



**Oregon Wheat Commission Meeting
May 15, 2023 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 Fairfield Inn, The Dalles, 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, Jason Middleton, and David Prybylowski. 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 10:03 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: Bob Zemetra and Tom Chastain.

Additions/Changes to the Agenda

A travel request was added to the agenda.

Minutes of Previous Meeting

The minutes from the April 10, 2023 meeting were provided.

Commissioner Brewer moved to accept the April 10, 2023 Commission meeting minutes as presented. Commissioner Hansell seconded the motion. Commissioner Van Zante, Padgett and Marguth were absent. With all remaining Commissioners present, the motion passed unanimously.

February 2023 Financial Report

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

Commissioner Prybylowski moved to accept the Financial Statements through March 31, 2023. Commissioner Brewer seconded the motion. Commissioner Van Zante, Padgett and Marguth were absent. With all remaining Commissioners present, the motion passed unanimously.

Travel Request

CEO Hoey requested travel authorization for the Latin American Buyers Conference August 1-3, 2023 in Puerto Vallarta, Mexico. As an invited speaker, US Wheat Associates will cover the lodging in Puerto Vallarta and per diem expenses for CEO Hoey. The Commission would be responsible for the travel and flight.

Commissioner Hansell moved to approve CEO Hoey's travel to the Latin American Buyers Conference. Commissioner Middleton seconded the motion. Commissioner Van Zante, Padgett and Marguth were absent. With all remaining Commissioners present, the motion passed unanimously.

Facilities Overview

Commissioner Prybylowski has been researching properties that may fit the Commission's future needs. The Commission currently leases just over 2,000 square feet in the Albers Mill building which was remodeled in 2011 to add the conference room and lunch area which is an additional 800 square feet. The current rate per square foot is around \$24 per square foot. The Commission has options to extend our lease with the current escalation rate for either 2 or 10 years. The benefits of the current space is the convenience of collaborators in the building for trade teams. The concerns have been the cost of the space, the security of the area and the maintenance of the facility.

Commissioner Prybylowski's research looked at facilities near Albers Mill, in the suburban area near Portland, and further out in the state. Facilities options provided savings both in the price per square foot and in the footprint of the space.

Discussion: The Commission discussed the conference room use and need, with options for alternatives given the infrequency of use for the amount of space. Commissioner Middleton mentioned discussions at the Wheat Marketing Center meeting that indicate we likely haven't yet seen the bottom of the business space market as we haven't seen the 3 and 5 year leases come off yet.

The Commission expressed a preference to renegotiate the current lease to see if something more favorable can be arranged before further exploring alternative locations.

2023-2024 Budget Hearing

Chair Tuckness opened the budget hearing at 10:25 a.m. and stated the following:

The Oregon Wheat Commission is holding this hearing to review its budget for the period of July 1, 2023 through June 30, 2024 in compliance with ORS 578.151 the commission has taken the following procedures:

- 1. On April 21, 2023, notice of this public hearing appeared in the Capital Press of Salem. This publication appeared more than fourteen days prior to the budget hearing.*
- 2. The proposed budget was made available for public inspection under reasonable circumstances as set forth in ORS 576.425 in the OWC office and on the Oregon Wheat website.*

At this time, we will now accept comment on the 2023-2024 Proposed budget.

CEO Hoey reviewed the proposed budget presented at the April 10, 2023 meeting. She recommended a few revisions for consideration in the final budget:

- The OSU research line be increased by \$9,835. The change accounts for an error in calculating one of the projects for Chris Mundt and also then budgets the full amount requested for the Variety Trial App, with the caveat that execution on the funding for this

project requires Commission review and approval on the final proposal.

- The Cereal Grains Endowment Startup line be increased by \$50,000 to accommodate potential opportunities to maximize leveraged funds. We expect a potential option for an OSU Provost match for new endowments. Preliminary information is that the match will be 4% over 5 years for new endowments over \$250,000.

She noted that the SRC shaker, which was included in authorized funding for the current fiscal year at the last meeting, has hit some supply chain issues and will not arrive until the FY 23-24 year. It will also be more costly than stated in the meeting. The amount included in the Wheat Marketing Center equipment line is expected to be sufficient to cover the cost, when jointly funded by the PNW states. No revision was requested to that line in the budget.

Discussion: Commissioner Middleton discussed if there was any need to provide funding to support the collection of Crop Quality samples. Staff noted that crop quality sampling costs are included in the tri-state marketing line item. Commissioner Middleton suggested adding \$5,000 to this line to provide flexibility to cover any needed costs.

Further comments were requested. No further comments were offered in person, via videoconference or in writing.

The 2023-2024 budget hearing was closed at 10:57 a.m.

2023-2024 Budget

Commissioner Hansell moved to approve the 2023-2024 budget as proposed with the following increases: OSU research by \$9,835, the Cereal Grains endowment start up by \$50,000 and Tri-state marketing by \$5,000. With these changes, the Commission approves a total budget of \$6,972,565. Commissioner Middleton seconded the motion. Commissioner Van Zante, Padgett and Marguth were absent. With all remaining Commissioners present, the motion passed unanimously.

Operational Plan

CEO Hoey presented the 2023-2024 Operational plan for consideration. The Commission activities detailed in the plan are very similar to last year.

Discussion: Commissioner Hansell discussed communication methods opportunities to enhance messaging, including the potential use of podcasts. Staff encouraged further exploration and discussion with entities who have used those tools, such as the Washington Grain Commission, on the time, resources and tradeoffs.

Commissioner Brewer moved to approve the 2023-2024 Operational Plan as presented. Commissioner Prybylowski seconded the motion. Commissioner Van Zante, Padgett and Marguth were absent. With all remaining Commissioners present, the motion passed unanimously.

Election of Officers

CEO Hoey reviewed the status of current officers, noting that Commissioner Van Zante will not be eligible to serve in the role for 2023-24 as he will term off the Commission.

Commissioner Hansell nominated the following slate of Officers:

Chair – Dana Tuckness

Vice Chair – Tyler Hansell

Secretary/Treasurer – David Brewer

Chair Tuckness called for any further nominations.

Commissioner Hansell moved to approve the 2023-2024 Officers: Chair – Dana Tuckness, Vice Chair – Tyler Hansell and Secretary Treasurer – David Brewer. Commissioner Middleton seconded the motion. Commissioner Van Zante, Padget and Marguth were absent. With all remaining Commissioners present, the motion passed unanimously.

OSU Update

Tom Chastain, Crop and Soil Science Department Head, reported that the new OSU President will be attending the upcoming Hyslop Farm field day. He also reported that the top candidate for the Wheat Breeding Position has agreed to terms, and they are drafting the final letter with a November 1st start date. Several other positions are in the recruitment process, including the Assistant Weeds Professor which they are hoping to interview in the fall. The Cereal pathology recruitment is still being considered for priority staffing but that will depend on the outcome of the state budget. CEO Hoey noted that a letter from the wheat industry requesting the position be refilled will be sent at the appropriate time as approved by the Commission.

Representatives from OSU and ODA will be touring the Wheat Marketing Center and Kalama Export facility on June 26th through a tour coordinated by the Commission.

CEO Report

CEO Hoey directed Commissioners to her written report for full updates and focused her report on the areas looking for feedback. She pointed out that we have the Annual Research Progress Reports in the meeting book for review. She would like Commissioner feedback on what else would be useful and what would have value to growers as well. She is considering providing a template with focused questions. Commissioners were asked to offer feedback as time allows.

Discussion: Commissioners discussed how to best provide research results to growers. Specific questions considered for the progress report update are if there is a need for continuation of this work and what would a continuation look like and what is the feasibility of the project and the results on farm.

OWC is seeking to clarify language in the ARF task order regarding projects that are concluding and funds are unobligated or unexpended at the termination date they would be used to fund work on the same projects or future projects that benefit the Commission unless otherwise directed by the Commission in writing. CEO Hoey reviewed the upcoming trade teams and thanked those that have agreed to host. One of the major differences this year is that many of the teams are just coming into Portland. It looks like it will be a busy trade team year. She is seeking input on the one-page overview that is provided to trade teams summarizing the Oregon wheat industry.

Discussion: Commissioners asked if the dams are an important topic to the trade teams.

CEO Hoey stated that she has been getting questions about the river system and its security and ongoing reliability. She provided a report on what is happening as far as litigation, mediation and annual river system maintenance.

The Oregon Wheat Growers League has started a new crop update e-mail that will go out monthly until harvest and bi-weekly during harvest. They will include crop progress and local photos from across the state. The Commission had previously asked the Oregon Wheat Growers League to do a grower mailing on buckwheat highlighting the allergen issue in some of our export markets for a June mailing. The three PNW states are all doing education on this issue. CEO Hoey provided a draft of the postcard that asks growers to prevent contamination in storage and transport, pay attention to cover crop mixes and avoid planting wheat for one year after buckwheat. She requested feedback and modifications.

Discussion: Commissioners suggested changing the order of the bullet points and Commissioner Hansell requested using red in part of the font to stand out. Concern was expressed about any potential for foreign material being found in transport and the emphasis on keeping trucks clean. It was suggested that growers be cautioned to check wheat following commercial transport. It was mentioned that we are seeing seed wheat with yellow dye and concern was expressed about the use of this color as it is not as easily identifiable as seed wheat. Commissioners were going to follow-up with the seed dealer directly.

CEO Hoey updated the Commission on activities of the Oregon Wheat Growers League, reviewing the current issues in relation to the Farm bill and state legislative session. A new Farm Bill scoring and cost forecast was released late last week which estimates this Farm Bill will be the first to exceed a trillion dollars. The top priority for the wheat industry is to protect crop insurance. The League and NAWG are also seeking to increase the reference price for wheat and increase market access funds, in addition to other elements. She noted that Oregon has active engagement with the NAWG President speaking before the House and Senate Ag committees. In addition, the House Ag Committee Chair G.T. Thompson will be visiting Oregon on June 2nd and the League will participate in a Farm Bill Listening Session. We have two Oregon representatives on the House Ag committee: Representative Salinas and Representative Chavez-DeRemer. The League had an opportunity to meet with both Representatives in the last week. There are marker bills out proposing increases in MAP and FMD funds that have co-sponsorship from Oregon legislators. There is also an international food aid marker bill in development which focuses on policy revisions needed.

CEO Hoey reported that the reappointments for Dana Tuckness and Jerry Marguth and the replacement for Jordan Van Zante are at the ODA Director's desk for signature. CEO Hoey provided input on the position description for the Commodity Commission Oversight Manager, which should be released soon. She has also requested a role in the review process for this position. The ODA Director recruitment is moving forward, with Lauren Henderson serving as the interim director. Notice has been received that Oregon has received substantial funding from the USDA for the Resilient Food Systems Infrastructure program. The focus is on local food systems and infrastructure. CEO Hoey sees some areas where the wheat industry could benefit from these funds to increase domestic use and processing of wheat.

Discussion: Commissioner Tuckness asked about progress on the funding for statewide. He attended the roadshow in his area. CEO Hoey reviewed the challenges associated with the state budgets. The League and its lobby team has this as a priority focus and has been conducting regular visits with legislators on the topic and making a strong case for continued service level funding. Another action alert to League members is expected after the May forecast. Commissioner Hansell requested an update on the current litigation. CEO Hoey reported that a hearing was scheduled for May 3rd and has been rescheduled for May 31st.

Commissioner Updates

Commissioner Prybylowski reported that he recently had a conversation with an individual who said they purchase wheat by the pallet from Azure.

Commissioner Brewer reported that their wheat had a slow start and there is concern about the upcoming heat. Harvest is expected to be a couple weeks later than usual, unless the heat sticks around.

Commissioner Middleton reported that with the spotty rains, some areas will handle the heat well but for others, it has concerns for impacting the grain. Normal rainfall for May by the 15th is 0.6 inches and we currently have 0.2 inches in that area. Considering we started the month 1.6 inches behind last year, he noted that it already is concerning. Export levels are horrible and there will be a 15-23% carry of last years crop which is going to put a serious crunch on space for new crop. He expressed an interest in further discussing the Crop Quality sample collection and ensuring that samples from the larger elevator terminals are properly identified.

Discussion: Commissioners discussed how to properly identify sample districts at large elevator terminals receiving grain from outside of the local draw area. It was noted that the current system is very representative and anonymous. Commissioners discussed proteins, with Commissioner Middleton noting that the carryover wheat will be lower protein than average and will offer blending opportunities depending on the outcome from the 2023 crop. Commissioners discussed the reasoning on slow sales, including the size of the Australia crop, pricing and ability for competitors to access export markets.

Commissioner Tuckness reported that his area is two to three weeks behind and they are just starting to irrigate.

Commissioner Hansell reported that they received some spotty rains in their area and the crop is looking better in the Athena area, but he is concerned about the coming heat. He also reported on his trip to the South/Southeast Asia Buyers Conference. The meeting had roughly 200 attendees including exporters, importers, millers and bakers. Some of the major issues included the HB4 GMO wheat from Argentina and the markets in which it is approved either for cultivation and/or feed/food use, as well as the status of research. Discussion on availability/reliability of U.S. Wheat with new crushing plants in the Northwest that will likely begin drawing wheat for renewable fuel was another topic. Turkish flour dumping was also discussed at length.

Discussion: Commissioner Brewer asked about control processes to ensure GMO wheat

does not end up in a field somewhere in the U.S. CEO Hoey reviewed the Wheat Breeding and Innovation Committee conversations and US Wheat Associates policies.

Other Business

No other new business was presented.

Adjourn

Chair Tuckness adjourned the meeting at 12:52 p.m.

Next Meeting

The next meeting is scheduled for September 18, 2023 in conjunction with the Oregon Wheat Growers League, in either Boardman or Pendleton, OR and with a virtual connection available.

Approved

A handwritten signature in black ink, appearing to read "Dana Tuckness", written over a horizontal line.

Dana Tuckness, OWC Chair

Prepared and submitted by OWC Associate Administrator, Tana Simpson