**WASHINGTON ASPARAGUS COMMMISSION**

**Asparagus Commission Office**

**Eltopia, WA 99330**

**January 17, 2018**

**Gary Larsen, Chair, Presiding**

Chair Gary Larsen calls the meeting to order at 1:55 pm

**Introduction**

Present: Gary Larsen, Norm Inaba, Rebecca Weber, Jeff Muse, Gary Johnson, Jon Nishi, Bryan Lynch

Administrative staff present: Alan Schreiber, Tiffani Deal, Liesl Zappler

Guests present: Travis Meachem, Ken Hosen, Jim Middleton

**Election of Officers**

The officer positions for the Board are the treasurer, chair and vice-chair.

Each year the Board elects/ re-elects officers. The Chair asked for nominations for officers. Bryan agreed to continue to serve as Treasurer and no one else was interested in serving as treasurer. The officers are Gary Larsen, Chair, Norm Inaba, Vice Chair, and Bryan Lynch, Treasurer.

Jon Nishi moved to nominate the current slate of officers for another one year term. Gary Johnson seconded the motion. The motion pass unanimously.

**Approval of Minutes**

Rebecca made corrections in her copy which she gave to Alan. On page 4, toward the end of the discussion regarding organics, there was confusion over what was to be captured. Alan will clear up the language. Norm noted that in the marketing education section, his comment was aimed at the new area. Alan noted the correction in his copy.

Norm also noted that in the section regarding organics, he was bringing up what happened to conventional asparagus, which was the negative effect on price.

*Norm Inaba made the motion to approve the minutes with the corrections from Rebecca and himself. Gary Johnson seconded the motion. The motion passed unanimously. The minutes are from October 26, 2017.*

**Financial- Annual Report**

Alan presented the end of the year financial report from 2017. Prior to today, there were no expenses generated in 2018 so there is no financial report for this year. Alan went over the 2017 budget. The Asparagus Commission paid for the hotel, registration and airfare to the International Asparagus Symposium in Europe, but no other expenses. The costs for attending the Section 18 workshop in Puyallup were split with the WA Blueberry Commission.

*Bryan Lynch made a motion to approve the financial report. Norm Inaba seconded the motion. The motion passed unanimously.*

There was a question by the Chair as to whether the Commission would be audited again. Alan said we are audited every three years. Alan explained that in the experience with the audit of the WA Blueberry Commission (WBC), there may be a requirement for increased documentation of expenses. An example of this was for the WBC, there was a question of lack of document for a plane ticket for a trip to India. They lacked the documentation in the minutes as to why the trip was in the best interest of the Commission. There was also a need to document who attended meals, as well as the need of proof of attendance to workshops and meetings, such as registration and badges. This will require more paperwork, and an increase in Tiffani’s work on documentation.

**Budget Review and Adjustment**

An independent accountant, Baker & Giles, P.S., reviewed the WAC budget. One issue was with the Grower Assessment spreadsheet, there were manual entrees made that overrode some formulas. The sheet should automatically total the numbers. This mistake was on the part of the former Administrative Assistant. There will be more training for the replacement person in this position, and in the future the formulas will be locked.

The second issue was there was a $9,000 excess of funds from 2017. When he had presented the budget to the Board, and the money was put into the calculations, $9,000 was available but not used. The Accountant pointed out that $9,000 is in the WAC account, unspent. This means there is $9,000 more dollars in the carryover fund. Bryan said they can now make up for that by spending the $9,000 this year. Alan reiterated that there was not an error just the money was not spent in 2017 and is available now.

Alan went over the 2018 proposed budget. He and the Chair had worked together and put in placeholders for each budget item and this budget should be considered a starting point. Everybody would like money for mechanization but there’s lack of ideas.. The Commission is committed to put $30,000 with Evado for marketing. The contingency fund can have money taken from it. The total funds available for the budget is $249,925.

**Committee Reports- Trade and Legislation**

There isn’t a contract in place with Charlie Brown yet this year. It would be $9,000 for him to monitor legislative issues. They are proposing public money to do research on mechanized harvester, which would be $36,000 annually, for years. This could happen by obtaining proviso funds from the Legislature to the Commission/ state institution and they would bid it out. There could be money from the state to help market WA asparagus. This would be a multi-year effort, of $36,000 annually. It was very successful last time when they got money for packing equipment. This would be a multi-year effort, and it would hopefully be resolved by year four. Jeff said the research Committee meeting had discussed research that’s non- horticultural, such as marketing and promotional topics, and perhaps they should pay a consultant for additional ideas. Bryan said it seems like a lot of money and it’s too far out to see the reward. Norm said the got funding last time because of the bad state of the industry. Jim Middleton said that Charlie is the face of WA asparagus in Olympia and that we should at least maintain a presence in Olympia. The labor costs are much higher in asparagus- over 50%. This can’t compare to apples. The Board agreed to re-visit these issues.

**Market Education**

The local marketing plan includes the asparagus festival and the wine tasting. The wine tasting didn’t cost much, around $200. The Pasco farmers market may try to make the Guinness Book of World’s Records for largest bowl of asparagus soup. There also may be potential to grill asparagus at the markets.

Evado had provided a final report that quantified the articles and press that came out as a result of the marketing campaign. The Board discussed increasing the funds by $10,000-15,000 for San Francisco outreach. They’re giving them $70,000 now between the SCBG money and the WAC funds. The Commission is reimbursed for $40,000 by WSDA. The California market is much bigger than PNW areas that are currently targeted. Part of goal is to educate the public, which will increase buying. California doesn’t have enough production to meet demand and a Gourmet Trading representative thinks it’s a good idea to go into California. Mexico is too close and competitive to look into more southern cities such as LA and San Diego.

The Chair thinks the Board needs to see what’s going on in Mexico. Gourmet Trading is offering to show their facility in Caborca, Mexico. The Chair would like to go next month. The trip would be Pasco- Phoenix, 2.5 hours to Caborca, Mexico. They would see fields and the new Gourmet packing plant. It would be an estimated four day trip. For funding, there is $10,000 in trade and legislation. The Board could pay for plane tickets/ van/ lodging. The purpose would be to learn what production is like, as there is impressive competition with state of art field practices and packing sheds. Day 1 would be packing houses and fields. There are 1,800 acres in one area at Levertod that is shared with Gourmet and another company.

The dates would be after Feb 26th/ in early March. WA Beef Day in Olympia is 22nd. The group could leave 25th, and be back by March 1 or 2.

*Bryan Lynch made the motion for the Asparagus Commission to support a trip to the Caborca region of Mexico for the purpose of market analysis. Norm Inaba seconded the motion. Motion passed unanimously.*

**Research**

Current research/ funding proposals include the following: aphid trial, pesticide trials, replant trial, foliar control of nightshade, high yield, variety, fertility, impact of irrigation during harvest, field day, and section 18. Alan didn’t get WSCPR funding for asparagus this year. The proposed research projects are $87,000, with a $17,000 shortfall due to the lack of funds from WSCPR and the addition of one project. The options are to put the money into research/ cut research/ or a combination of the two. Alan offered to leave the room for discussion, but the Chair said to stay, as they can just as easily discuss it with him there. Alan responded to a question regarding the nightshade trial.

The Board has up to $49,000 to spend on additional programing activities. The options include funding mechanization, legislative, research, marketing and contributing to the reserve fund.

**Approval of Contracts**

There is language in the WAC marketing order that deems WSU must receive funding from the Commission for research unless they do not have facilitates to do the research. The Asparagus Commission has deemed that WSU cannot do the research that we need because it has does not have asparagus plots. They also don’t have experts on asparagus.

*Bryan Lynch made the motion that the Asparagus Commission has decided that WSU is not able to do the research that they need. Norm Inaba seconded the motion. Motion passed unanimously.*

*Jon Nishi made the motion to enter into contracts with ADG for research services and Cascade Government Affairs for legislative services. Bryan Lynch seconded the motion. Motion passed unanimously.*

Rebecca said they had completed the contract for the Administrator. The listing was posted to ECMS state contract system. Alan will be the Administrator for the next for 3 years, with a potential for an additional 3years.

**Adoption of Budget**

The Chair suggested the following funding- Mechanization-0, Research- $82,000, Marketing- $10,000 more for Evado to work in California (SF), $40,000 total, Legislation – Charlie $9,000, Reserve funding- $10,000. For the research projects, they would not fund the proposal for the impact of irrigation during harvest. The contingency fund would be $10,000.

Alan proposed giving $5,000 for a consultant to give the board guidance on what the Commission could expect to get from the legislature as relief from the high cost of labor. The board was not willing to allocate funds for this effort at this time. Alan will do some work to find out what options the WAC might have in this area. There is $17,925 for special project funds.

Alan will include the amount of the reserve fund in the financial report.

*Norm Inaba made a motion to approve the budget as amended. Bryan Lynch seconded the motion. Motion passed unanimously.*

**Other Business**

Revising the WAC marketing order: Alan reviewed the changes to the marketing order. There was discussion on the changes. There was discussion on the changes. Everyone one on the board and in the audience were supportive of the changes. The changes were also discussed at the annual meeting in the morning.

*Norm Inaba made a motion for the Board to approve the amendments to the WA Asparagus Commission enabling legislation. Jon Nishi seconded the motion. Motion passed unanimously.*

Alan said he needs the Board’s approval to move funds in the bank for higher CD rates.

*Gary Johnson made the motion that the WA Asparagus Commission is seeking to approve moving funds for higher CD rates at the bank. Norm Inaba seconded the motion. Motion passed unanimously.*

**Public Comment**

There were no public comments.

*Gary Johnson made the motion to adjourn the meeting. Jon Nishi seconded the motion. Motion passed unanimously.*

Meeting adjourned at 4:05 pm

