**WASHINGTON ASPARAGUS COMMMISSION**

**Asparagus Commission Office**

**Sunnyside, WA 98944**

**October 12, 2018**

**Gary Larsen, Chair, Presiding**

Chair Gary Larsen called the meeting to order at 1:00 pm

**Introduction**

Present: Chair Gary Larsen, Norm Inaba, Jeff Muse, Jon Nishi, Jim Middleton, Bill Middleton, Steve Thomas and Rebecca Weber

Administrative staff present: Alan Schreiber, Liesl Zappler, Jennifer Garcia and Zuly

Guests present: Scott Hayles, Ryan Brovont, Zack Miller (Gourmet Trading) Jim Middleton and Lori Hayles, Jordan Filbrun (Fosters).

**Approval of Minutes**

Jeff noted grammatical errors.

Chair Gary asked for a motion to accept minutes.

*Norm made the motion to approve the minutes with the corrections Rebecca made. Jon seconded the motion. The motion passed unanimously*

**Terms**

There were two positions that would have been open, Bill Middleton’s and the processor positions. They are amending the marketing order the end of October which would eliminate the position Bill holds. There was a decision to postpone the vote until the end of November for the one open position. The local grower’s vote on their representative, but the new position will be an at large position so everyone will be able to vote on this.

**Financial Report**

Alan went over all the expenditures which included local marketing and Charlie Brown. There is a $120,000 marketing grant for three years- $40,000 goes to Evado, which the Commission matched last year with $40,000. Evado overbilled $12,500 and is repaying it. The contract doesn’t allow for overpayment. Rebecca asked how this would show up in the marketing budget. Alan presented it so the re-payment is obvious.

Administrative and operating charges were gone reviewed. The contingency fund covered accounting review, as well as the logo trademark which needs to be renewed. The renewal is good for ten years. Changes to the logo would need a new trademark. The special projects money hasn’t been spent. Currently there the assessments are $197,502 but there are more checks coming in late. After 30 days there is a penalty, but the grower was paid late so this won’t apply. It looks like the numbers will be close to $22,800,000 pounds which is close to last year. Alan went over interest gained and bank account balances. Alan is guessing the price of asparagus will be up a penny next year, with $216,000 more revenue. The board designated reserve is at $110,000, out of the $318,000.

The payment $12500 is the payment record.

The Board needs to review the checks that are written. These included the WSCPR tour sponsorship, administrative costs, bill, liability insurance, the legislative tour in June, field day expenses, the monthly administration fee, IR-4 conference travel, insurance and the trademark renewal.

*The Chair called for a motion to accept the financial report. Norm made the motion to accept the financial report. Jon seconded the motion. The motion passed unanimously.*

**Proposed 2019 budget**

 Alan went over the proposed budget, with the past budget history (see attached). Money could be put into the reserve. There could be more money for marketing such as the event at the state capital, Evado and the asparagus festival. If money is put into the contingency fund, it can be moved at the discretion of the Chair, but if it’s in the reserve it would need a vote by the board.

The Chair asked for money to be put into the contingency fund. Alan asked to hold off until the end of the meeting case there was a request for more money on line items. Rebecca agreed.

**Committee Reports**

Marketing/Education:

The Board is happy with Evado’s second year of marketing. It was much larger this year. Bryan thought the prices might have gone up for asparagus this year. It’s hard to measure the success of this. They did marketing in Idaho, Oregon, WA, and San Francisco, as well as social media outreach in NY. Next year they have a bigger plan. Alan posed the question of if they should they continue to market in Boise or put the money in San Francisco. Norm wasn’t sure of the Portland outreach. Alan thought it was the same as Seattle- outreach in stores and with chefs. In Portland they were trying to get Kroeger and Safeway. Bill doesn’t see the logic for San Francisco as well as NY. The CA market has collapsed and the majority of the asparagus is from Mexico. WA might have a better freight advantage than Mexico. Steve and Ryan and Zack sell on the east coast. The east is just social marketing which doesn’t cost much. Jordan suggested working with distributors. Gary said part of the problem is the fast track which doesn’t benefit everyone. The idea of the social media is to influence housewives. A lot of the message is to request WA asparagus at teir local grocery. Overwhelmingly the effort is 69 0f the 80 is based I the pnw, 10k in SF, maybe 1,000 in NY/NJ area. They are committed with Evado for 2 years. Should they keep the 10k for SF, should they be in Boise, and are there other ideas to target. The committee recommended Nick Anderson and Manny Imperial were present at the marketing committee meeting. The contract states Boise will be included, so they would need to touch base with Evado. Boise is not as big of a market, and there is difficulty with access to a distributor. Safeway might be a possibility. SF is closer to WA than Mexico, as well as getting in with the social media- closer is fresher, American made. Jordan suggested SoCal, and that social media is a cheap way to market, and they could look at other cities. Jordan said that at Fosters he does social media and targets the states and cities where there product is going. Alan will reinforce that asparagus has to be in the store for the social media campaign to be effective. If the Board doesn’t ask for any changes, Evado will continue as they’ve been doing. The Board decided to r-allocate the Boise money.

The Commission $1,200 sponsorship for the Asparagus festival. They bought t-shirts, and paid for the asparagus grilling. There were over 1100 people at the event. Wildly successful. There’s a committee with the chamber that works on the festival. Bill feels parking and set-up can be improved upon as they were overwhelmed this year. It’s set for May 11, 2019. The event was up from 350 people last year. Alan felt it was a great success and this is a great opportunity for asparagus education. He suggested a display booth with historical photos, crowns, audio visual aides and other informational materials. Alan has been doing the field tours and they’ll have three times the capacity for tours next year. All the vendors feature WA asparagus and Gary asked for more grower participation. There have typically been around 5 growers. They need volunteers for the booth.

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**Research**

Travis Nelson and Bill Middleton are planning to go to Arizona in February to see a new asparagus harvester.

All the research trials have been completed except for one rating. The 2010 variety trial is done but there could be a replant trial. There is a Section 18 for Warrior. Syvanto will be registered 2021and Transform will be in 2020. The reason it takes this long is the EPA process.

Federal Issues / National Asparagus Council

NAFTA US-MX-CA agreement has no change for WA asparagus.

State Issues (Family Medical Leave)

Charlie Brown called in and reviewed the FMLA that goes into effect next January. By January 2020 the fund will have been built up for the payout. Employees will pay out of their paycheck for 63% of the program, and employers cover about a third. It’s designed to allow employers of 50 or fewer to opt out. A small business might want to have this as an employee who goes out and needs to be replaced, the program has a replacement program. It’s unclear if the 50 need to be fulltime, year round.

There are no international issues at present.

**New Business**

The Board discussed topics for the annual meeting- training on FMLA, state of the industry, sick leave, Evado update, research talk.

The Chair had suggested changing the enabling legislation to allow for expedited rule making. There is a comment period open until October 23, the rule would be made on October 24th and it would go into effect on November 25th. The elections would be held after that. The district change is for District 1, which is the Yakima valley will cover more, and District 2 cover …Columbia Walla Walla Benton Franklin Adams Grant. Growers can’t vote until they pay assessments. The time of assessments will be changed to the middle of the year in August. The age limit is 21 years of age for Board members.

Alan gave an update on the public records act request lawsuit. The Attorney General wrote that the status is still listed as active, but there’s no activity listed. The AG believes it will be dismissed.

Changing Asparagus Grading Standards

The board discussed the new standard. Zack is concerned about the price for extra large sizes. They pack 5-8 standard. The standard and sizing up has latitude. It seems only Gourmet Trading is interested in these standards, but other growers aren’t. Jordan said they pack what the customer wants, and sometimes this causes trouble with the WSDA and wonders if it will drive costs up.

The Board discussed 2019 meeting dates. The January meeting will be on the 15th at Prosser. The next meeting will be March 28th at the ADG offices. The July meeting will be on the 16th in Sunnyside. The October 15th meeting will at the ADG offices,

The Board readdressed the proposed 2019 budget for a vote. The money for the WA Asparagus Council is to give flexibility for national issues. It was last used for

*The Chair asked for a motion to approve the 2019 budget proposal. Steve made the motion to approve the 2019 budget proposal. Jon seconded the motion. It passed unanimously.*

Rebecca asked about establishing a committee for the evaluation. The Chair will handle this.

**Public Comment**

Jordan, regarding marketing, he would like to see the growers involved more, if Evado would work more with handlers. It’s hard to get sales people to come to meetings, but Alan will keep inviting them. The Chair would like more people to offer input when they’ve been invited.

Jeff asked about his position as they will no longer be growing asparagus.

The Chair adjourned the meeting at 2:59 pm