

Meeting Minutes
Nebraska Wheat Board
June 11-12, 2009
Farm And Ranch Museum, Gering, NE

Board Members Present

Dan Hughes, Venango - Chairperson
Larry Flohr, Chappell – Vice Chairperson
Chris Cullan, Hemingford
Rick Larson, Potter
Von Johnson, Cambridge
Delferd Schlake, Blue Springs
Brent Robertson, Elsie

Ex-Officio Member Present

Dan Duncan, UNL

Staff Present

Royce Schaneman, Executive Director
Zoe Olson, Public Information Officer
Kiah Haslett, Intern

Guests

Scott Osler, NWGA
Tom Clemente, UNL
Stephen Baenziger, UNL
Judi Adams, Grain Foods Foundation
Linda Beckner, UNL
Dipak Santra, UNL
Mark Hutchinson, UNL
Brandi McCaslin
Frank Johansen
Alex Plavista
Jennifer Rogers
Drew Lyons, UNL
Jack Preston, FARM
Craig Hinkle, Dry Bean Growers Assoc
Mary Crawford
Kay Johnson

The State of Nebraska open meetings law was made available.

Chairperson Hughes called the meeting to order at 1:15 p.m. on June 11, 2009. Roll Call was taken with board members reporting on crop conditions. Most areas reported good moisture but would like to receive more heat with low incidence of disease—overall the wheat looks good.

Hughes introduced guests and welcomed them to the meeting.

Hughes noted that due to the wet conditions, the tour of the research center had been cancelled and the agenda was adjusted to reflect that change. **Schlake moved to approve the agenda as amended. Johnson seconded. Voice vote motion passed.**

The minutes from the previous meeting were reviewed. **Larson moved to approve the minutes. Cullan seconded. Voice vote motion passed.**

Schaneman provided copies of the May financial report received since the meeting books were sent out. All financial reports were reviewed. **Cullan moved to approve the financial reports. Robertson seconded. Roll call vote: Schlake-yes, Larson-yes, Johnson-yes, Flohr-yes, Robertson-yes, Cullan-yes, Hughes-yes. Motion passed.**

After review of the Compliance Reviews, Flohr noted that there were not too many on wheat, that most reviews were of corn and corn ethanol. Johnson asked for clarification of page 3 of the 12/24/08 audit #2028 should be 14.37 not 4.37.

The Nebraska Wheat Growers report was given by Osler. Daren Coppock of NAWG took part in the NWGA meeting via telephone and that the choices on climate change legislation could be seen as bad and really bad with the main choice between USDA and EPA setting the standards. There is also a move to change the Clean Water Act to remove the word "navigable" from the act. Other issues on the national agenda are keeping funding for agriculture and a rail bill that is helpful to agriculture. Locally, ConAgra will partially fund the trailer for the Mobile Baking Lab and NWGA will fund the remainder. Hughes asked about staffing for the lab. Osler noted that producer volunteers and staff will be responsible for all events and encouraged all producers to participate. The educational event was well received by the participants for its outstanding information provided; however, participation was down due to the tornado warning at the start of the event.

Funding presentations were given by Judi Adams – Bread Art Program – Grain Foods Foundation – breadartproject.org; Mark Hutchinson for Dr. Flores – UNL Hard White Wheat Foods; Dipak Santra – UNL three proposals; Tom Clemente – UNL and Stephen Baenziger – UNL Funding Wheat Breeding for Nebraska.

Schlake presented the PGI report. The next meeting will be in San Diego prior to the US Wheat summer meeting.

Robertson presented the Wheat Foods Council report.

Cullan presented the Wheat Marketing Center report. He noted there is no increase requested for upcoming year. The blast freezer funded by NWB was emphasized at the meeting. The WMC building is 95% occupied. The laser treatment of kernels of wheat presents an energy savings possibility. The Portland tour is scheduled for January 4-7, 2010 and recommendations for attendees should be sent to Royce or Zoe. Schaneman noted that NWB sponsored two elevator personnel from Hemingford on the Portland operators' tour.

Duncan presented the UNL report. There is currently no NWB member on the Variety Release Committee. There may be a change of organizational reporting as it pertains to Husker Genetics and there is a desire to move to a 503c status. Currently the committee is in a state of flux. A scientific release committee does not face as many issues as an economic release committee. Baenziger noted that two key people for economics are Steve Knox and Jeff Noel and that NWB could have a representative. Biotech issues will require a high-degree of confidentiality and conflict of interest issues could arise. He noted that scientific issues and economic issues are not always on the same track. Hughes asked how often the meetings occur. Baenziger noted they are annual and explained the release process to the board. Duncan is still working on contract language for the payment process with a state chartered board. Due to budget cuts at UNL, fewer than five people at the institute are losing their positions. Baenziger questioned if some of the positions would move from hard to soft funds.

The meeting recessed at 5:10 p.m.

The meeting reconvened at 8:00 a.m. on June 12, 2009.

Hughes congratulated Cullan and Schlake on their reappointment to the board.

Hughes and Schaneman asked for input from the board on goals.

Schaneman noted that the board members should have received the updated handbook via email and asked for board approval. **Cullan moved to approve the handbook. Larson seconded. Roll call vote: Schlake-yes, Larson-yes, Johnson-yes, Hughes-yes, Flohr-yes, Robertson-yes, Cullan-yes. Motion passed.**

Schaneman asked if a fiscal year review from 2004 forward on research project information would be useful for the board. Hughes noted a report based on a per year amount would be helpful.

Schaneman presented the office report. Hughes welcomed Kiah Haslett as NWB's summer intern. Caroline Brauer is interning for NWGA this summer and Karoline Kastanek is interning with US Wheat Associates. Cullan is the new chair of the Hard White Wheat Committee and Schlake is chair of PGI. At the FFA convention in Lincoln, NWB received an award and was recognized for support of FFA—there is a plaque in the office. Olson baked 80 dozen sample-sized cookies at the convention.

Olson reported on her participation in the Syngenta Women's Leadership Conference in April. She also reported on changes to the website which includes podcasts along with the number of hits the website receives on a monthly basis.

Schlake noted that Prairie Land Days are June 20, four miles east of Norris school and suggested staff look into the possibility of NWB presence at this event in the future.

Schaneman reported on the administrators meeting. Checkoffs, collecting and returns were topics discussed and an interesting update by Randy Englund of SD was presented on industry collaboration. Nebraska has the lowest or very close second lowest checkoff rate in the nation. There was also a discussion on interns and variety release programs.

Schaneman reported on the Nebraska Commodity Administrators Meeting which is attended by all commodity directors in the state. The focus was on the state fair and the vision for the future. While there is a commitment to move the fair there is a concern over a lack of foot traffic mid-week and so the fair may shut down days during the week and be open only at night. There is a concern over travel. Education will be the focus of the fair and discussions have been held with fair officials regarding the baking lab or mini urban wheat field. Nebraska Wheat has been invited to participate in River City Roundup in Omaha and staff is currently looking at joint promotions with other commodities. The commodity groups as well as other ag groups are looking to be more proactive rather than reactive with activist organizations. Flohr suggested contacting FFA regarding help with activities and Schlake suggested looking to UNL. Schaneman noted that the FFA Foundation Board made a commitment to attend every FFA banquet.

Schaneman attended the Scab Initiative Meeting with Baenziger and Stephen Wegulo. The information presented is highly scientific with many USDA scientists in attendance. There is a group proposal for federal funding for research. Jay Romsa from General Mills led a good discussion on white wheat and organic wheat markets.

Schaneman attended the NAMA dinner which was hosted by the corn growers regarding ethanol. Representatives from Kansas were in attendance and the discussions were centered on white wheat and gm wheat.

Schaneman thanked the many producers who were involved with the USW staff tour for Shane Townsend. He noted there were good discussions at each stop. Schlake noted it was a good reason for contact at ConAgra and UP.

Schaneman and Olson reported on the meeting with Canadian visitors requested by the Mayor's International Visitors Office.

Schaneman noted that Keith Rexroth of the NRD Board has contacted NWB regularly on activities with regard to CRP. He referred the information to Larson due to close proximity and that Rexroth is an avid wheat producer.

NWB has been contacted by Rich Little for funding of an Organic Wheat Conference at the University although there has been no formal proposal. Hughes asked whether organic producers participate in the checkoff. Flohr noted that Frenchman Valley has dedicated space in WY for organic but not place in NE to collect. Hughes noted that if they are paying checkoff it is important to support them monetarily. Larson noted that in Kimball in the previous month about 450 people were in attendance at a CRP meeting and that there are 250,000 acres of CRP land coming out. If all that is sold out of state, there will be no checkoff. Hughes asked if Waunita Roller Mills is organic.

Schaneman noted that KRVN now requests a charge for a banner on the website in exchange for the radio shows.

DTN iframing is not necessary information for the producer and Hughes questioned whether there was a value to the consumer. Cullan noted there is already a link on our site to KCBT.

Schaneman called attention to a new state requirement that all meal expenses over \$5.00 require a detailed, original receipt – not copies. The state maintains the originals.

Olson noted the Story of Wheat is now being printed locally rather than in ND.

Schaneman reported that the transportation map is in final form with versions that relate to grainsheds and topographical information. Schlake suggested these would be a good thank you to elevators for collecting the checkoff. Schaneman noted there had been a request from a feedlot owner.

Olson noted the education resource developed by Cody Dvorak is in final form for printing. We will send one to each FFA chapter with the offer of 10 additional copies and a pdf file for reprinting. She also reported the contact sheets and wallet cards have been updated.

Schaneman reported that a transportation chart has begun development.

Drew Lyons presented information on wheat plot tours and projects currently being worked on for NWB.

Funding proposals submitted for first reading included: PGI – increased number of samples 43 to 61 added, KRVN added, Grain Foods Foundation, Wheat Foods Council Farm-to-Fork project, US Wheat & Barley Scab Initiative, NAWG – The Hand that Feeds US, Whiteside & Associates, NE FFA Foundation, Kansas Festival of Breads, Stephen Wegulo of UNL. Duncan noted that Wegulo's project begins in September and would require the board to waive a second reading.

Robertson noted that Whiteside & Associates makes no mention of wheat in their report. Johnson and Duncan spoke to the report of captive shippers given by Whiteside during the Portland Tour. Schaneman noted Whiteside & Associates knows wheat is a major player and that he receives weekly updates via email. Flohr noted the battle on rail rates work is done by elevators and producers and believes in having a voice.

Schlake requested not moving Kansas Festival of Breads forward.

Larson questioned whether NWB can fund both Grains Food Foundation and Wheat Foods Council. Robertson would defer to board's decision but likes the idea of speaking to domestic issues. Hughes would like to see if Wheat Foods Council can work through its issues. Flohr noted there are no other states participating in Grains Food Foundation. Schaneman believes it is good to develop more domestic corporate relationships. Robertson feels it is worth looking into.

Flohr moved to waive rules on two readings on all except Scab and Kansas Festival to second reading. Larson seconded. Roll Call vote: Cullan-yes, Robertson-yes, Flohr-yes, Hughes-yes, Johnson-yes, Larson-yes, Schlake-yes. Motion passed.

Craig Hinkle called to the board's attention the Public Service Commission is revisiting the idea for farmer funding of indemnity of elevators. He asked that all commodity groups work together on issues of importance.

During budget discussion it was decided to move trade team meals to international marketing; move promotional expenses to domestic marketing; board and lodging, board meeting expense, meals not in travel status – one day travel were moved to board activities; budget US Wheat at \$189,900 fund at only 80% with remainder for use on bringing trade teams to Nebraska; IGP showed no performance for FY 08-09; Eversole & Associates - Baenziger recommended not funding as the information is available to all.

Duncan reported that the ARD Wheat Board Account of 20% of R&D fees is \$55,833.79. The suggestion is to use for marketing or it can use for another research project. Duncan expects more income from the sale of foundation seed in SD.

Meeting recessed for lunch 12:15 pm.

Meeting reconvened 1:30 p.m.

Flohr questioned whether spring wheat presented a possibility of contamination. Cullan noted there would be a benefit for sugar beet and bean farmers. Drew Lyon noted it was a possible transition crop. Robertson noted some in his area had it for a year of fallow moisture conservation but noted it may be of limited value. It is dependent on the area and needs real heat tolerance when heads are filling.

Cullan noted it only applies to two district while Flohr questioned whether it was only a screening proposal. Cullan questioned its value to the whole state.

Hughes moved to include line item in budget for LEAD program and allow Olson to participate as a part of her position if accepted to the program. Larson seconded. Roll call vote: Robertson-yes, Cullan-yes, Schlake-yes, Larson-yes, Johnson-yes, Hughes-yes, Flohr-yes. Motion passed.

Robertson moved to go into executive session. Cullan seconded. Voice vote motion passed.
The board went into executive session at 2:35 p.m. The board exited executive session at 3:00 p.m.

Robertson moved to approve the FY 09-10 budget as proposed, Flohr seconded. Roll call vote: Schlake-yes, Cullan-yes, Larson-yes, Robertson-yes, Johnson-yes, Flohr-yes, Hughes-yes. Motion passed.

Robertson moved to encourage the University to direct \$38,100 from ARD Wheat Board Account to fund Developing Biotechnology Tools for Wheat Variety Development. Johnson seconded. Roll call vote: Cullan-yes, Larson-yes, Schlake-yes, Robertson-yes, Flohr-yes, Hughes-yes, Johnson-yes. Motion passed.

Schaneman presented a letter from Weldon Sleight from NCTA.

Schaneman noted that the field days were not on the calendar and asked if staff presence was required. Hughes noted it was not necessary. The PGI meeting was added to the San Diego meeting and Johnson will attend the US Wheat meeting.

The next meeting will be held August 27 1 pm – 5 pm, and August 28 8 am – 12 pm in Lincoln. Robertson noted that wheat heads are a great way to demonstrate wheat at the fair. Olson asked all producers to provide a five-gallon bucket of wheat heads for the fair. **Schlake moved to approve the travel. Larson seconded. Voice vote motion carried.**

Flohr moved to go into executive session. Cullan seconded. Voice vote motion passed. The board went into executive session at 4:09 p.m. The board exited executive session at 4:11 p.m.

Flohr moved to set Schaneman's salary at \$69,000. Larson seconded. Roll call vote: Robertson-yes, Flohr-yes, Cullan-yes, Larson-yes, Schlake-yes, Hughes-yes, Johnson-yes. Motion passed.

Jack Preston expressed appreciation for NWB holding its meeting at FARM and asked to be considered as an educational area in the future.

Cullan moved to adjourn. Robertson seconded. Meeting adjourned at 4:20 p.m.

Respectfully submitted by Zoe Olson