

MONTANA ORGANIC COMMODITY ADVISORY COUNCIL
Business Meeting — October 29, 2002
Helena, Montana

ATTENDANCE:

Council Members

- Ralph Peck, MDA Director
- Judy Owsowitz, Northwest Producer
- Mikel Lund, Northeast Producer
- Bob Boettcher, North Central Producer
- Bob Quinn, North Central Producer
- David Oien, North Central Handler
- John Hoffland, Central Consumer
- Nancy Matheson, Central Producer

MDA Staff Members

- Steve Baril, FSB Chief
- Greg Ames, ASD Administrator
- Doug Crabtree, Organic Certification Program Manager
- Debbie Stone, Administrative Support

This meeting was preceded by a background and training session that was held on Monday, October 28, 2002. The following is an overview of the session.

- Welcome and Introductions, MDA Director Ralph Peck
- History and development of the Certification Program
 - The law: "Plan for establishment of state organic certification program", David Oien
 - The Steering Committee, Bob Quinn
 - Montana State Organic Advisory Committee, Mark Mackin
- Function of the Council, statute and (draft) rule, Steve Baril
- Our Relationship with the USDA NOP, Doug Crabtree
- Rule-Making, Rule Adoption Process, and Rules for Advisory Councils, Tim Meloy, MDA Attorney

End of background and training session.

Candi Mullenbach, MDA Accounting Technician, gave a presentation on procedures for council members' expense reimbursements.

Official Meeting

Director Ralph Peck called the meeting to order at 8:30 am.

The meeting began with discussion of appointing a chairperson. Nancy Matheson made the motion to appoint Director Ralph Peck as chairperson. David Oien seconded the motion and **Director Peck was appointed chairperson by a unanimous vote.** Steve Baril or Greg Ames will act as chairperson if Director Peck is absent.

Director Peck then brought up for discussion what type of coverage would be desired for the minutes of the meeting. It was decided that detailed minutes would be recorded covering discussion of major issues and final voting details. Meetings will be tape-recorded to assist preparation of the minutes. These tapes will be erased or destroyed within six months after the meeting.

Judy Owsowitz brought up for discussion the desired rules for voting. Nancy Matheson made the motion that the council will strive for consensus before making formal motions, but that once a formal motion is made and seconded, a simple majority vote will pass the motion. Director Peck stated that lack of consensus would indicate the need for further discussion and more work by the council. Judy Owsowitz pointed out that consensus does not necessarily indicate full agreement, but compromise and willingness to proceed. Bob Boettcher seconded the motion and **the rule to strive for consensus before motions, require a second and pass motions by simple majority vote passed unanimously.**

Doug Crabtree presented an overview of the Draft Program Rules. A copy of the presentation was given to everyone for reference.

Sara Goan, ADD Sr. Marketing Officer, discussed various marketing programs and what ADD can do to assist MOCAC, the MDA organic program and the organic community.

Donna Rise, Programs Manager, presented a new surface water sampling program and discussed various ways this new program might be able to assist the organic community.

Nancy Matheson asked, "What role does the council have in following the NRCS process of implementing organic provisions within the new farm bill?"

Greg Ames stated that Director Peck should address that issue.

Doug Crabtree stated that he believes the role of the council is broader than the current existing organic certification program and that it should advise the department on all matters of importance to organic producers and handlers.

Nancy Matheson asked, "What kind of educational role does the council want to take?"

Bob Quinn suggested recommending the use of existing MDA (marketing) staff and designating a marketing person to handle organic issues.

Judy Owsowitz suggested that the department do a press release before and after all MOCAC meetings in order to maintain public awareness.

Greg Ames suggested using the MDA Public Information Officer.

David Oien stated the department and council's focus should be on the existing organic certification program (i.e., getting more applicants, getting the program underway).

Greg Ames ended the discussion stating that the issue be discussed further with Director Peck.

Steve Baril presented the financial status and projections for the MDA organic certification program:

- Program will operate for 2 years on general fund. One year of funding left that ends on June 30, 2003.
- July 1, 2003 begins a new fiscal year and the program will switch to a special revenue account at which point the program funds itself from certification fees.
- General fund appropriation budget is \$73,374.
- Salary and benefits for 1.5 full time employees is \$51,959.
- 20% from each department goes towards Central Management (Director, secretaries, computer support employees, attorney, etc.).
- Need approximately \$51,959 plus 20% more for personal services for the program.
- Revenue to date is \$6,628. Revenue was generated from application fees and inspection fees. All revenue goes into a special revenue account to support the program beginning July 1, 2003.
- Need approximately 100 to 150 applicants/operations for the program to cash-flow.
- All financial reports are available to the public. They are tracked on the State Budgeting System.
- The department is looking at grants from the EPA. They might be supportive of educational activities aimed at reducing pesticide use and/or exposure.

The next discussion involved the decision to not elect additional officers.

Nancy Matheson brought up discussion of guidelines for council communication via e-mails.

Greg Ames suggested using e-mail communication only for submitting ideas for the next meeting agenda and not to use it for discussing substance of issues.

Next discussion was frequency of meetings. Meetings must be at least once a year.

The next meeting will be held on Tuesday, November 12, from 8:00 am to 5:00 pm, in Helena, Montana.

Steve Baril gave an overview of the history of development of the Organic Seal.

Angela DeYoung, MDA Marketing Specialist, discussed development of the currently-proposed seal, as well as several options for modifying the existing organic seal. A revised seal was reviewed. David Oien agreed to take the proposed seal to a professional printer/designer for suggestions by the next meeting.

The next discussion was about Rule VI. APPLICATION FEES AND FEES FOR SERVICES. A motion was made by David Oien to amend Rule VI., subsection (1)(c) to read:

- (c) An additional application fee is \$150 for new applications for certification. This rule provision becomes effective on January 1, 2004.

Judy Owsowitz seconded. **The motion to amend Rule VI., subsection (1)(c) to read:**

- (c) An additional application fee is \$150 for new applications for certification. This rule provision becomes effective on January 1, 2004.

was passed by a unanimous vote.

Judy Owsowitz brought up for discussion inspector issues and fees for mixed operations.

Nancy Matheson brought up for discussion Rule VI. APPLICATION FEES AND FEES FOR SERVICES. subsection (3)(a), Inspections conducted by the department. Greg Ames expressed concern that the proposed fee does not fully recover costs to the department and that perhaps travel time should also be charged at \$25/hour. Doug Crabtree and Mikel Lund stressed the expense to producers if travel time is charged. Doug Crabtree stated that staff will do few inspections and only under extenuating circumstances. Greg Ames recommended leaving the rule as is until and unless it becomes a problem in terms of cash-flow. The council agreed by consensus- no motion made.

Judy Owsowitz made a motion to adjourn the meeting.

Bob Boettcher seconded and the **motion to adjourn passed unanimously.**

The meeting adjourned at 4:35 pm.