OWC
OREGON WHEAT COMMISSION
Since 1947
1200 NW Naito Parkway, Ste. 370 Portland, OR 97209 503.467.2161 www.owgl.org/owc

Oregon Wheat Commission Meeting
September 22, 2021

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 Barge way pub in The Dalles, OR with video/phone conference. Commissioners in attendance for all or part of the meeting included Jerry Marguth – Chairman, Dana Tuckness – Vice Chairman, Jordan Van Zante – Secretary/Treasurer, Walter Powell, Tyler Hansell, Travis Jones and Jason Middleton. Staff members present were Amanda Hoey, CEO; Tana Simpson, Associate Administrator; and Corey Shrader, Program and Office Coordinator. Chairman Marguth called the meeting to order at 10:30 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: Robert Zemetra, Steve Wirsching, Janice Cooper, Ryan Graebner, Tom Duyck, Brent Cheyne, Deacon Heideman, Erin Heideman, Cassandra Franklin, Wade Bingaman, Clint Carlson, Mike Schrock and Colin Crocker.

Additions/Changes to the Agenda
No additions were made to the September 22, 2021 Commission meeting agenda.

Approve Minutes of Previous Meeting
The minutes from the August 26, 2021 Commission meeting were provided.

> **Commissioner Tuckness moved to accept** the August 26, 2021 meeting minutes as presented. Commissioner Powell seconded the motion. Commissioner Padget was absent. With all remaining Commissioners present, the motion passed unanimously.

Committee Appointments
Staff presented committee appointments and renewals, noting that Dale Case and Bill Jepsen have requested removal from the Cereal Variety Advisory Committee given their retirements. Staff highlighted the vacancies in alternate positions for the U.S. Wheat Associates (USW), PNW Wheat Quality Council, CBARC Research Station Liaison Committee, and Wheat Industry Advisory Committee (WIAC).

The Commission proposed adding TJ Hansell as the USW alternate, PNW Wheat Quality Council alternate and WIAC alternate. The Commission proposed adding Dana to the Cereal Advisory Committee and as an alternate for WIAC. The Commission proposed adding Jason Middleton to the CBARC Liaison Committee. The Commission discussed the purpose of WIAC and the need for active engagement in the next five years, given upcoming faculty retirements.

The full committee appointments for approval and renewal would appear as follows:

U. S. Wheat Associates	Darren Padget (officer)
Appointee	Walter Powell
Appointee	Dana Tuckness
Alternate	TJ Hansell
Cereal Variety Advisory Committee	Amanda Hoey Tana Simpson Darren Padget Lindsey Cope, MCP Kurt Farris, Helena Chemical Dana Tuckness
PNW Wheat Quality Council	Walter Powell
Alternate	TJ Hansell
Wheat Marketing Center	Darren Padget
Alternate	Jerry Marguth
OSU Certified Seed Advisory Committee	Mindy Duerst

Designated by Other Entities	**Current**
CBARC Research Station Liaison Committee	Walter Powell
Alternate	TJ Hansell
Oregon Wheat Foundation	Dana Tuckness

Informal Assignments	**Current**
Wheat Industry Advisory Committee	Darren Padget
And	Walter Powell
Alternate	TJ Hansell
Alternate	Dana Tuckness
Oregon Wheat Growers League Liaison	Dana Tuckness

Commissioner Powell moved to approve the committee appointments as outlined above. Commissioner Hansell seconded the motion. Commissioner Padget was absent. With all remaining Commissioners present, the motion passed unanimously.

2022 Meeting Schedule

Project and Office Coordinator Shrader presented a tentative 2022 meeting schedule for consideration and requested input on the meeting dates. He noted a proposed change to the initial draft calendar sent the Commission for the September meeting date and noted that February

should be listed as 2022.

By consensus, the Commission approved the following draft meeting schedule which is subject to change:

Monday, February 21, 2022- Tuesday, February 22, 2022(Corvallis, OR)
Monday, April 11, 2022 (Portland, OR)
Monday, May 9, 2022 (The Dalles, OR)
Monday, September 12, 2022 (Boardman, OR)
Tuesday, November 29, 2022- Friday December 2, 2022 (Coeur d'Alene, ID) - Tri State Grain Convention

Fiscal Year End Financial Statements and CAFR Reports

Associate Administrator Simpson presented the Year End Financial Statements and CAFR reports to the Commission for consideration.

Commissioner Powell moved to accept the Year End Financial Statements and CAFR reports as presented. Commissioner Tuckness seconded the motion. Commissioner Padget was absent. With all remaining Commissioners present, the motion passed unanimously.

July 2021 Financial Report

Associate Administrator Simpson presented the July 2021 Financial Statements for consideration.

Commissioner Powell moved to accept the Financial Statements through June 30, 2021. Commissioner Middleton seconded the motion. Commissioner Padget was absent. With all remaining Commissioners present, the motion passed unanimously.

Presentation of the Audit

CEO Hoey presented the 2019-2020 Financial Statement Audit for consideration. She was pleased to report that the auditors returned their highest opinion stating that "In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund or the Oregon Wheat Commission, as of June 30, 2020 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America."

Commissioner Powell moved to accept the Financial Statement Audit for the year ended June 30, 2020. Commissioner Hansell seconded the motion. Commissioner Padget was absent. With all remaining Commissioners present, the motion passed unanimously.

HB 2992 Rulemaking

CEO Hoey explained that in the 2021 session, the legislature passed HB 2992 which modifies ORS 292.495 and requires all state boards and commissions to pay a stipend to commissioners for each day or part of a day spent on commission business. It goes into effect September 25, 2021.

The changes that affect the Commission are:

- The amount of the stipend paid to commissioners will be the same as what a member of
- the Legislature is paid — currently $151 per day;
- Commissioners who reported an Adjusted Gross Income (AGI) of less than $50,000, or
- less than $100,000 if filing jointly qualify for the stipend;
- A commissioner may decline to accept the stipend or reimbursement of expenses.

Commissioner Tuckness moved to authorize Tana Simpson to file a temporary administrative rule to modify OAR 678 related to Commissioner Per Diem and Reimbursements. Commissioner Powell seconded the motion. Commissioner Padget was absent. With all remaining Commissioners present, the motion passed unanimously.

Commissioner Middleton moved to authorize Tana Simpson to begin the process of providing notice of proposed rulemaking for a permanent rule OAR 678 as necessary related to Commissioner Per Diem and Reimbursements. Commissioner Powell seconded the motion. Commissioner Padget was absent. With all remaining Commissioners present, the motion passed unanimously.

FY 2021-22 Budget Expectation Updates

CEO Hoey provided an update to budget expectation due to the significant change in the crop after the budget was approved in May. Based on NASS estimates, Oregon harvested around 31.97 million bushels of wheat, down from the anticipated 42 million bushels. With the reduced crop and the low carryover stocks, this year's revenue is expected to be reduced by $519,000.

Regarding expenditures, CEO Hoey expects reduced travel expense due to continuing covid restrictions. She also expects reductions in special projects. These projections would result in a fund balance reduction of $648,334 and a carryover reserve of $3,886,000.

Commissioners discussed concerns about the potential of drought carrying forward, impacting production and therefore the assessment revenue projections for next year's budget. The Commission discussed the purpose of the reserve fund to cover poor crops like this year and allow us to maintain the long-term funding necessary in research and marketing programs.

South America Technical Specialist

CEO Hoey reviewed the proposed workplan for the South America Technical Specialist, the most recent progress reports and the current fund balance for this project. The OWC committed to a joint project with Washington and Idaho with each state anticipating providing funding of $30,000 for five years. With travel constraints, USW has not been able to travel and expenditures are not as projected. Of the $300,000 contributed to date, expenditures total $92,056, leaving the fund amply supplied at $207,944.

Commissioner Powell moved to suspend funding of the South American Technical Specialist work funded through USW until such time that the funds are needed. Commissioner Hansell seconded the motion. Commissioner Padget was absent. With all remaining Commissioners present, the motion passed unanimously.

Travel Requests
CEO Hoey presented travel requests for the USW fall Meeting in Kansas City. Proposed attendees include Commissioners Padget, Tuckness and Powell, along with CEO Hoey. She also presented travel requests for the USW Winter meeting in Washington DC. Proposed attendees include Commissioners Padget, Tuckness and Hansell, along with CEO Hoey.

Commissioner Hansell moved to approve travel for up to three Commissioners and CEO Hoey to attend the U.S. Wheat Associates Fall Meeting November 7-10, 2021 in Kansas City, MO and travel for up to three Commissioners and CEO Hoey to attend the U.S. Wheat Associates Winter Meeting January 10-14, 2022 in Washington, DC. Commissioner Powell seconded the motion. Commissioner Padget was absent. With all remaining Commissioners present, the motion passed unanimously.

Other Business
No other business was brought before the Commission.

Next Meeting
The next meeting of the Commission is scheduled for December 1, 2021.

Chairman Marguth adjourned the meeting for lunch at 12:00 pm.

Approved

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Jerry Marguth, OWC Chairman

Prepared and submitted by OWC Associate Administrator, Tana Simpson

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September 22, 2021
Teleconference/Videoconference

Joint OWC/OWGL Meeting

Call to Order:
Chairman Jerry Marguth of the Oregon Wheat Commission and President Clint Carlson of the Oregon Wheat Growers League called the Joint Meeting of the Oregon Wheat Commission and Oregon Wheat Growers League to order at 1:00 p.m. The meeting was held at the Bargeway Pub in The Dalles, OR with video/phone conference access.

Commission attendees for all or part of the meeting included Jerry Marguth – Chairman, Dana Tuckness – Vice Chairman, Jordan Van Zante – Secretary/Treasurer, Walter Powell, Tyler Hansell, Travis Jones and Jason Middleton.

League attendees for all or part of the meeting included Clint Carlson – President, Ben Maney – Vice President, Colin Crocker – Secretary/Treasurer, Alan von Borstel – Past President, Deacon Heideman, Erin Heideman, Thad Eakin, Wade Bingaman, Josh Duling, Tom Duyck, Kevin Corn, Emery Gentry, and Kurt Melville.

Staff members present were Amanda Hoey, Oregon Wheat CEO; Tana Simpson, OWC Associate Administrator; Corey Shrader, OWC Program and Office Coordinator; and Cassandra Franklin, OWGL Administrative Assistant and Membership Coordinator.

Introduction of Visitors
In addition to the above listed OWC Commissioners, OWGL Board Members and staff, the following guests were in attendance for all or part of the meeting: Brent Cheyne, Robert Zemetra, Steve Wirsching, Janice Cooper, Nicole Mann, Katie Murray, Kate Reardon, Tom Chastain, George Plaven, Bailey Jenks, Tyllor Ledford, Curtis Adams, Francisco Calderon and Kristyn Anderson.

Wheat Marketing Center (WMC) and Crop Quality Update
Janice Cooper, WMC Managing Director, updated the group on the activities at the Wheat Marketing Center. Technical training is traditionally one of their major activities. This year, teams have been limited due to travel restrictions, but WMC was able to conduct two courses virtually, one seminar for South Africa on how to mill soft wheat and a Chinese Contracting for Wheat Value Workshop. WMC is in the final stages of CQ analysis which is used to produce weekly crop updates and two handouts for distribution. WMC compiles all analysis for SW and HW for the USW Crop Quality brochure as well as the more detailed SW publication.

WMC has expanded their public and private research efforts considering the limited technical groups. Current projects include the impact of emulsifiers in sponge cakes and additional RVA

testing. The private research includes ingredient analysis, labeling and product optimization. Janice also provided an update on the status of the building partnership. Their partner, Bill Naito Company, has advised WMC that they would like sell their half of the building. The partnership is currently in the process if considering options to sell the building.

Trade and Markets Update

Steve Wirsching, Vice President and Director of the U.S. Wheat Associates West Coast Office updated the group on the activities of USW over the summer. The South American Baking school is operational in Santiago, Chile and Andres Saturno is now stationed at the school. USW Portland recently shipped some grain grading equipment for use in demonstrations at the school.

Tyllor Ledford has joined USW as the Assistant Director of the USW Portland Office. She will replace Michael Anderson who has taken a position as the Market Analyst within the organization.

USW Portland hosted groups this summer from Nisshin, SPC group of South Korea and Kemen Noodle Company. Most of the last year has been focused on the production of virtual content for seminars including crop updates and the recent China Contracting for Value Workshop.

Federal Legislative Update

CEO Hoey reported in her role as the OWGL CEO that the OWGL acted on federal policies earlier in the OWGL portion of the meeting. She provided an update on the Columbia River System. The OWGL has provided resources toward the Pacific Northwest Waterways Association River Values Campaign. OWGL is continuing to work with Pacific Northwest Waterways to distribute information on how critical exporting on the Snake and Columbia Rivers is to the wheat industry and how it is the most efficient, carbon efficient and safest manner to move our product. NW River Partners have focused on the hydropower and energy that the dams produce and are continuing a campaign again this year.

State Legislative Update

Nicole Mann, Dalton Advocacy and OWGL contracted lobbyist, reported that this was a session with a lot of wins for agriculture. Senator Hansell was able to secure $100,000 for the OSU Bakery renovation from the American Rescue Plan Act. He also sponsored SB 590, the cropland fire bill to ensure access to wildfire protection resources for all wheat producing areas, which passed in the legislative session.

Chlorpyrifos will be phased out after a negotiation through an ODA work group. There were limited labor bills but an increased workload at OSHA, BOLI and OHA related to COVID, heat and wildfire. Agriculture overtime was the exception to the labor bills in session: it did not pass but will be back in the next session.

The Redistricting Special Session has been extended and because of that, the Interim Committee days have been cancelled. Nicole presented the likely pathways for redistricting outcomes. Concern was expressed about the impact of these new districts.

OSHA put temporary rules in place on smoke and heat in August that will last 180 days, and it is

likely a version of these rules will go into effect permanently at the end of that period. DEQ is moving forward with Cap and Reduce, now called the Climate Protection Program. Public hearings are being held by the DEQ and Environmental Quality Commission, please submit comments. The OWGL has provided talking points for use and the deadline is October 4th.

Katie Murray, Oregonians for Food and Shelter provided a legislative update, noting that this session did not include as many direct product bans, but pesticide issues showed up in other forms. She highlighted SB 582, the extended producer responsibility recycling overhaul bill which did pass. It is very extensive and will take years to implement. The Chlorpyrifos alternatives bill did not pass but OFS will continue to focus on the need for research into alternatives when pesticide restrictions are discussed. OFS is also engaged in grassroots efforts into redistricting.

Research and OSU Updates

Kate Reardon, the Interim Research Leader for ARS Pendleton updated the group on staffing, infrastructure and research. The Research Leader position search is ongoing and if successful will be either an ag economist or an agronomist. ARS recently filled the Crop Physiologist with Curtis Adams which is funded by the RDFA. The new Carbon Initiative funding also brings a Biosystems Engineer to the center and that search will begin soon.

They are working to make extra space to accommodate the additional staffing needed to run the RDFA and the Carbon Initiative. Facility renovation projects will span most of 2021 and into 2022 and total $1.1 million. The renovation will focus on the main building, creating seven cubicles and in the shop converting the temp lab to a clean lab.

Francisco Calderon, Research Leader at OSU Columbia Basin Agricultural Research Center, stated their research is focused on the long-term experiments (LTE), collaborative projects with ARS on the soil health and crop productivity in PNW Dryland wheat production systems, soil carbon and soil health parameters in the LTE's. They are also in the process of developing a plan for additional space options and modifications and fund raising to best suit the research needs.

Tom Chastain, Head of the Department of Crop and Soil Science updated the group on the activities on campus. He was proud to report that OSU has the nation's first online degree programs in Agronomy and Soil science. They are in the process of updating their strategic plan, are in the process of the major renovation of the bakery in the Crop Science building and sadly the decision was made to terminate the CSS program at EOU. CSS was granted two of their three priority staffing requests so they will be filling Assistant Professor of Landscape Pedology and Assistant Professor of Weed Science positions. They are also very excited to announce three new teaching positions the college will be adding: Assistant Professor of Digital Agronomist, Assistant Professor of Crop Quantitative Genomics and Assistant Professor of Rhizosphere Science. Searches for all three will begin soon.

Bob Zemetra, OSU Wheat Breeder, noted that varieties that would perform well under drought conditions because they have tolerance or are early include Norwest Tandem, ORCF Appleby, ORI 2190025 and ORI 2190027. The other line that was tolerant and held test weight this year

was UI magic.

Bob is proposing ORI 21300755 for release with PVP title five certified seed and no royalty, noting that he felt there are a lot of growers that want a variety that has good yield, quality and disease package with no royalty and the ability to save seed. The Commission requested opportunity to more fully discuss the impacts. It is currently in foundation seed, and they are working to seed it at the CBARC Station so growers will be able to see it in the field this year.

Bob updated the group on royalty collections. The program is currently collecting $200,000 to $220,000 from mostly Duet and Tandem, they expect Tandem to remain stable and royalties from Appleby to increase moving forward. Appleby has performed comparable to UI Magic in variety trials, and they are hoping to have it grown at the CBARC station this year. The first Clearfield clubs will be grown in the field this year and go through quality testing. Chris Mundt also has lines in the Septoria project that will be planted in the trials this year along with the CoAXium in HRW.

CEO Report and Staff Updates

CEO Hoey provided a continued update for the League on the calls to action recently sent, including reconciliation with relation to taxes and preservation of the stepped-up basis, Cap and Reduce, Columbia River System and Agriculture Overtime. She noted that OWGL has conducted a search for the Director of Communications. They have a preferred candidate and are in the process of checking references.

CEO provided a Commission update, noting that we are engaged with the trade teams and virtual updates. We are hopeful to conduct this year's grower workshop in February. Research outreach includes distribution of a one pager on Fusarium Head Blight and a meeting with the Klamath station regarding the decision at the last OWC meeting. CEO Hoey and Ryan Graebner will be meeting onsite with the Klamath Station lead in November to discuss how to make a trial on the station a reality in 2022. Lastly, we did a significant update to the website to ensure that the Commission had a clear independent section.

Other Business

No other business was brought before the Commission.

OWC Executive Session

Chairman Marguth called the meeting into Executive Session per ORS 192.660(i) to review and evaluate the employment-related performance of the Chief Executive Officer at 2:30 p.m.
He stated that all representatives of the news media and designated staff shall be allowed to attend the executive session. All other members of the audience should leave the meeting. Representatives of the news media were specifically directed not to report on or otherwise disclose any of the deliberations or anything said about these subjects during the executive session, except to state the general subject of the session as previously announced. He stated that no decision may be made in executive session and the Commission will not return to open session at the end of the executive session.

Chairman Marguth closed the meeting of the Executive session at 3:05 p.m.

Approved

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Jerry Marguth, OWC Chairman

Prepared and submitted by Associate Administrator, Tana Simpson