Gould, Director of the Idaho State Department of Agriculture, joined the meeting and provided a report on ISDA issues and priorities and asked for input from the board on the commodity indemnity program (was \$12 million enough coverage in light of consolidation in the grain industry) as well as other programs conducted by ISDA that affect grain producers. Director Gould reported that she had recently participated in a very successful trade mission with Governor Butch Otter to Mexico and Peru.

IBC outreach to other barley states – The Administrator reviewed the letter that IBC had sent to other barley state organizations in Minnesota, Montana, North Dakota, Oregon and Washington to pursue more active engagement with these other barley state organizations, particularly in the areas of research and market development. The Administrator reported that IBC had received three email replies from Washington Grains Commission, Oregon Wheat Commission and Minnesota Barley Research & Promotion Council. She also noted multiple phone discussions that have taken place in recent weeks between herself and Collin Watters, the new Executive Vice President of the Montana Wheat and Barley Committee on possible joint research and marketing efforts in the future.

Calendar / Travel Authorizations – The Administrator reviewed the calendar and proposed two travel authorizations:

- Administrator to participate in the Anheuser Busch field day in Fairfield, MT, on July 15, 2015.
- Administrator to represent the IBC at the US Grains Council summer board meeting in Montreal, Canada on July 26-29, 2015. Commissioner Tim Dillin is unable to participate due to early harvest.

A motion was made by Commissioner Pat Purdy, and seconded, to approve the two travel authorizations as presented. The motion carried unanimously.

V. IBC Research

Dr. Christopher Rogers, UI Barley Research Agronomist, Aberdeen – Chris reported on several field studies he has underway, including projects being partially funded by the Idaho Barley Commission, University of Idaho new faculty grant, Brewers Association and MillerCoors.

Dr. Juliet Marshall, UI Cereal Agronomist/Pathologist, Idaho Falls – Juliet reported on crop conditions across southeastern Idaho growing region, noting that crops are at least two to three weeks ahead of normal development based on early seeding and warm conditions. Juliet reported on the extent of damage in winter grains from Barley Yellow Dwarf Virus (vectored by heavy aphid flight last fall) and also noted that the incidence of spot form of net blotch was on the rise in spring barley. Growers have been encouraged to tank mix fungicide with herbicides to address this rise in disease pressure. Stripe rust is expected to be a concern in wheat in this region this year.

Short break for working lunch.

Dr. Gongshe Hu, USDA ARS barley breeder – Gongshe reported on (1) ARS lines being evaluated in the American Malting Barley Association plant scale testing (X01084-27 spring - same yield and malting quality as Conrad but 2 days earlier and 2AB07-X031098-31 spring – better yield than Voyager and 02Ab669 winter – better yield than Charles and Endeavor). (2) Brewers Association collaboration to identify and test advanced malting barley germplasm suited for craft brewing, including seed increase of two promising spring lines in 2015. (3) Food barley variety development – 2 lines being evaluated for release: 2Ab09-X06FO58HL-31 hullless with 10% better yield than Transit and 2AB09-X06FO84-51 hulled with 40% more b-glucan content than Salute.

VI. IBC Program Review

Surface Water Coalition – Groundwater Pumpers agreement – Lynn Tominaga, Executive Director of Idaho Ground Water Appropriators, joined the meeting by teleconference to brief the board on the landmark water agreement reached in May between senior surface water users and junior groundwater pumpers that will end an ongoing lawsuit and pending water curtailment orders by the Idaho Department of Water Resources. If approved by the groundwater districts by July 1, this deal calls for participating groundwater users who pump water out of the Eastern Snake Plain Aquifer to reduce their diversions by about 240,000 acre-feet annually, starting in 2016. For 2015, the groundwater pumpers will lease a specified amount of water for assignment to the Surface Water Coalition and lease as much additional water as possible for ongoing conversion projects. Lynn observed that the magnitude of these irrigation water reductions will fundamentally change cropping patterns and practices covering as much

as 1.5 million acres (990,000 acres within the ESPA boundary plus tributaries with underflow to the ESPA) and will likely lead to a shift from more water intensive crops to less water intensive crops like barley.

Rich Garber, UI CALS Director of Industry Relations – Rich provided a status report on several important searches underway for senior leadership in CALS, including Dean, Associate Dean/ Director of the Experiment Stations and Director of Administrative Services. Rich also reported that the UI has a new Provost/Executive Vice President in place - Dr. John Wiencek, who was most recently interim provost and vice president of academic affairs at Virginia Commonwealth University. Dr. Wiencek is a chemical engineer.

US Grains Council (USGC) report and FY 2016 budget request – Kimberly Atkins, Lyndsey Erb-Sharkey and Manuel Sanchez, US Grains Council (Washington, D.C.) joined the meeting by teleconference. Kim and Manuel presented a slide show on how the Council leverages FAS competitive grant funds with barley, corn and sorghum check-off dollars to deliver grain export development programs in more than 50 countries around the world. They also reported on current and proposed barley market development programs in Asia (food barley) and Latin America (malting barley and malt). In particular, they noted successes in building food barley demand in Taiwan, with 21 food companies now developing food products with barley as a key ingredient. The Council is requesting \$25,000 from the IBC in FY 2016 (funded at \$10,000 in FY 2015).

National Barley Growers Association (NBGA) report – Commissioner Scott Brown and Industry Representative Tim Pella reported on the NBGA summer board meeting held June 8-10 in Chicago. They felt that outgoing President Doyle Lentz had made great strides in expanding industry investment in the NBGA (Anheuser Busch and MillerCoors) which will help re-invigorate this organization. The board approved by-law changes that will allow limit voting board membership to one from each state and one from the major industry funding partners. Scott also noted that at his request the by-laws had been changed to allow someone to qualify for officer if they currently served or had previously served on the board. This change allowed Dwight Little to be elected Vice President. Scott noted that members of the North Dakota Barley Council were surprised and appreciative of IBC's Idaho Barley All Stars Award that Scott presented to them for their tremendous efforts in developing the new Malting Barley Revenue insurance products.

Barley crop insurance report – Ben Thiel, Director of the RMA Spokane Regional Office, provided a detailed report on the new Malting Barley Revenue Endorsement that will be available for Idaho barley producers in 2016. Ben and the Administrator also discussed ongoing efforts with RMA to secure improvements to Qualify Adjustment Factors under the Small Grains Special Provisions, based on our 2014 quality loss experiences. The conclusion was to continue working with RMA on potential changes to the small grains special provisions.

Federal farm program participation – Mark Samson, FSA State Director, reported on 2014 enrollment in PLC and ARC programs for Idaho cereal crops. Mark noted that 93% of eligible DCP acres in Idaho enrolled in 2014 programs (third lowest percentage in the country). The second-stage sign-up deadline is June 17 and planted acres must be reported by July 15.

Terry Whiteside report – Terry Whiteside, Whiteside & Associates, joined the meeting by teleconference. Terry provided a detailed report on current actions in Congress and the Surface Transportation Board to address captive rail shipper service and pricing issues.

Grain Marketing & Risk Management Education – The Administrator reported on producer risk management education that was conducted this year, including nine farm bill sessions (541 participants), two ag outlook sessions in southern Idaho (south-eastern ID extension), several succession planning workshops (south-eastern ID and northern ID extension) and five webinars. Another webinar is planned this summer on 2015/16 grain marketing strategies.

Food Barley Initiative – The Administrator updated the board on current priorities, which include co-sponsoring a Food Barley Products Technical Symposium at the Wheat Marketing Center in Portland later this fall, in conjunction with Highland Specialty Grains and Ardent Mills and efforts to facilitate sales of food barley to Taiwan (Thresher is currently working on a Transit container trial). She noted that discussions were underway on strategies to resurrect the now defunct National Barley Foods Council. Commissioner Pat Purdy recommended that we consider hiring a college student intern with nutrition background to help with this effort.

The meeting was recessed at 4:55 p.m.

June 16, 2015 – Chairman Tim Dillin called the meeting to order at 8:50 a.m.

Roll Call -

Tim Dillin, Chairman
Pat Purdy, District II Commissioner
Scott Brown, District III Commissioner
Tim Pella, Industry Representative
Kelly Olson, Administrator

Guests included: Idaho Grain Producers Association Executive Board by teleconference (President Sid Cellan, Vice President Terry Kulik, Secretary-Treasurer Joe Anderson, Dwight Little and Executive Assistant Christie Prescott) and Sean Ellis, *Capital Press* reporter.

Idaho Grains Producers Association report and FY 2016 budget request– IGPA Executive Board joined the meeting by teleconference. Secretary-Treasurer Joe Anderson summarized the IGPA's FY 2016 budget request, noting the conservative request. There was discussion about adding back the \$2,500 for the tri-state

convention that had been eliminated from their request. Joe reported that the 2016 tri-state convention was likely to involve only Idaho and Oregon and was likely to be held in Boise.

Strategic Plan – The board reviewed existing IBC strategic plan documents and agreed to participate in a half day strategic planning session at their October board meeting.

VII. IBC FY 2016 Budget

Employee Salary Adjustments for FY 2016 for Administrator Kelly Olson and Administrative Assistant Amy Ziegler were discussed. **A motion was made by Commissioner Scott Brown, and seconded, to approve 3% cost of living / merit raises for both IBC employees. The motion carried unanimously.**

FY 2016 projected income: \$688,030

Check-off receipts - \$686,880

Interest income – \$700

Misc. and Market Report - \$450

A motion was made by Commissioner Pat Purdy, and seconded, to approve FY 2016 income projection of \$688,030. The motion carried unanimously.

FY 2016 expenditures: \$574,137

Capital Outlay - \$1,350

Administration – \$84,296

Research - \$250,667 (includes \$100,000 (not full \$200,000 pledge) third year payment on the UI Barley Agronomy Endowment)

Market Development - \$74,942

Grower Services - \$108,236

Information/Education - \$55,646

A motion was made by Commissioner Scott Brown, and seconded, to approve a FY 2016 budget of \$574,137. The motion carried unanimously.

A final motion was made by Industry Representative Tim Pella, and seconded, to approve all acts and transactions of the June 15-16, 2015 IBC meeting. The motion carried unanimously.

With no other business, the IBC meeting was adjourned by Chairman Tim Dillin at 10:25 a.m.

Tim Dillin, Chairman

Date

**IBC MEETING
June 15-16, 2015
MOTIONS PASSED**

1. A motion was made by Industry Representative Tim Pella, and seconded, to approve the minutes of the February 18, 2015 meeting and March 4, 2015 conference call as presented. The motion carried unanimously.
2. A motion was made by Commissioner Scott Brown, and seconded, to approve the IBC financial report as presented. The motion carried unanimously.
3. A motion was made by Commissioner Pat Purdy, and seconded, to provide support in the amount of \$1,600 to help underwrite one of the LIA sessions in 2015/16. The motion carried unanimously.
4. A motion was made by Commissioner Pat Purdy, and seconded, to approve the two travel authorizations as presented. The motion carried unanimously.
5. A motion was made by Commissioner Scott Brown, and seconded, to approve 3% cost of living / merit raises for both IBC employees. The motion carried unanimously.
6. A motion was made by Commissioner Pat Purdy, and seconded, to approve FY 2016 income projection of \$688,030. The motion carried unanimously.
7. A motion was made by Commissioner Scott Brown, and seconded, to approve a FY 2016 budget of \$574,137. The motion carried unanimously.
8. A final motion was made by Industry Representative Tim Pella, and seconded, to approve all acts and transactions of the June 15-16, 2015 IBC meeting. The motion carried unanimously.