

Oregon Sweet Cherry Commission

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REGULAR MEETING MINUTES

Food Innovation Center, 2nd Floor classroom

1207 NW Naito Pkwy., Portland, OR 97209

Wednesday, August 23, 2017, 11:15 A.M.

Call to Order/Introductions

Dan Crouse, Chairman, called the meeting to order at 11:07 a.m. with the following Commissioners consisting of a quorum, including Dan, present: Stacey Cooper, Megan Thompson, Andrea Galloway, Steve Sandau, Les Stephens, Ryan Bond, Wade Root, Kris Brunner, Leonard Aubert and Brad Pickering.

Sue Root, Oregon Cherry Growers, Judith Callens, ODA Natural Resource Policy Specialist, Steve Castagnoli, MCAREC Director and Dana Branson, OSCC Administrator were also present.

The minutes of the regular meeting and budget hearing held on June 1, 2017 were emailed in advance and available at the meeting. *Megan Thompson moved and Andrea Galloway seconded to approve the minutes as submitted. The motion carried unanimously.*

The financial statements for May, June and July were emailed in advance and available at the meeting. Year-end financial reports were submitted as required to the state. There were no questions. *Ryan Bond moved and Les Stephens seconded to accept the financial reports for all three months as submitted. The motion carried unanimously.*

Administrator's Activity Report

All assessment reports requested for 2016 and prior years have been received with payments following letters from the Department of Justice and some additional emails from Dana.

The fresh crop estimates received from handlers for packed fruit in 2017 total just over 41,000 tons, which is very close to what was reported and collected on last year. The estimated for brine, canned and frozen were not complete before this meeting. The discussion indicated that those numbers may be lower this year because there's a large inventory of canned cherries and freezer buyers were buying off-line fruit instead of

field run. There might have been some late sales of Sweethearts for freezers.

Dana is still struggling to understand and properly explain the Volunteer Insurance Coverage. It's her understanding that any coverage needed and/or provided for a Commissioner injured while on Commission business would be paid after the volunteer's insurance policies had paid their part. The OSCC has to formally approve the payment of a billing that would result from a claim. There is no fee until a claim is made. After discussion Dana was asked to find out what other commissions do, is it possible to have Commissioners sign a "no sue" agreement and is the self-insurance covered by ODA.

Dana reminded everyone that OSCC sponsored a table again at Denim & Diamonds, the Oregon Aglink Foundation fund raiser. It will be on Friday, November 17. Les Stephens, Kris Brunner and Megan Thompson expressed interest in attending. Dana will send out details as she receives them.

The Cherry Research Review dates this year are November 9 and 10 in Pasco. Dana will be putting a list of people planning to attend together for reservations soon. The Request for (research) Proposals (RFP) went out July 31 and pre-proposals are due August 31. Dana will contact Commissioners by email to rate them. By September 22 researchers will be notified if they're invited to present their full proposal at the Research Review.

Chairman's Report

The public hearing for the Administrative Rule Change proposal was held just prior to the Commission meeting. Judith Callens acted as the Hearings Officer. There were three emailed comments sent to the OSCC office – two in favor of the reduction to \$6.75 per ton and one suggesting that if the brine rate was not reduced the money previously used for promotion could be put towards additional possibly brine grower specific research. *Les Stephens moved and Steve Sandau seconded to reduce the brine rate from \$12.25 to \$6.75 per ton.* There was discussion regarding the increasing costs associated with research and the need to continue to collect at least at the same level that fresh cherries are assessed. That rate is \$9.00 per ton at this time - \$27 per ton collected in total with \$18 per ton being paid to NW Cherries/ Washington State Fruit Commission for promotion. *Stacey Cooper moved to amend Les Stephens' motion to reduce brine assessments from \$12.25 to \$9.00 per ton. Ryan Bond seconded.* More discussion regarding how much money was generated from brine assessments last year (approx. \$61,000). Sue Root said

growing fresh cherries is 180 degrees different from growing brine cherries. Brine cherries focus on light colored, small fruit with good stem retention. The agricultural practices are the same and they still need root stocks. There was discussion regarding powdery mildew (PM) control research because the Willamette Valley doesn't have that problem, but there are brine cherries grown in The Dalles where PM is an issue. Sue felt that it would be good PR to detail the research information more, the Willamette Valley growers need to hear the value. There are many Sweetheart cherries planted for fresh that can't make it as a fresh cherry and so are being diverted to brine. That wasn't planned, but now those cherries will be paying a lower assessment rate so fewer dollars for research will be generated by those cherries. Ryan Bond commented that he thinks canned and frozen cherry assessments should be increased to \$9 per ton also. Then all growers would be contributing equally to research and administrative costs. There was discussion regarding assessing cherries on delivered pounds instead of packed pounds, which is what Washington does. There are questions as to how the money is identified by use and split out by Washington. Lots of offline cherries are not assessed because they're considered culls, but they are still usable for brine or frozen.

Leonard Aubert called for the question on the amended motion to reduce the brine rate to \$9.00 per ton. *There were three votes in favor – Ryan Bond, Stacey Cooper and Leonard Aubert. There were 5 votes opposed – Les Stephens, Kris Brunner, Steve Sandau, Brad Pickering, Andrea Galloway and two abstaining – Megan Thompson and Wade Root. The motion did not pass.*

The vote on the first motion to reduce the brine rate to \$6.75 was *six votes in favor and three opposed – Ryan Bond, Stacey Cooper and Megan Thompson. The motion carried.*

There was more discussion about raising canned, frozen and brine rates to \$9.00 per ton with another Administrative Rule change. It was decided that more information needs to be gathered first so it was *moved by Les Stephens and seconded by Kris Brunner to appoint a committee. Brad Pickering will act as Chairperson, Megan Thompson, Steve Sandau, Les Stephens and Ryan Bond will participate. The motion carried unanimously.*

The meeting was recessed at 12:20 for lunch and reconvened at 12:50.

The 2017-18 Operational Plan was sent out to the Commissioners for review. *Ryan Bond moved and Brad Pickering seconded to approve the 2017-18 Operational Plan. The motion carried unanimously.*

Commissioners and grower representatives discussed their views of the 2017 cherry season they experienced during the Roundtable discussion. The season started out well. Fruit size overall was smaller than desired, the market got full and prices went down. Prices didn't recover during the second peak. The export market was strong and packouts were decent except for size.

Administrator evaluation forms were handed out to those that hadn't completed one yet.

Research Committee Report

Eric Shrum, co-Chair of the Research Committee, is on the hiring committee for the cherry breeder position at Washington State University. He reported to Dan he thinks they may have a candidate by January 2018.

OSU Research & Extension Report

Steve Castagnoli, Director MCAREC, said farm operations are going well. Cherries were picked commercially with only about ½ acre of Lapins not picked. Bartlett harvest has started. They passed the GAP audit for Diamond Fruit. The Extension and Research Station office space is in process of being reorganized. Dan Arp announced his retirement for sometime in June 2018. Searches are out to fill two positions. One is a combination of Lynn Long's and Steve's Extension jobs with a focus on cherries and pears, some blueberries and grapes, but no Master Gardner or other areas. The second position is a replacement for Todd Einhorn. They hope to have it filled by next season. There's no commitment from Oregon State regarding the other two research positions at MCAREC (Entomology and Post-Harvest), but Steve hopes to have approval for one before the end of the biennium. The post-harvest research work started by Yan Wang has continued with his research technician and visiting professors, however one project was postponed till next year. Mike Willet has visited the station several times and may provide some staff assistance to help with reporting on post-harvest research.

Old Business

There was no old business.

New Business

There was no new business.

Next Meeting

The next regular meeting will be Tuesday, November 28, 2017 in the meeting room in Bette's Place, 416 Oak St, Hood River, OR starting at 10:00 a.m.

Adjourn

The meeting adjourned at 1:33 p.m.