

Oregon Sweet Cherry Commission
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SPECIAL MEETING CONFERENCE CALL MINUTES
Monday, July 29, 2013, 3:00 P.M.

Call to Order/ Introductions

Megan Thompson, Chairwoman, called the meeting to order at 3:03 p.m. the following Commissioners consisting of a quorum, including Megan, were present Jeff Heater, Andrea Galloway, Steve Sandau, Steve Agidius, Jim Markman, Tom Brateng, Mike Halliday and Les Stephens. Dan Crouse joined the call shortly after introductions.

Kris Anderson, Commodity Commission Program Manager, Brian Tuck, MCAREC, Dana Branson and LeRoy Nickerson, OSCC Administrators were also on the call.

Megan began by going over the proposed Administrative Rule change to reduce the rate on each category of assessments by \$2/ton. She stated that a hearing was held on Monday, July 22 and that Bob Bailey, Orchard View Farms, came to provide testimony requesting that the OSCC reconsider reducing the rate on Fresh Market cherries at this time. That testimony was also provided in written form and Dana emailed it out to all of the Commissioners. She informed everyone that the proposal could be filed as it was written, amended or abandoned by a motion and vote.

Megan asked if there were any comments from the Commissioners. Tom Brateng questioned the timing of proposing this change because it was in the summer and cherry season. He said he would like more time to discuss it. He would like to talk about finding more promotion money for processed cherries to help improve sales. There is an increased amount of cherries coming offline and through salvage for processing and we need to promote to sell it.

Dana explained the reason the discussion about rates came up was because the June meeting was the budget hearing. At that time in June it looked like Oregon was going to have a big crop and the reserve fund was going to continue to increase. The majority attending the June meeting thought it would be a good to let the growers keep some of the assessments. If a change was going to be made to affect the 2013 season it had to be done right then to meet the time frame for notification, filing, comments and notifying the handlers of how to withhold.

Megan reminded the group again that the proposal could be modified or discontinued at this time.

Les Stephens asked about the degree of confidence in the current crop estimate used in the comparison calculations provided. Dana explained how the estimate for the crop was developed and who provided input. He asked about the crop estimate used in the budget preparation and why it was so much higher than what is expected now. Dana explained that the budget provided to the state is always higher than actually expected. Revenue that is not budgeted for in a fiscal year cannot be spent in that fiscal year without additional paperwork and hoops.

Jeff Heater made the comment that since the crop will not come in as high as we thought the reserve will not be as high either. And after reflecting on Bob Bailey's comments he thinks we should not lower the assessments at this time.

Jim Markman agreed with Jeff and he thinks we need to look at what we're getting out of research projects we're funding.

Mike Halliday agreed also and he thinks the Commission should discuss the issue more before making a change.

Andrea Galloway said that she would not be opposed to forgoing the reduction for now and would like to discuss more options for the sources of research.

The call fell quiet so Megan asked if someone would like to make a motion.

Stacey Cooper moved to delay the reduction of assessments for at least one year. Tom Brateng seconded. A roll call was taken for votes. Those voting for the motion were: Jeff Heater, Jim Markman, Andrea Galloway, Mike Halliday, Les Stephens, Megan Thompson, Tom Brateng, Stacey Cooper, Steve Agidius. Steve Sandau and Dan Crouse were opposed. The motion carried.

Dan Crouse expressed concerned that because the motion stated the delay would be at least one year that the timing for the change would need to be done further in advance of assessment due dates for next year. Megan agreed to have the topic on the agenda to accommodate.

Next Regular Meeting – Tuesday, August 13, 2013 at 10:00 A.M. at the Food Innovation Center, 1207 NW Naito Parkway, Portland OR 97209, upstairs classroom.

The call concluded at approximately 3:25 p.m.