

**Montana Agriculture Development Council Meeting Minutes
November 15 and 16, 2016
Conference Room 225
Montana Department of Agriculture
Helena, Montana**

Members in attendance:

Ron de Yong, Director of Agriculture, Helena
Meg O'Leary, Director of Commerce, Helena (through proxy, granting voting authority to Tom Kaiserski, Program Manager, Industry Development Program, Department of Commerce)
Amy Kellogg, Chair, Kalispell
Patricia Quisno, Fort Belknap
Greg Jergeson, Chinook
Tara Mastel, Whitehall (November 15 and 16, 2016) (General/Irrevocable Proxy for Lars Hanson)

Members absent:

Lars Hanson, Vice-Chair, Billings

Staff in attendance:

Christy Clark, Bureau Chief, Development and Marketing Bureau, Montana Department of Agriculture
Tom Kaiserski, Bureau Chief, Research and Information Services Bureau, Montana Department of Commerce (November 15th and 16th) (General/Irrevocable Proxy for Director of Commerce Meg O'Leary)
Cort Jensen, Legal Counsel, Montana Department of Agriculture (partial attendance)
Angie Nelson, Section Manager/Program Manager,
Growth Through Agriculture (GTA) Program, Montana Department of Agriculture
Cid Sivils, Accountant, Agriculture Development and Marketing Bureau,
Montana Department of Agriculture
Jim Auer, Specialty Crop Block Grant Coordinator,
Montana Department of Agriculture (partial attendance)
Marty Earnheart, Marketing Officer, Montana Department of Agriculture (partial attendance)
Steph Hystad, Marketing Officer, Montana Department of Agriculture (partial attendance)
Lindra Davies, Program Specialist, GTA Program, Montana Department of Agriculture

Public members in attendance:

Taylor Lyon, Montana Food and Agriculture Development Center Director, Bear Paw Development Corporation
Jan Tusick, Montana Food and Agriculture Development Network Manager, Mission Mountain Food Enterprise Center

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

Amy Kellogg, Chair, called the meeting to order at 8:15 a.m. Tuesday, November 15, 2016 and, adjourned the meeting at 4:50 p.m. Tuesday, November 15, 2016.

Council reconvened at 8:23 a.m. on Wednesday, November 16, 2016 and adjourned the meeting at 3:45 p.m. on Wednesday, November 16, 2016.

Roll Call/Call for Proxies

- *Tuesday, August 4, 2015, an ongoing (until further notice), general, irrevocable proxy was received from Megan O'Leary, Director of Montana Department of Commerce granting voting authority to Tom Kaiserski, Program Manager, Industry Development Program, Department of Commerce, who was present as Director O'Leary's representative.*
- *Thursday, November 10, 2016 a general, irrevocable proxy was received by email from Agriculture Development Council Vice-Chair, Lars Hanson, granting voting authority to council member Tara Mastel, who was present as Mr. Hanson's representative.*

Public Comments

Chair, Amy Kellogg, called for public comments on the morning of Tuesday, November 15, 2016. No public comments were presented.

Chair, Amy Kellogg, called for public comments on the morning of Wednesday, November 16, 2016. No public comments were presented.

Review of August 2, 2015 Council Teleconference Business Meeting Minutes

Motion: To accept the August 2, 2016 minutes as presented.

By: Tara Mastel

2nd: Ron de Yong

Action: The motion carried with no dissenting votes.

Review of Agenda, Council Packet, Overview of Applications and Funding Available

Angie Nelson, Section Manager/Growth Through Agriculture Program Manager, gave a summary of the budget for funding and an overview of the agenda and applicant presentation schedule in preparation for the next two meeting days.

Election of Council Chair

Motion: To reelect Amy Kellogg as Agriculture Development Council Chair.

By: Ron de Yong

2nd: Patricia Quisno

Action: The motion carried with no dissenting votes.

Election of Council Vice-Chair

Motion: To reelect Lars Hanson as Agriculture Development Council Vice-Chair.

By: Greg Jergeson

2nd: Patricia Quisno

Action: The motion carried with no dissenting votes.

Review of Meeting Procedures and Responsibilities

Cort Jensen, Legal Counsel for the Montana Department of Agriculture provided an overview of meeting procedures and Council responsibilities including: conflict of interest, open meeting laws, ethics and lobbying issues, and guidelines for managing Council meetings. Mr. Jensen also offered to answer any Council questions regarding these issues.

Review Targeted Areas

The Council reviewed and discussed the current targeted areas with the possibility of adding a targeted area to include financial assistance for emerging markets.

The Council and agreed to revisit this business item during their business meeting scheduled to be held in the spring of 2017.

Set Loan Rates

The Council reviewed and discussed the current loan rates of 0% as low and 4% as high.

The Council agreed to keep the current rates and revisit this business item during their business meeting scheduled to be held in the spring of 2017 with full Council present.

Applications Presented and Council Determinations

1. **GEARHEAD BIOLUBRICANTS, Bigfork, MT, Duane Johnson**
“GEARHEAD Biolubricants: Developing Total-Loss Lubricants from Montana Safflower, Sunflower, and Canola”
WITHDRAWN - Growth Through Agriculture staff received notice by email on November 4, 2016 that the applicant chose to withdraw the proposal.
2. **WATCHDOG WINERY, Bozeman, MT, Ben and Alyssa Griffith**
“Watchdog Vineyard”
Motion: To fund as a grant in the amount of \$7,500.00 to assist with vineyard costs including irrigation, plants, and fencing materials.
Match: For eligible costs incurred as of November 16, 2015.
By: Tara Mastel
2nd: Patricia Quisno
Action: The motion carried with no dissenting votes.
3. **MONTANA MEAT COMPANY, Bozeman, MT, Garl Germann**
“Broad Line Distributor Integration”
Motion: Not to fund.
By: Patricia Quisno
2nd: Tara Mastel
Action: The motion carried with no dissenting votes.

- 4. RAVALLI HOPS, LLC, Stevensville, MT, Sharon Johnson**
“Ravalli Hops Expansion Project”
Motion: To fund as a grant in the amount of \$25,000.00 to assist with costs of growing and processing hops.
Match: For eligible costs incurred as of November 16, 2015.
By: Patricia Quisno
2nd: Tom Kaiserski
Action: The motion carried with no dissenting votes.
- 5. ROOT TO RISE, INC, Wilsall, MT, Leslie Witter**
“Root to Rise Gardens Start-Up Requesting Funding to Help Cover Expenses for Market Garden Component of an Innovative, Multi-Enterprise in Wilsall”
Motion: Not to fund.
By: Patricia Quisno
2nd: Tara Mastel
Action: The motion carried with no dissenting votes.
- 6. THE EMPEROR OF ICE CREAM, Big Sky, MT, Alex McKenzie**
“Development of a Refrigerated and Frozen Food Distribution System”
Motion: To fund as a grant in the amount of \$10,000.00 for walk-in freezer costs.
Match: For eligible costs incurred as of September 1, 2016.
By: Tara Mastel
2nd: Greg Jergeson
Action: The motion carried with no dissenting votes.
- 7. STRICKS, LLC, Chester, MT, Tyler and Jillien Streit**
“Stricks Ag, Pulse Processing Facility”
Motion: To fund as a grant in the amount of \$49,488.44 and as a loan in the amount of \$100,000.00 for purchasing pulse processing and handling equipment. Terms of the loan are 1 year deferred repayment; 0% interest with repayment over a period of 7 years.
Match: For eligible costs incurred as of November 16, 2015.
By: Greg Jergeson
2nd: Patricia Quisno
Action: The motion carried with no dissenting votes.
- 8. PARDUE GRAIN INC, Cut Bank, MT, Roger Sammons**
“Pulse Processing Expansion for Pardue Grain, Inc.”
Motion: To fund as a grant in the amount of \$48,000.00 for the purchase of pulse processing equipment including an air screen cleaner.
Match: For eligible costs incurred as of January 1, 2016.
By: Greg Jergeson
2nd: Tara Mastel
Action: The motion carried with no dissenting votes.

9. **BEAR PAW MEATS, LLC, Chinook, MT, Karla and Ashley Buck**
“Bear Paw Meats Smokehouse Modernization”
Motion: To fund as a grant in the amount of \$50,000.00 for meat processing equipment including a smoker.
By: Patricia Quisno
2nd: Greg Jergeson
Action: The motion carried with no dissenting votes.
10. **COUNTY RAIL FARM, Huson, MT, Tracy Potter-Fins and Margaret DeBona**
“County Rail Farm Relocation and Expansion”
Motion: To fund as a grant in the amount of \$40,000.00 for purchasing supplies, materials, and equipment for vegetable farming.
Match: For eligible costs incurred as of April 1, 2016.
By: Ron de Yong
2nd: Tara Mastel
Action: The motion carried with no dissenting votes.
11. **CUT BANK CREEK BREWERY, Cut Bank, MT, Louie and Kim Stoltz**
“Cut Bank Creek Brewery Start-Up”
Motion: To fund as a grant in the amount of \$40,000.00 to purchase and install brewing equipment.
By: Patricia Quisno
2nd: Ron de Yong
Action: The motion carried with no dissenting votes.
12. **BUSTED KNUCKLE BREWERY, LLC, Glasgow, MT, Ben and Connie Boreson**
“Busted Knuckle Brewery Start-Up and Expansion”
Motion: To fund as a grant in the amount of \$39,250.00 to assist with costs of brewery equipment.
Match: For eligible costs incurred as of November 16, 2015.
By: Greg Jergeson
2nd: Tom Kaiserski
Action: The motion carried with no dissenting votes.
13. **WHITE RAVEN WINERY LIMITED LIABILITY COMPANY, Columbia Falls, MT, Daniel Murphy**
“White Raven Winery, LLC and Vineyard – Develop Ag Tourism Through Winery and Vineyard Operations”
Motion: Not to fund.
By: Patricia Quisno
2nd: Tara Mastel
Action: The motion carried with no dissenting votes.

14. **WESTERN CIDER COMPANY, LLC, Missoula, MT, Jon Clarenbach and Michael Billingsley**
“To Purchase a Wild Goose Canning System for Packaging Canned Ciders for Distribution Throughout Montana”
Motion: To fund as a grant in the amount of \$50,000.00 to purchase and install cider processing equipment and a canning system.
Match: As proposed in the application.
By: Tara Mastel
2nd: Patricia Quisno
Action: The motion carried with no dissenting votes.
15. **ALTERNATIVE ENERGY RESOURCES ORGANIZATION (AERO), Helena, MT, Janet Hess-Herbert and Kalenna Miller**
“Montana Food Economy Initiative – Project to Understand and Improve Food Distribution Systems of Montana Agricultural Products”
Motion: Not to fund.
By: Patricia Quisno
2nd: Tara Mastel
Action: The motion carried with no dissenting votes.
16. **MONTANA STATE UNIVERSITY, Bozeman, MT, Whit Stewart (by teleconference)**
“Montana Wool Pool Software”
Motion: To fund as a grant in the amount of \$4,500.00 for costs to complete Montana wool pool software.
Match: As proposed in the application.
By: Tom Kaiserski
2nd: Patricia Quisno
Action: The motion carried with no dissenting votes.
17. **LAKE COUNTY COMMUNITY DEVELOPMENT CORPORATION, Ronan, MT, Janice Tusick**
“Farm to Institution – Expanding Markets for Locally Grown and Processed Products to Health Care Institutions”
Motion: To fund as a grant in the amount of \$40,333.00 for the purchase of freezer storage and food processing equipment.
Match: For eligible costs incurred as of July 1, 2016.
By: Tom Kaiserski
2nd: Tara Mastel
Action: The motion carried with no dissenting votes.

NOTE: Amy Kellogg recused herself from discussion and voting on this proposal. Ron de Yong assumed Chair duties during this time.

18. **TABLETREE MONTANA LLC, Bigfork, MT, Susan Snow**
“Tabletree Montana Juice Production Expansion”
Motion: To fund as a grant in the amount of \$40,000.00 for the purchase of cherry processing equipment.
Contingencies: Funding is contingent upon the Department of Public Health and Human Services’ approval of the business’s labels and documentation of match by March 1, 2017.
By: Tara Mastel
2nd: Patricia Quisno
Action: The motion carried with no dissenting votes.
19. **SWANKY ROOTS INC, Billings, MT, Ronna and Veronnaka Klamert (by teleconference)**
“Swanky Roots Aquaponics Facility Lighting Package”
Motion: Not to fund.
By: Patricia Quisno
2nd: Tara Mastel
Action: The motion carried with no dissenting votes.
20. **STILLWATER PACKING CO, Columbus, MT, Dewey Emmett**
“New Equipment”
Motion: To fund as a grant in the amount of \$20,000.00 to purchase meat processing equipment including a stuffer.
Match: As proposed in the application.
By: Tom Kaiserski
2nd: Tara Mastel
Action: The motion carried with no dissenting votes.
21. **STETSON RANCHES LLC, Fromberg, MT, Jay Stetson**
“Stetson Ranches Composting Business Expansion Plan”
Motion: To fund as a grant in the amount of \$40,000.00 for the purchase of composting equipment.
Match: For eligible costs incurred as of April 1, 2016.
By: Greg Jergeson
2nd: Patricia Quisno
Action: The motion carried with no dissenting votes.
22. **PULSES OF MONTANA, Joliet, MT, Scott Blain**
“Pulses of Montana – Ancient Crops for a Healthy Future”
Motion: To fund as a grant in the amount of \$5,000.00 for consultant costs to assist with recipe development using pulses.
By: Tara Mastel
2nd: Ron de Yong
Action: The motion carried with no dissenting votes.

23. **LITTLE FRISIA FARMS LLC, Roberts, MT, Colter DeVries**
“Ranch Raised Wagyu Packaged Beef”
Motion: Not to fund.
By: Patricia Quisno
2nd: Tara Mastel
Action: The motion carried with no dissenting votes.
24. **GAMBILL INC DBA C&K MEATS AND MONTANA WESTERN FLAVORS,**
Forsyth, MT, Kelsi Gambill
“AGR Growth Through Agriculture September 15, 2016 C&K Meats – Montana Western Flavors Business Expansion”
Motion: To fund as a loan in the amount of \$40,000.00 for meat processing equipment. Terms of the loan are 1 year deferred repayment; 0% interest with repayment over a period of 7 years.
Match: As proposed in the application for eligible costs incurred as of July 1, 2016.
By: Patricia Quisno
2nd: Tom Kaiserski
Action: The motion carried with no dissenting votes.

Other Presentations:

~ **Department of Agriculture Marketing and Business Development Outreach** – Steph Hystad, Marketing Officer for the Department of Agriculture shared a report of findings from her marketing outreach around Montana with two other Marketing Officers - Marty Earnheart and Treston Vermandel. They traveled to learn about agriculture related issues from producers in the areas of Sidney, Glendive, Miles City, Conrad, Chester, and Havre.

Based on the six listening sessions and meetings with 47 companies, several projects will be taken on by the marketing team in 2017 to address the challenges and opportunities identified through these interactions.

Application Deadlines:

~ Next GTA application – September 15, 2017 at 2:00pm.

Next Council Meetings (proposed dates):

~ The Council agreed to schedule May 16 or 17, 2017 as their next teleconference business meeting.

Adjournment:

Motion: To adjourn the meeting (3:32pm, November 16, 2016).

By: Greg Jergeson

2nd: Tara Mastel

Action: The motion carried with no dissenting votes.

Respectfully submitted by:
Lindra Davies, Growth Through Agriculture Program Specialist
Montana Department of Agriculture