

**Montana Agriculture Development Council Minutes  
Business Conference Call  
Originated from Department of Agriculture  
Helena, Montana  
January 17, 2013**

Members attending in person:

Ron de Yong, Director of Agriculture, Helena

Members attending by phone:

David Tyler, Chair, Belgrade

Patricia Quisno, Harlem

Verges Ageson, Gildford

Members absent:

Meg O'Leary, Director of Commerce, Helena

Ervin Schlemmer, Vice-Chair, Joliet

Bill Koenig, Kalispell

Staff attending in person:

Joel Clairmont, Deputy Director, Montana Department of Agriculture

Cort Jensen, Chief Attorney, Montana Department of Agriculture

Collin Watters, Bureau Chief, Agricultural Marketing and Business Development Bureau

Angie Nelson, Program Manager, Growth Through Agriculture

Lindra Davies, Program Specialist, Growth Through Agriculture

Staff attending by phone:

Andy Poole, Deputy Director, Montana Department of Commerce

Montana Department of Agriculture staff were available to the Agriculture Development Council, (Council) for information purposes.

***David Tyler, Chair, called the meeting to order at 7:04 a.m., January 17, 2013.***

**Roll Call/Call for Proxies**

- ***Andy Poole, Deputy Director, Montana Department of Commerce, was present by phone as Director O'Leary's representative.***

## **Business Items**

### ***Review of October 16 & 17, 2012 Council Meeting Minutes and Review of December 4, 2012 Council Business Teleconference Minutes***

**Motion:** To approve the minutes as presented.

**By:** Patricia Quisno

**2<sup>nd</sup>:** Verges Aageson

**Action:** The motion carried with no dissenting votes.

### ***Set Targeted Areas***

Angie asked the Council for thoughts on areas of interest for funding upcoming projects. As stated in the Administrative Rules of Montana (ARM) states “The Council can declare up to two kinds or areas of projects to be targeted areas. These areas must be reviewed at least annually and announced at least 60 days before they become effective.” In SFY2012 no targeted areas were declared.

The Council was in agreement to focus special interest in food processing projects and to informally share their interest by highlighting a food processing business in a news release at an effective length of time before the next application deadline.

### ***Mini-Grant/Trade Show Assistance (TSAP) Awards Since Last Council Meeting***

Angie Nelson provided the Council with a list of Mini Grant applications that were funded since the Council’s last meeting in October 2012.

Angie Deyoung, Domestic Marketing Officer, was unavailable for this meeting and will provide a listing of TSAP awards during the Council’s February meeting.

### ***Next Application Deadlines***

The Council was in agreement to set the next two application deadline dates of September 16, 2013 and January 31, 2014.

### ***Growth Through Agriculture Grant and Loan Status Review***

Ms. Nelson provided a reporting and repayment status review of the following grants and loans:

#### **- Grants – Past Due Reporting**

- Cream of the West – 1150427

A final report was due December 31, 2012. Alicia Moe of Cream of the West is working with Angie to submit a contract extension and budget change amendment request.

#### **- Loans – Past Due Repayments**

- There currently are no past due loan repayments.

## *Requests*

- AERO – 0950235 - Final Report/Change in Final Deliverable  
In March 2009 AERO received a grant award for \$10,305.00 “To establish an interactive online local foods directory.” In the project’s final report Kevin Moore, Sustainable Food and Agriculture Program Manager, stated that all awarded grant funds were spent but that an online directory was not created.

Mr. Moore and the Executive Director of AERO provided a final oral report to the Council during their October 2012 meeting to discuss the status of this grant. The Council voted to allow AERO to compare and define elements from the organizations original scope of work to those currently offered as deliverables and request an amendment and the final report will be revised accordingly.

Bryan Von Lossberg, Executive Director, AERO submitted a letter in response and requested that the Council accept their plan to meet grant obligations and also address their member value objective.

**Motion:** To accept AERO’s letter and new proposal and require a report on the progress of AERO’s online directory in six months.

**By:** Ron de Yong

**2<sup>nd</sup>:** Verges Ageson

**Action:** The motion carried with no dissenting votes.

## *Issues*

- Fort Peck Landowners Association – 1050286  
A final report and a check for the remaining grant funds in the amount of \$7,347.99 was received from Scott Aspenlieder of WWC Engineering, who has been submitting the reports for this project.

Angie reported that documentation of match funds or 50 percent of the funds need to be returned to meet the \$1 for \$1 match requirement. To document match, she will follow up with Mr. Aspenlieder for a copy of engineering work completed for the project and for verification of foundation funding with Mark Sansaver, Grants Manager, Fort Peck Community College for a training handbook published as a result of the project.

Further updates will be provided during future Council meetings.

- Wee Chef – 1150425  
Mr. and Mrs. Horning of Wee Chef, LLC are selling assets and returning grant funds. To date, \$2,000.00 has been returned from the sale of four display freezers.
- Mission Mountain Laboratory, Inc. 1150376  
During their September 2012 business teleconference the Council voted to convert Mission Mountain Laboratories, Inc.’s grant into a loan at 10 percent interest rate.

In a phone discussion with Kimberly Nuccio of Mission Mountain Laboratories, Inc.'s during the October 2012 meeting, the Council reconsidered their previous determination and allowed the business's original award to remain a grant if Ms. Nuccio would provide the requested invoices documenting the purchase of equipment with GTA funds by the end of October 2012.

Ms. Nelson reported that Ms. Nuccio of Mission Mountain Laboratories, Inc. made the first loan payment but that equipment invoices are still needed. Angie will provide further updates at a future Council meeting.

- USOmega3 Foods, LLC – 0750029 and Montana Food Products – 1050358  
Cort Jensen, the Department of Agriculture's Legal Counsel gave a report on the processes and procedures for legally moving forward with this business.

### *Updates*

- Colbry Farms – 0550885  
Earl Colbry of Colbry Farm requested that the Council allow him to sell the project's greenhouse. Mr. Colbry further explained that the greenhouse was damaged during the winter and because of health issues he did not raise tomatoes this year. He indicated that he will not be able to work in the greenhouse again because of bad knees.

During their October meeting the Council allowed the sale of the greenhouse with the proceeds being paid towards the GTA loan balance and required interest only payments for one year to begin the end of October.

Ms. Nelson reported that an interest only payment was due on October 31, 2012 and a payment was received on December 17, 2012.

- WEEL (Working for Equality and Economic Liberation) – 1150367 – Mini Grant  
A new organization named "Helena Community Gardens" has taken over this project from WEEL.

A final report was received from WEEL's treasurer, Nicole Rush, documenting expenditure of \$2,300 in GTA funds towards the community workshops as awarded.

Angie is working with Ms. Rush to document remaining in-kind match of their volunteers as of January 2013.

- Superior Meats, Inc. – 0950252  
During the September business teleconference Ms. Nelson reported that quarterly reports were past due for the reporting periods of April 30 and July 31, 2012 and that the first delinquent notice was sent September 1, 2012.

Angie reported that delinquent and current quarterly reports have been received and that most of the GTA funds have been spent. Gerald Stroot of Superior Meats, Inc. is still working to get 3 phase power to the facility.

- Kootenai Cannery – 1250516  
During their business meeting in October the Council approved Justin and Tammi Michel’s budget change request to allow savings from building a handmade oven to implement a wind farm project instead. The approval was contingent on completion and approval from the county sanitarian of the handmade range as appropriate for use in the jam production facility.

Ms. Nelson reported that Mr. and Mrs. Michel met with their County Sanitarian to go over the design of the cook station and that the sanitarian provided some help with the final design of the range.

***Contract Changes Performed Without Full Council Action:***

Angie Nelson informed the Council on the following contract changes were approved per program policy without full Council action as a result of determinations made by the Program Manager and/or David Tyler, Council Chairman.

- *MSU-Northern Bio-Energy Innovation and Testing Center – 1050323 – contract extension*
- *Little Red Hills – 1250526 (Mini Grant) – contract budget change*
- *Roger Olsen – 1150422 – contract budget change*
- *Miller Colony – 1150390 – contract repayment extension*
- *Rocky Mountain Lavender – 1150378 – contract budget change*
- *Community Food and Agricultural Coalition (Mini Grant) – contract budget change*
- *Wildwood Brewing, Inc. – 0950175 (Mini Grant) – contract extension*

**NOTE:** By email vote (attached) the Council approved the contract changes.

**Motion:** To approve the contract changes.

**By:** Patricia Quisno

**2<sup>nd</sup>:** Andy Poole

**Action:** The motion carried with no dissenting votes.

***Other Updates:***

- Next Council Meeting  
Scheduled for February 26 and 27, 2013 to review applications received by the January 31, 2013 application deadline.

Election of Council Vice Chair will be held during February meeting.

**Public Comment Period**

David Tyler, Chair, called for public comments. No public comments were presented.

**Adjourn**

Hearing no public comment, David Tyler, Chair, adjourned the meeting at 7:58 a.m., January 17, 2013.

Respectfully submitted by:

Lindy Davies, Growth Through Agriculture Program Specialist