



**Oregon Wheat Commission Meeting
February 13, 2024, Minutes**

Call to Order:

Pursuant to notice made by press release to newspapers of general and local circulation throughout the state and e-mailed to persons on the mailing list of the Commission a regular meeting of the Oregon Wheat Commission (OWC) was held at the Hilton Garden Inn in Corvallis, OR with video/phone conference availability. Commissioners in attendance for all or part of the meeting included Dana Tuckness – Chair, Tyler Hansell – Vice Chair, David Brewer - Secretary/Treasurer, Jerry Marguth, Darren Padget, Jason Middleton, David Prybylowski and Rob Rye. Staff members present were Amanda Hoey, CEO; Tana Simpson, Associate Administrator; and Corey Shrader, Project and Office Coordinator.

Chair Tuckness called the meeting to order at 8:00 a.m.

Introduction of Visitors

In addition to the above listed Commissioners and staff, the following guests were in attendance for all or part of the meeting: Francisco Calderon, Eric Morris, Ryan Graebner, Mark Larson, Christina Hagerty, Margaret Krause, Mia Pedersen, Jason Flowers, Steve Wirsching and Neil Maunu.

Additions/Changes to the Agenda

No additions to the agenda were presented.

January 2024 Minutes

The minutes from the January 19, 2024, Commission meeting were provided.

Commissioner Padget moved to accept the January 19, 2024, meeting minutes as presented. Commissioner Marguth seconded the motion. With all Commissioners present, the motion passed unanimously.

December 2023 Financials

Associate Administrator Simpson presented the December 2023 Financial Statements for consideration.

Commissioner Marguth moved to accept the Financial Statements through December 31, 2023. Commissioner Padget seconded the motion. With all Commissioners present, the motion passed unanimously.

Audit Engagement

The Commission rules require an audit at least once every five years. CEO Hoey recommended a more vigorous audit schedule, however, and it is included in the budget this year. A Request for

Proposals for an audit of the FY22-23 financials was distributed to all municipal audit firms licensed in Oregon and published in the Daily Journal of Commerce. The Commission received one proposal from Umpqua Valley Financial with an estimated fee of \$13,390. Upon review of their proposal, staff recommended that the Commission proceed with the audit.

Discussion: The Commission discussed the timeline for the audit versus the timeline included in the proposal. CEO Hoey will communicate with the firm to verify an updated schedule, with the expectation for completion of the audit by the end of this fiscal year.

Commissioner Hansell moved to approve contracting with Umpqua Valley Financial for a municipal audit of the Commissions FY22-23 Financial Statements. Commissioner Brewer seconded the motion. With all Commissioners present, the motion passed unanimously.

Bank Transition

Staff reported that we are in the final stages of set-up of the new accounts and credit cards with U.S. Bank and the transition will begin soon.

Discussion: Commissioner Hansell discussed options for review of credit card programs, including those with travel benefits. Associate Administrator Simpson reported that the credit card program offered with U.S. Bank has significant benefits that will likely exceed other cards with out restrictions.

Wheat Industry Advisory Committee Outcomes

CEO Hoey presented the request for CBARC to repurpose the \$60,315.74 in remaining Block Grant funds held at the Agricultural Research Foundation toward the renovation of the CBARC greenhouse.

Commissioner Marguth moved to approve the reallocation of the remaining block grant funds at the Agricultural Research Foundation toward the improvements to the CBARC greenhouse. Commissioner Hansell seconded the motion. With all Commissioners present, the motion passed unanimously.

CEO Hoey reviewed the issues that were raised at the WIAC meeting including the need to follow up on the timing of the wheat royalty distributions in relation to the College's new reserve carryover policy and the timing burden from the 0.5 reduction in the Wheat breeding FRA support.

Discussion: Commissioners reiterated the need for OSU to allow royalty funds to offset the 9-month appointment, rather than just grant funds.

She also informed the group that the Provost Faculty match option has been announced. If funded, the Cereal Pathology Endowment would receive \$10,000 per year over the next five years. The intent is to work with the OSU Foundation to leverage the \$250,000 from the Commission to generate additional support from the industry.

Discussion: Commissioners discussed outreach options at field days and through Oregon Wheat publications, including the magazine. Commissioner Prybylowski noted the option

to also reach out to ingredient suppliers.

Commissioner Marguth moved to approve the Endowed Fund Statement of Intent for the Oregon Wheat Cereal Grain Pathology Faculty Scholar Endowment. Commissioner Hansell seconded the motion. With all Commissioners present, the motion passed unanimously.

Research Proposals Discussion

The Commission discussed the research presentations for new proposals from the Research Review.

Commissioners expressed concerns about the on-farm feasibility of the “Precision Herbicide Applications using RTK and a Dual Boom” proposal and the need for the “Investigating Effects of Irrigation and Nitrogen Management on Wheat Productivity and Soil Water Quality.” Both were not recommended for consideration in the upcoming budget. The Commission declined to considering funding the Professional Development Fellowship with Foundation for Food and Agriculture Research.

Commissioners were supportive of the new proposals from Graebner for HRS breeding and Powell looking at the Additive effects of foliar Nitrogen with Fungicides in Winter wheat.

The Commissioners were generally in support of the continuing projects although they expressed concern about the farm scale applicability of the WeedChipper and WeedIT in the “Improving Weed Management in Oregon Wheat Production Systems” proposal. They also discussed the value of the “Improving Control of Stripe Rust” proposal, with OSU researchers responding on the value of the work to support their objectives in the wheat breeding and pathology programs.

Wheat Growers League Update

CEO Hoey provided a brief summary of Oregon Wheat Grower League activities. The full report can be found in the meeting book. She provided an update on the short session, which is bill limited. They are engaged directly or tracking on about 30 bills. She provided an updated on federal advocacy which continues a focus on the Farm Bill renewal. There are two marker bills that the League is supporting, one increases FMD and MAP funding and the American Farmers Feed the World bill works to retain the use of food in food aid programs.

The League has concerns about the impacts on the safe navigation following the settlement agreement that provides a 5 year stay in litigation of the Federal Columbia River Power System operations. They have submitted a letter expressing the importance of the reliability of the system for transporting grain. The League has submitted comments on the EPA Vulnerable Species Pilot and joined a coalition letter expressing concerns on the framework EPA proposed on a list of spray drift and runoff/erosion mitigation measures for agricultural uses of herbicides.

The League has expressed concerns to OSU regarding the allocation of the statewide funding. CEO Hoey and other ag executives met with Provost Feser. The League followed up with a letter outlining concerns, the impacts of recent decisions and funding and requesting funds go directly to the College of Agricultural Sciences.

CEO Hoey reported the new hire of Mia Pedersen as the League Communications Director. The

League has a number of county meetings scheduled for spring.

Facilities

CEO Hoey reported that the current lease with Albers Mill Building concludes in March 2025. The current lease has two extension options but with the market change, challenges with the current space maintenance and space consideration needs, staff was directed to look at alternative options. The primary option for consideration is a proposal for a shared space with a partner organization in the World Trade Center. This would be a reduction in space to better match Commission space needs and would have a coinciding reduction in expense. This shared space would make trade teams much easier as it would put the office within walking distance of the hotel and most of our cooperators, except for Wheat Marketing Center. The Commission timeline is slightly different than that of the potential partner, so the proposal includes seven months of free rent to allow for the transition.

Discussion: Commissioner Padget asked about the safety of the facility, in comparison to the Albers Mill building. The World Trade Center is in the downtown green zone with enhanced police presence, has badge security and underground parking.

Commissioner Prybylowski moved to approve authorizing CEO Hoey to negotiate in good faith with the World Trade Center for the shared space. Commissioner Middleton seconded the motion. With all Commissioners present, the motion passed unanimously.

Commissioner Updates

Chair Tuckness reported on the U.S. Wheat Associates winter meeting noting that Gary Millershaski from Kansas was elected as the newest officer to the board, and the budget was passed with officer per diems increased from \$100 to \$150 per day. He also reported they also received a presentation on the USDA Regional Ag Promotion Program (RAPP). Dana congratulated CEO Hoey following positive reports from the Food Aid Trip to DC in August.

Vice Chair Hansell reported on the U.S. Wheat Associates Winter meeting, as well, highlighting conversations about ways to get growers aware of the organization. He highlighted a presentation given on how the USDA-FAS oversees market development programs and how they decide which proposals receive funding. He also reported on the PNW Wheat Quality Council meeting and the importance of maintaining a grower presence. There was one Oregon line reviewed, the soft white numbered 377 which performed well and received good reviews. He also attended the IGP Milling Short Course in December, recommending other Commissioners to attend if they have not already done so. He also reported that the crop in his area looks good with good moisture.

CEO Hoey noted that NAWG voted at their winter meeting to eliminate their Board meeting at Commodity Classic. This will require a bylaw change which will be reviewed at the 2024 Commodity Classic.

Commissioner Padget reported on the Wheat Marketing Center Meeting. Operationally things at WMC are going well but the challenges with the building continue. He also reported that the crops in his area are having the best start he has seen in several years.

Secretary/Treasurer Brewer reported on the North Asia Crop Quality Seminars. He participated in the seminars in China, Korea, Japan and Taiwan and presented at two of those. He said it was a good opportunity to see some of the trade team participants that have been to his farm in their own countries and further build those connections.

Commissioner Middleton reported on his participation in the Inland Elevator Operators Tour in the Philippines and Thailand. They received many questions, including about chemicals used on the farm, spray equipment and inland infrastructure. It was a nice reminder of what a great job U.S. Wheat Associates does overseas. He also reported that his area has received good rainfall and growers are scouting fields on expectations of stripe rust. He expressed concern over the amount of wheat sold being significantly below average, with no expectation of a market rally.

Commissioner Rye reported that the trade is managing the river closure well. The delays in the Panama Canal have pushed some corn demand to the PNW and there has been some interest in combo loads. Sales are very slow, especially without the Indonesia and CCC business the PNW would usually see this time of year.

Commissioner Marguth reported that the crop looks good in his area. There was some flooding after the ice storm, but things are recovering well. There have been some plow outs in the valley but a significant increase in wheat is not expected.

Markets and Trade

Steve Wirsching, Vice President and Director of the U.S. Wheat Associates (USW) Portland Office, updated the Commission on USW's trade activities and current markets. He reported that Oregon has always been a critical partner with USW. The Regional Agricultural Promotion Program (RAPP) is new this year and USW has applied for funding for roughly 150 activities across 70 countries. USW has a busy trade team schedule proposed for this summer. The stocks to use ratio has continued to decline which is expected to affect demand but with an average crop in Australia and a record crop and record exports out of Russia we have yet to see this affect prices.

Partner Entity Updates

Eric Morris reported that he has been the new Commodity Commission Oversight Program (CCOP) Manager for six months and has learned a great deal about the Oregon Department of Agriculture and commodity commissions. Lisa Charpiloz Hansen has been confirmed by the Senate as the new Director of the Oregon Department of Agriculture. The agency is going through strategic planning processes. He highlighted the open Commission positions and noted that he is working to streamline the operation for the CCOP, focusing on integration of digital applications.

CEO/Staff Reports

CEO Hoey reported on the Oregon Wheat Foundation activities. Twelve scholarships will be awarded this year at the increased amount of \$2,000 per individual.

CEO Hoey reported on Commission activities including the finalization and printing of the SW Wheat Value Brochure, a PNW collaborative effort to be used for trade teams. She noted that the

Commission is in the process of transitioning to new Counsel at DOJ overseeing the assessment litigation. She has confidence in this new representation and met with him to review the current case. She provided an update to the Commission on the status of work.

We have three Commissioner positions that will be opening June 30th. The Handler 1 and Public member positions will be opening, and both Jason Middleton and Dave Prybylowski have expressed an intent to reapply. Darren Padget will be termed out in the Producer 1 position; Brent Martin has informed the Commission that he intends to apply.

CEO Hoey will be participating in the upcoming Unified Export Strategy discussions for North and South Asia and will follow those visits with the Korean Agricultural Mission with the USDA Under Secretary for Trade and Foreign Affairs Alexis Taylor.

The Soft White Dashboard discussions will return as the HWR and HRS classes are seeking proposals from another provider that could bring all the classes into one platform.

The stakeholder interviews will be upcoming for the Cereal Pathology candidates. Dr. Mundt has stated that he is willing to support a new hire in the fall. CEO Hoey stated that she is hopeful that there will be an emphasis on fieldwork even though it is not prominent in the job description.

Travel Requests

The USW summer meeting will be held July 8-11, 2024, in Oklahoma City, OK. Chair Tuckness and CEO Hoey plan to attend.

Commissioner Hansell moved to approve travel for one Commissioner and the CEO to the U.S. Wheat Associates Summer meeting in Oklahoma City, OK, July 8-11, 2024. Commissioner Middleton seconded the motion. With all Commissioners present, the motion passed unanimously.

CEO Hoey presented an invitation from the USW Santiago office to their new activity scheduled in April: “PNW Exporters to South America.” It will be held in Bogota, Colombia. Since the invitation was received this morning, CEO Hoey noted that she would need to assess the request. She and Chair Tuckness requested the authorization to approve travel, pending the further assessment of the activity, availability and budget.

Commissioner Padget moved to approve travel for the CEO and a Commissioner to attend the PNW Exporters to South America event. Commissioner Hansell seconded the motion. With all Commissioners present, the motion passed unanimously.

Policies and Procedures Updates

CEO Hoey provided information for the annual review of the Policies and Procedures. She requested review of the Alcohol and Travel policies and noted the need to include information under the Political Involvement section.

Proposed revisions discussed by the Commission included:

- Update the header for the Alcohol Policy as it was listed under the Political Involvement Header. A Header for the Alcohol Policy will be included.
- Add language under the Political Involvement section to include: “Although members and staff of the OWC may be involved in governmental affairs on an individual basis, no commission funds or staff time may be used for political action purposes, nor may the commission otherwise be politically involved such as endorsements or in-kind contributions to candidates or for ballot measures. Commissions may be involved in governmental education in compliance with applicable State of Oregon laws governing commodity commissions. ORS 576.304 (7) permits commissions to study legislation related to its impact on trade, and to represent and protect the interests of the commodity industry with respect to legislation or executive action.”

Commissioner Marguth moved to approve the proposed revisions to include the header for the Alcohol Policy and to add the language for Political Involvement. Commissioner Padget seconded the motion. With all Commissioners present, the motion passed unanimously.

Transportation and River System

Neil Maunu, the Executive Director of the Pacific Northwest Waterways Association (PNWA) provided an overview of the organization and work on Columbia-Snake River issues. He highlighted the recent U.S. Government Commitments and the Court approval. It commits funding for a number of studies and makes some operational changes of concern. Since there is no forbearance language, it does not prevent other lawsuits. There is already a suit filed against BPA by the Public Power Council and tribes have concerns about the spill models. PNWA has remained focused on educating Congress and building a national coalition. The breaching of dams would require Congressional approval.

He noted an upcoming transportation study update to the Importance of the Inland Waterways to US Agriculture. Mr. Maunu also reported that the Columbia River Treaty negotiations continue. The Extended Lock closure is underway and progressing well. He thanked the industry for their partnership and support.

Adjourn

Chair Tuckness adjourned the meeting at 1:51 p.m.

Next Meeting

The next meeting is scheduled for April 8, 2024, in the Portland office, with a virtual connection available.

Approved



Dana Tuckness, OWC Chair

Prepared and submitted by OWC Associate Administrator, Tana Simpson