

**Minutes**  
**Nebraska Wheat Development**  
**Utilization and Marketing Board**  
Holiday Inn  
Lincoln, NE  
November 9, 2007

**Board Members Present**

Pat Nelson, Upland  
Chris Cullan, Hemingford  
Rick Larson, Potter  
Delferd Schlake, Blue Springs  
Dan Hughes, Venango  
Brent Robertson, Elsie  
Larry Flohr, Chappell

**Board Members Absent**

**Staff Present**

Royce Schaneman, Exec. Director  
Donna Sturdy, Assistant Director  
Jill Goetz, Intern

**Ex-Officio Member Present**

Jeff Noel, Foundation Seed

**Guests**

Mike Sullivan – Pres NWGA  
Mike Keenan – NWGA  
Larry Putney – Snitily Carr  
Ron Maas – Producer  
Paul Johnson – Farm Bureau  
Mike Salzwedel – DAS Budget  
Steve Wegulo – UNL  
Dr. Rolando Flores – UNL  
Bob Storant – NE Dept of Ag  
Bobbie Kriz-Wickham – NE Dept of Ag  
Katie Spohn – Attorney General's Office  
Jody Fenner – Attorney General's Office

The Board began the day with an 8:00 a.m. tour of Dr. Yiqi Yang's lab at UNL's East Campus.

Chairperson Cullan called the meeting to order at 10:00 a.m. Roll call was taken. All board members were present. Wheat reports were given. The group, in general, reported that they were optimistic about the wheat crop and reported that moisture was needed.

Guests present were introduced and were welcomed to the meeting.

The revised agenda was reviewed. **Nelson moved to accept the revised agenda. Seconded by Flohr. Voice vote; all in favor.**

**Schlake moved to dispense with the reading of the minutes of the August 10, 2007 meeting and approve the minutes as presented. Seconded by Larson. Voice vote; all in favor.**

Schaneman presented the financial reports for August '07, September '07, and October '07. **Nelson moved to approve the August '07, September '07 and October '07 financial reports including expenditures. Seconded by Hughes. Roll call vote: Robertson, yes; Hughes, yes; Larson, yes; Schlake, yes; Flohr, yes; Nelson, yes; Cullan, yes. Motion carried.**

Cullan gave the Wheat Marketing Center Report. He discussed some of the new machines that had been purchased by the Wheat Marketing Center. He also passed

around pictures and reported that the Wheat Marketing Center extended its thanks to those states that contributed money for the funding of the new equipment.

Schlake, Hughes, Robertson and Schaneman reported on the US Wheat Meeting they attended. Schlake reported that US Wheat is working to develop a rapid functionality test for wheat. He also reported that the Plains Grains Board is working to form a 10 person board. Hughes reported on the Hard White Wheat (HWW) committee meeting that he attended. He discussed HWW in the Farm Bill. Schaneman also attended the HWW committee meeting and reported that Kansas is working to develop a database of HWW producers. Robertson reported on the orientation meeting and long range planning meeting that he attended.

Nelson reported on Governor's Trade Mission to Asia. She had submitted a report that was included in the meeting book and said that because of time constraints she would present more at the next meeting.

Larry Putney from Snitily Carr presented on logo and website options. He shared some sample logos and websites with the board.

Hughes reported on Governor's Ag Advisory Group meeting held in Grand Island. He reported that the meeting was mainly a listening session for the Governor and Secretary of Agriculture Johanns.

Schaneman presented on the State Fair. He noted that the Wheat Board was in a good location and that "Wheat on a Stick" was a hit and received some press. Schaneman reported on Husker Harvest Days. Sullivan commented on his experience at Husker Harvest Days. He felt the NWB board members should work at booth and felt attendees appreciated having a farmer to talk with. Schaneman reported on the Bread and Jam Festival. He felt it was an event worth sponsoring but felt it wasn't necessary to have someone attend the event.

Schaneman reported on the Israeli Trade Team that visited Nebraska in September. He explained the stops and tours that were made with the Trade Team.

Sturdy reported on the status of the upcoming Portland tour. She reported that nine attendee confirmations had been made and encouraged board members turn in more names of potential attendees.

Schaneman announced that a \$10 million sale of wheat was made to Cuba on the Governor's last trade mission.

The US Wheat Phytosanitary Committee submitted a report that was included in the meeting book.

Steve Wegulo from UNL submitted a report that was included in the meeting book. He also gave a short update on his research about the wheat diseases this season. He reported that there was a lot of disease and in some cases grain was discounted or rejected due to disease.

Sullivan gave the NWGA report. He reported that they held their last meeting November 8, 2007. He reported that the board is one member short because of Robertson's resignation to be on the NWB. He stated that elections would be taking place at the

upcoming annual meeting in Kearney. He also reported that the steps towards collocation were going well. He stated that it was decided that the NWGA meetings will be held every time the NWB meets (either the day before or the morning of) and that special meetings may be called. He reported that the two-year audit they are having completed is nearly done. Also, it was reported that on August 15<sup>th</sup> a membership billing was sent out. In 2 months time, about 135 people responded back and are current members. A re-notification will be sent out to those who did not respond.

Jeff Noel gave a report on part of the University. He reported that Foundation Seed had record sales of seed this year and that it was the first time that a new University release has sold out. The University completed their sowing on October 24.

All other University reports were included in the meeting book.

Rolando Flores presented to the board during lunch about the possibility of the NWB working with the Food Technology Department at UNL to research the possible use of HWW in products used at Nebraska restaurants such as Runza and Valentinos.

Jeff Noel gave an update on a Hard Red Wheat variety and a White Wheat variety of Bob Graybosch's that is being considered for release.

The board considered funding the Cargo Preference/Jones Act Study from Washington Wheat Commission. Washington Wheat wanted \$10,000 in total which meant \$1,000 from certain states. **Schlake moved to fund \$1,000 to the Washington Wheat Commission cargo preference feasibility study. Seconded by Nelson. Roll call vote: Hughes, yes; Larson, yes; Schlake, yes; Flohr, yes; Nelson, yes; Robertson, yes; Cullan, yes. Motion carried.**

NWGA funding proposals were amended because of changes that occurred between the NWGA and the NWB. The changes were \$40,000 to \$30,000 for Wheat Monitoring Issues, \$32,000 to \$20,000 for an Information Specialist, up to \$7,200 for in-kind administrative services and \$5,000 for a Wheat Industry Tour. The total was then \$55,000 – \$7,500 for in-kind administrative services. **Hughes moved to waive the second reading for the three amended NWGA contracts. Seconded by Larson. Roll call vote: Larson, yes; Schlake, yes; Flohr, yes; Nelson, yes; Robertson, yes; Hughes, yes; Cullan, yes. Motion carried.**

**Robertson moved to fund the NWGA \$30,000 for the wheat monitoring issues, \$20,000 for an information specialist, up to \$7,200 of in-kind administrative services and \$5,000 for the Wheat Industry Tour. Seconded by Flohr. Roll call vote: Schlake, yes; Flohr, yes; Nelson, yes; Robertson, yes; Hughes, yes; Larson, yes; Cullan, yes. Motion carried.**

Schaneman presented bids from the website companies that had made North Dakota's and Kansas's websites. The bids were passed around. **Flohr moved to table the logo and website issues until the December meeting. Seconded by Hughes. Voice vote; all in favor.**

Second readings for the UNL Straw with Distillers Byproducts and UNL Feed Low Quality Wheat proposals were considered. Larson moved to fund half (\$10,000) of the Distillers Byproducts proposal with the provision that another \$10,000 was funded

another source. Seconded by Schlake. **Roll call vote: Flohr, no; Nelson, no; Robertson, no; Hughes, no; Larson, yes; Schlake, yes; Cullan, yes. Motion failed.**

**Feeding Low Quality Wheat proposal died for lack of a motion.**

Brownfield Ad Campaign (\$8,472) proposal was discussed. **Proposal died for lack of a motion.**

Schaneman reported about the Gulf States Meeting. He discussed that the meeting was with private companies to discuss the possibility of pulling HWW through the market.

Schaneman reported on IGP. IGP sent a report that was made available for Board members to view. IGP is working to make opportunities available for tours of the labs.

Schaneman reported on PGI. The report PGI does for the NWB has been completed and has been put on CDs. It was distributed to Israeli trade team. He also reported that ownership of IGP may be turned over to the states. Schlake represents Nebraska on this board. Schaneman reported that another spot for someone from Nebraska is available, and anyone with interest should let him know.

Schaneman reported on WETEC. He reported that the money the NWB invested in WETEC has been reimbursed because WETEC is no longer.

Schaneman reported on the White Wheat survey through Ag Statistics. The cost would roughly be \$2,000-\$2,500. This would reach approximately 130 producers in Nebraska. This survey could also be expanded to a nationwide survey.

Schaneman reported on the USW special project funding/Cuban Donut funding. In 2005, \$10,000 was put into a Cuban Donut project. \$7,000 is now being reimbursed because the government would not allow the machines to be sent into Cuba. USW has some new special projects available for funding. **Flohr moved to request \$7,129.50 be refunded back to the NWB. Seconded by Larson. Roll call vote: Nelson, yes; Robertson, yes; Hughes, yes; Larson, yes; Schlake, yes; Flohr, yes; Cullan, yes. Motion carried.**

Website statistics were discussed. The most views on the website are the weather and the markets.

Compliance reports were included in the meeting book for the Board's review.

Deficit Budget Request information was included in the Board's meeting books to be referred to in executive session.

Schaneman discussed getting a Smart Phone. The Board requested Schaneman provide numbers on what the cost would be at the next meeting.

Bob Storant discussed clarification of meal expenses, contracts and supporting documentation to pay contracts, trade team guests, and expense forms and documentation.

**Flohr moved to go into executive session at 3:09 p.m. Seconded by Robertson. Voice vote: All in favor. Motion carried.**

**Hughes moved to go out of executive session at 4:20 p.m. Seconded by Flohr. Voice vote: All in favor. Motion carried.**

**Hughes moved to accept the reclassification of the Administrative Assistant 2 position to Accounting Clerk 2 position and correlating title changes with an annual salary of \$30,000 per year beginning when and if proposed Assistant Director position is filled. Seconded by Schlake. Roll call vote: Flohr, yes; Nelson, no; Robertson, yes; Hughes, yes; Larson, yes; Schlake, yes; Cullan, yes. Motion carried.**

**Hughes moved to hire a .75 FTE Assistant Director, upon approval of adequate salary PSL, at \$39,473 after probation.**

Schlake asked for a clarification of the minimum salary. It was clarified that it was \$39,473 after probation.

**Seconded by Flohr. Roll call vote: Nelson, yes; Robertson, yes; Hughes, yes; Larson, yes; Schlake, yes; Flohr, yes; Cullan, yes. Motion carried.**

**Flohr moved to give Schaneman a retroactive cost of living increase of 3% dating back to the start of the fiscal year. Seconded by Robertson. Roll call vote: Robertson, yes; Hughes, yes; Larson, yes; Schlake, yes; Flohr, yes; Nelson, no; Cullan, yes. Motion carried.**

Future travel was reviewed and discussed. Future travel/meetings are as follows:  
Ag Classic : December 11-13, 2007, Kearney, NE

**Nelson moved to approve travel as presented. Seconded by Schlake. Voice vote: Motion Carried.**

The next meeting is set for December 11, 2007 in Kearney at the Nebraska Ag Classic.

**There being no further business to come before the board, Nelson moved to adjourn. Seconded by Larson. Voice vote: All in favor. Motion carried.**

Submitted By: Jill Goetz