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PUBLIC MEETING OF THE

8

NEVADA DAIRY COMMISSION

9

TRANSCRIPT OF PROCEEDINGS

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Thursday, October 22, 2015

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FALLON, NV

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Reported By:

SUSAN E. BELINGHERI, CCR #655

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APPEARANCES

COMMISSION MEMBERS

Christopher Cook - Chairman  
Troy G. Crowther, Commissioner - Via Videoconference  
John Collier, Commissioner

Lynn Hettrick, Deputy Director, Dept. of Agriculture  
Anna Vickrey, Environmental Health Specialist IV  
Kathy Easley, AA3  
Dennis Belcourt, Deputy Attorney General

Kimberly Whitfield - Via Videoconference  
Erica Ryan - Via Videoconference  
Damon Hernandez - Via Videoconference

David Perazzo - Perazzo Brothers Dairy  
Ron Martin, Anderson Dairy - Via Videoconference

Public Meeting - 10/22/2015  
Nevada Dairy Commission

1 SPARKS, NEVADA; THURSDAY, OCTOBER 22, 2015; 1:00 P.M.

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5 CHAIRMAN COOK: All right. Let's open this  
6 October meeting of the Nevada State Dairy Commission.

7 Mr. Hettrick, would you begin the  
8 proceedings, please.

9 MR. HETTRICK: Yes, sir, Mr. Chairman. This  
10 is the time and place set for the regularly scheduled  
11 meeting of the Nevada State Dairy Commission for the  
12 month of October 2015. This meeting has been scheduled  
13 and noticed in compliance with pertinent statutes,  
14 including the Open Meeting Law.

15 A copy of the agenda has been handed to the  
16 court reporter with the request that it be a part of the  
17 official transcript of these proceedings.

18 My name is Lynn Hettrick, deputy director of  
19 the Department of Agriculture. Present today are  
20 Mr. Christopher Cook, chairman; Mr. Troy Crowther,  
21 member of the Commission; Mr. John Collier, member of  
22 the Commission.

23 Those who present statements or evidence to  
24 the Commission during this meeting are requested first  
25 to be acknowledged by the chairman and to identify

1 themselves for the record.

2 CHAIRMAN COOK: Thank you. Would you  
3 proceed to the first agenda item.

4 MR. HETTRICK: First on the agenda, Mr.  
5 Chairman, is public comment and discussion.

6 CHAIRMAN COOK: Does the public have any  
7 comments, discussion at this point? Recognizing there  
8 will be another session for that at the end, let's move  
9 ahead.

10 MR. HETTRICK: All right. For possible  
11 action, Mr. Chairman, a peddler-distributor license  
12 application from KeHE Distributors on East Diehl Road,  
13 #200, Naperville, Illinois. Donna Moran is the  
14 applicant.

15 The applicant seeks a license to distribute  
16 a full line of dairy products in the Northern and  
17 Southern Nevada Marketing Areas.

18 The applicant's prices and costs have been  
19 reviewed by members of the Dairy Commission staff and  
20 are in compliance with this agency's laws and  
21 regulations.

22 The applicant will be responsible for the  
23 assessments.

24 CHAIRMAN COOK: Thank you. Is there  
25 anything, anybody present from this applicant? I don't

1 think so. Anything the staff can add?

2 MS. EASLY: They are originally -- they were  
3 originally Nature's Best, and then they applied for a  
4 new license under Nature's Best, Powered by KeHE.  
5 However we say that.

6 MR. HETTRICK: However they say it.

7 CHAIRMAN COOK: Nature's Best was the brand  
8 name, or was the --

9 MS. EASLY: Right. That was -- no, that was  
10 the company name.

11 THE COURT: Company name.

12 MS. EASLY: And now they are taking Nature's  
13 Best off altogether and just saying KeHE.

14 CHAIRMAN COOK: Okay. So basically we're  
15 just amending an existing license, then, or --

16 MS. EASLY: No. They're getting a new  
17 license --

18 CHAIRMAN COOK: A brand new license.

19 MS. EASLY: -- because they're changing some  
20 corporate parts of it.

21 CHAIRMAN COOK: Okay. I've never heard of  
22 them. Are they distributors distributing to retails, or  
23 restaurants, or do you know?

24 MR. HETTRICK: Peddler-distributor northern,  
25 southern marketing regions. They will be marketing

1 fluid milk, yogurt, cottage cheese, butter, and ice  
2 cream. Their, apparently -- it says their sources of  
3 product are regional and national dairy suppliers, and I  
4 note that the check that they sent for the application  
5 is actually out of Jacksonville, Florida by the same  
6 name. So they're apparently reasonably large, because  
7 the applicant is out of Naperville, Illinois. That's  
8 all I can tell you about them, Mr. Chairman, based on  
9 the application.

10 CHAIRMAN COOK: All right. Well --

11 MS. EASLY: But Nature's Best has been a  
12 longtime --

13 MR. HETTRICK: Yeah.

14 MS. EASLY: -- licensee of ours. Their  
15 original number was 43. So they've been established  
16 with us for a long time.

17 MR. CHAIRMAN COOK: As a distributor?

18 MS. EASLY: Yes.

19 CHAIRMAN COOK: Okay. Well, I have no  
20 further questions. John?

21 MR. COLLIER: I have no questions.

22 CHAIRMAN COOK: Troy?

23 MR. CROWTHER: No questions.

24 CHAIRMAN COOK: Okay. Having no questions  
25 from any of the commissioners, I will entertain a

1 motion.

2 MR. COLLIER: Mr. Chairman, I move that we  
3 accept the peddler-distributor application from the KeHE  
4 Distributors at, located at 1245 East Diehl Road, #200,  
5 in Naperville, Illinois, to, who's seeking a license to  
6 distribute a full line of dairy products in both the  
7 Northern and Southern Marketing Areas of our great  
8 state.

9 MR. CROWTHER: Second.

10 CHAIRMAN COOK: Having a motion and a second  
11 and no dissenting votes, the motion carries and the  
12 license application is granted.

13 MR. HETTRICK: Next, Mr. Chairman, is a  
14 processing distributor application for The Perfect Scoop  
15 & Boba Tea on Jones Boulevard in Las Vegas, Nevada.  
16 Kevin Chan is the applicant.

17 The applicant seeks a license to distribute  
18 fluid milk, fluid cream, ice cream, sherbet, novelties,  
19 and frozen yogurt in the Southern Nevada Marketing Area.

20 The applicant's prices and costs have been  
21 reviewed by the Dairy Commission staff and are in  
22 compliance with the agency's laws and regulations.

23 The applicant will be responsible for the  
24 assessments.

25 CHAIRMAN COOK: Okay. Anybody representing

1 this applicant present? Doesn't look like it. Anything  
2 else you can add to it?

3 MR. CROWTHER: No.

4 MS. EASLY: They used to be, The Perfect  
5 Scoop used to be a licensee of ours. They closed the  
6 account, they sold the business. This is a new owner,  
7 and they're re-opening their business. And they're  
8 purchasing Shamrock and Smith's and Mountain Dairy,  
9 so --

10 MR. HETTRICK: Local supplier.

11 MS. EASLY: Yeah.

12 CHAIRMAN COOK: Now, are they a retail  
13 outlet, or --

14 MS. EASLY: I don't know. Can you tell us  
15 anything about Boba Tea down there?

16 MS. WHITFIELD: Yes. This is Kimberly  
17 Whitfield, for the record. It's a gelato processing  
18 shop, scoop shop, and then they also wholesale  
19 distribute.

20 CHAIRMAN COOK: Okay. In the distribution  
21 side. Okay. Thank you. Any questions? Troy? John?

22 MR. CROWTHER: None.

23 MR. COLLIER: I have a question. The  
24 differentiation between a peddler-distributor and a  
25 processing distributor, I'm assuming a processor



1 distributor application implies that they actually  
2 manufacturer product. Is that correct?

3 MS. EASLY: Yes.

4 MR. COLLIER: Okay. That clarifies my, what  
5 I had.

6 CHAIRMAN COOK: Okay. No further questions?  
7 Questions, comments from the staff? Seeing none, I'll  
8 entertain a motion.

9 MR. COLLIER: Mr. Chairman, I move that we  
10 accept the processing distributor application from The  
11 Perfect Scoop & Boba Tea company, located at 7377 Jones  
12 Boulevard, #115, in Las Vegas, Nevada, 89139. Kevin  
13 Chan is the applicant. And they seek to distribute,  
14 seek a license to distribute milk -- fluid milk, fluid  
15 cream, ice cream, sherbet, novelties, and frozen yogurt  
16 in our Southern Nevada Marketing Area of our great  
17 state.

18 MR. CROWTHER: Second.

19 CHAIRMAN COOK: Motion and a second and no  
20 dissenting votes. Motion carries, and the license is  
21 granted.

22 MR. HETTRICK: All right. Next, Mr.  
23 Chairman for possible action, approval of the minutes  
24 from the September 24th Dairy Commission meeting. There  
25 are minor spelling changes to be added to the record.

1 So just I need a motion to approve with the appropriate  
2 changes.

3 CHAIRMAN COOK: Okay. I will entertain a  
4 motion.

5 MR. COLLIER: Mr. Chairman, I move that we  
6 accept the minutes of the last meeting, subject to the  
7 changes that are so listed in our booklet here, and that  
8 this motion be accepted.

9 MR. CROWTHER: Second.

10 CHAIRMAN COOK: Motion and second, no  
11 dissenting votes, minutes are adopted.

12 MR. HETTRICK: Next, Mr. Chairman, for  
13 possible action, discussion of the Starlicide program.  
14 I checked this morning with Dale Hanson, our fiscal,  
15 fiscal person for the department. The, in the budget we  
16 have \$10,000 that has been previously approved by the  
17 legislature, and he said we can spend up to another  
18 \$29,000 without going to a work program, without having  
19 to go to IFC.

20 So we, we have the program available. We'd  
21 like to -- it's already actually approved, so we can  
22 begin moving forward on that whenever the need arises  
23 for the dairymen to actually make a phone call and say  
24 they need services.

25 I did get a call yesterday also from Chad

1 Turner of Desert Hills dairy. He was very complimentary  
2 to the Commission for funding the Starlicide program.  
3 He said he regretted that he couldn't attend the meeting  
4 today, wanted to make it known that he fully intended to  
5 utilize the program this winter as the starlings become  
6 an issue.

7 And he did call Wildlife Services and spoke  
8 to Mark Jensen, and Mr. Jensen did call me. We still  
9 have, we have the ongoing issue with Wildlife Services  
10 being a federal agency that directs our employees, that  
11 we are constantly dealing with the federal requirements  
12 and the state requirements, and they don't always mesh  
13 well. So do encourage the dairies to contact Wildlife  
14 Services early and make sure they get on a schedule, or  
15 let people at least know that they want services so it  
16 can be scheduled and the work can be done timely.

17 We're on the same basic program, the intent  
18 is, of what you passed before, is where we are basically  
19 now, which is we will, the Dairy Commission will pay 80  
20 percent of the bill, up to \$2000. \$2000 from the Dairy  
21 Commission, or 80 percent of a \$2,500 bill, is where  
22 we're at now. If there is money left over when we do a  
23 first round and there is available money left over,  
24 dairies are welcome to come back and request, as long as  
25 we're within that \$39,000 grand total.

1 CHAIRMAN COOK: And we're looking at a  
2 January, February time frame for this?

3 MR. HETTRICK: Typically. Depends on when  
4 it gets cold. We'll see what El Nino does and where we  
5 go. When it gets old, the starlings become issues  
6 because they start looking for a lot more readily  
7 available source of feed, and that's when they descend  
8 on the dairies.

9 CHAIRMAN COOK: Okay. All right. Thank you  
10 for that.

11 MR. CROWTHER: How are we, how are we  
12 getting the word out to all the dairies that this is  
13 available?

14 MR. HETTRICK: Yeah. It's actually been,  
15 this agenda, for instance, was sent to all the dairymen  
16 in advance. That's how Chad knew to call me and  
17 indicated that he knew it was on the program and he  
18 didn't, was unable to attend. But it's been well-known  
19 between DFA and the dairymen, and the fact that we send  
20 out the agendas, that this service is available. It  
21 always has been available, the only difference is that  
22 now the Dairy Commission is willing to pay 80 percent of  
23 the bill, up to \$2,000, for each application. So they  
24 know it's available, it's just a matter of them then  
25 submitting a bill to us.

1 MR. CROWTHER: Okay.

2 CHAIRMAN COOK: Do we have any direct  
3 communication, reminder, in the form of, say, a letter  
4 to the dairymen, to the producers that we're doing this  
5 again?

6 MR. HETTRICK: We did last time, didn't we?

7 MS. VICKREY: Last time.

8 MR. HETTRICK: I think a year ago we sent  
9 everybody a letter. It wouldn't be impossible to send a  
10 letter again. It's essentially 25 or 30 letters. It's  
11 not a big deal. But they're all on a routine mailing  
12 list of our agendas, and it's always on our agendas.  
13 And as I said, this has always been available through  
14 Wildlife Services. The only difference is us paying the  
15 bill. Or part of the bill.

16 MR. COLLIER: How far in advance do they  
17 need to apply for the grant before it's granted?

18 MR. HETTRICK: They don't even have to apply  
19 in advance. The reason that we've asked, in the past,  
20 for them to come in and let us know they wanted  
21 services, we didn't want to get obligated to more than  
22 what we budgeted. So we were asking them to come in and  
23 say, "Yeah, I'd like to have the service," because we  
24 didn't want to have budgeted \$10,000 and have services  
25 requested for \$20,000, and then be in a bind. Because

1 the one thing the State really is, considers a no-no, is  
2 spending money before you request it. And they do not  
3 like that. We can go in and ask for more money, that's  
4 slow in process, but they don't mind that. But they  
5 don't like you to spend money and then come ask for  
6 permission.

7 CHAIRMAN COOK: Okay.

8 MR. HETTRICK: Troy, is something near your  
9 microphone down there? We're getting a lot of  
10 background noise. It's sounds like something's moving  
11 or sliding.

12 MS. WHITFIELD: We'll mute it. I think if  
13 we keep it on, that's what happens when the A/C goes  
14 off.

15 MR. COLLIER: Now we can't hear them at all.

16 MR. HETTRICK: Yeah. You can turn it on  
17 when you, when you want to speak, because that's much  
18 better. We're, we're having trouble hearing.

19 All right. Unless you have more on  
20 Starlicide, we can move forward.

21 CHAIRMAN COOK: No. Press on, please.

22 MR. HETTRICK: Okay. All right. Then the  
23 next is -- and it says "for possible action." Dennis,  
24 do you think we need to do anything? I mean, it's in  
25 the budget, it's pre-approved. I don't think we're --

1 MR. BELCOURT: No. I think that was  
2 probably just precautionary, so I, you don't have to act  
3 if you don't identify a need.

4 MR. HETTRICK: Okay. I think we're fine,  
5 then. I just wanted to verify before I moved on. Thank  
6 you.

7 All right. Next is a discussion of the  
8 IAMCA meeting. And I don't know who would prefer to  
9 start, John or Anna.

10 MR. COLLIER: I would like to start, and  
11 then I'll turn it over to Anna because she's more  
12 technical, knows more about the technical issues of it.  
13 First of all, I would like to really thank Troy and you  
14 both for encouraging me to attend this conference,  
15 because it was really worth my time to go there to learn  
16 more about the dairy industry and meet people from all  
17 over Canada and the United States, and all over the  
18 world, really, that attended this.

19 Next year it's going to be in Vancouver,  
20 British Columbia, and I would certainly encourage all of  
21 us, as commissioners, to attend this next year. I think  
22 it will be an outstanding conference. It will be, I  
23 think, the 80th. Won't it, Anna? I think this was the  
24 79th, and so that will be the 80th conference that  
25 they've had.

1                   And I think it benefits us here in Nevada,  
2 because --

3                   MS. VICKREY: Uh-huh.

4                   MR. COLLIER: -- we were mentioned several  
5 times at this conference, primarily because of our dairy  
6 industry that we have here. Although it be small, it's  
7 a growing industry. Plus the fact that we now have the  
8 DI powder plant here, and that was a very significant  
9 thing in a lot of, a lot of the other states and a lot  
10 of the people from Canada. There was a great deal of  
11 interest in this powder plant here.

12                   So I really, from my standpoint, want to  
13 thank you both for encouraging me -- and Lynn --  
14 encouraging me to attend this, because it was really  
15 worth my time. I'll turn the rest of it over to Anna  
16 because I think she could give a much more pertinent  
17 report regarding what happened at the meeting. So Anna?

18                   MS. VICKREY: A few interesting items. And  
19 one of the reasons that we, Nevada was mentioned quite a  
20 bit was because of the international markets. We have  
21 the powder plant that's supposed to be selling mainly  
22 internationally. So there was a lot of cooperatives,  
23 especially Dairy Farmers of America, that are looking to  
24 become more international, and so they're taking a look  
25 at what's slowing the international markets at this



1 time.

2           And some of the, some of the information  
3 that we were given is that China pretty much  
4 over-purchased, but they believe that those markets are  
5 going to pick up here shortly once those stocks run out.  
6 And that, the milk that they could get from some of  
7 those areas around the equator, they weren't going to be  
8 able to get a large enough supply for, so they're going  
9 to be looking again, you know, towards our plants here  
10 in the United States. So they're trying to garner more  
11 of that international market, which I think is  
12 wonderful. Because if you look at where the United  
13 States is internationally on their dairy sales, we're  
14 really low. I mean, we're not even considered, you  
15 know, hardly any part of the top ten. Just a little,  
16 little small blip on the screen there. So that was  
17 interesting.

18           Dairy Farmers of America did come in and  
19 they showed us a nice video of the DFA powder plant here  
20 in Fallon. I do have a video of that, but I think  
21 probably for the next meeting we'll have that available  
22 for your viewing pleasure. It's pretty short, but it  
23 really shows how that plant operates.

24           And another reason we were brought up quite  
25 a bit was because of California and their federal milk

1 marketing order that they're looking into. Currently  
2 they are having meetings right now ongoing in Clovis,  
3 and they're saying those meetings will probably go on  
4 for a few more months. And what's happening is they're  
5 meeting with USDA, and then USDA will make a  
6 determination whether they believe that the federal milk  
7 market order is a good idea for California.

8           So there are four major proposals as part of  
9 the hearings that are going on right now. Two of those  
10 are processor-based, one is a producer-handler base,  
11 which is the, the exemptions that they've had not to  
12 have to pay into a pooling system, and one of the  
13 proposals is actually the Ponderosa Dairy proposal. And  
14 I'll try to define a couple of those.

15           But what they're really looking at in  
16 California is the people that currently have quota will  
17 be able to get their Class 1 price. Everybody else  
18 within the system will have to pay into a pool, and  
19 everybody gets paid out that blend price.

20           So the producer-handler exemption is to keep  
21 it where it is right now. We process and produce our  
22 own milk, so we want to pay ourselves what we want to  
23 pay ourselves. Kind of like they've been doing it. And  
24 Ponderosa Dairy was kind of doing the same thing, paying  
25 into -- when they send their milk into California. So

1 they will kind of lose that exemption, and any milk that  
2 goes into California will then have to be part of that  
3 blend price. So they're trying the get an exemption  
4 from that.

5 It's going to, it will somewhat affect our  
6 producers in Northern Nevada because, I believe we have  
7 one dairy that sells into California quite a bit of  
8 fluid milk still. And then anything that would be  
9 produced in, at Model Dairy, for example, and sold into  
10 California, the producers would be paid on that blend  
11 price since they're not part of that quota system.

12 And if, if you want to view any part of  
13 those meetings, you can go onto the Agriculture  
14 Marketing Services of USDA and you can watch those. But  
15 they're going on for months, so I don't know how  
16 pertinent -- you know, I don't think anybody can sit  
17 there for that amount of time.

18 But I'm going to agree with John, I highly  
19 recommend that, as commissioners, that you do try to  
20 attend, because the contacts you make are wonderful.  
21 And when you start meeting some of those folks out of  
22 Canada and see how much different their systems are than  
23 ours, it really is very interesting.

24 John, do you have anything to add?

25 MR. COLLIER: I really don't have anything

1 to add, with the exception that there was some  
2 exceptional people that we met there that are very  
3 definitely leaders in this industry as far as the milk  
4 marketing is concerned. And I think if, I think if we,  
5 I just want to reiterate again, I think it would be very  
6 valuable for our team to be there and be represented at  
7 these meetings. And Lynn, I would really encourage you,  
8 I know there's a travel ban on your travel, but I would  
9 really encourage you to figure out in the system of  
10 somehow to be able to go there, because you are an  
11 integral part of this. And I think Anna should be there  
12 also. And of course we need a secretary.

13 CHAIRMAN COOK: Probably ought to take our  
14 counselor.

15 MR. COLLIER: Yeah, our counselor, and our  
16 court reporter, and our, and our visiting dairymen.

17 MR. HETTRICK: Everybody needs to get in on  
18 that.

19 MR. COLLIER: One last note, they had one of  
20 the dairymen who is a very prominent dairyman from the  
21 state of Montana who is also a cowboy poet, and he, he  
22 just did a marvelous job of entertaining everybody at  
23 some of the different meetings with his cowboy poetry.  
24 So it is a very interesting group of people to be  
25 associated with. And thank you again for the

1 opportunity to do it.

2 MS. VICKREY: And there was one other  
3 motivational speaker that came in.

4 MR. COLLIER: Oh, yes.

5 MS. VICKREY: And if any of you are runners,  
6 you'd probably recognize the name. Dick Beardsley, from  
7 the Boston Marathon, came in second place one year.  
8 What, in the '70s, I believe?

9 MR. COLLIER: Uh-huh.

10 MS. VICKREY: A very interesting gentleman.  
11 He's gone through many periods in his life where he's  
12 really had to struggle. But he gave us his story about  
13 how he, how he grew up to run in that race, and then how  
14 he lost it. So it was very, very interesting. He was a  
15 great speaker.

16 MR. CROWTHER: John?

17 MR. COLLIER: Yes, sir.

18 MR. CROWTHER: You mentioned the, where it  
19 is next year. Do you have dates?

20 MR. COLLIER: I do not have dates. I'm  
21 assuming that it will be in September, because it seems  
22 to me this is the normal time when they do this meeting.  
23 And it seems it was, like, the second week in September.  
24 I think we could probably get those dates.

25 MS. VICKREY: Oh, we can get them.

1 MR. COLLIER: I'll look in my materials that  
2 I brought back with me. I didn't bring that with me,  
3 but I'll look in those and see if I can email you with  
4 those, Troy.

5 MR. CROWTHER: Okay. Thank you.

6 MR. COLLIER: You bet.

7 CHAIRMAN COOK: Your background noise has  
8 disappeared, by the way. You can leave it on.

9 MR. CROWTHER: Yes. Our AC went off. Down  
10 here we're still using air conditioning.

11 MR. COLLIER: You mean the rains haven't  
12 started?

13 MR. CROWTHER: Well, it started and then  
14 they stopped.

15 CHAIRMAN COOK: Okay. Well, let's move on  
16 to the next one.

17 MR. HETTRICK: All right. Next, Mr.  
18 Chairman, is the staff report. You have in your packets  
19 the price sheets. I glanced at those earlier. The  
20 price has been fluctuating around \$17, \$18 now for  
21 several months, five, six months. It hasn't changed  
22 much. The low was down to the sixteens in March of this  
23 year, and right now we're at \$17.68. So it's up a  
24 little bit, not a lot. But you can take a look at the  
25 price sheets that are there.

1                   Next, you should also have in your packet a  
2 copy of the, of the budget summary to-date. Damon is  
3 there. And Damon, if you want to touch on the budget.  
4 Could you guys hear that? There we go.

5                   MR. HERNANDEZ: Damon Hernandez, for the  
6 record. The budget summary report, net revenue  
7 year-to-date is \$721,920.93. Net revenue year-to-date  
8 excluding the balance forward is minus \$80,545.07.  
9 Projected net receive at fiscal year end is \$202,836.16.  
10 And the projected balance forward at fiscal year end is  
11 \$1,005,302.16.

12                  MR. HETTRICK: Thanks, Damon. You can see  
13 that --

14                  MR. HERNANDEZ: Sure.

15                  MR. HETTRICK: -- the, the reserve continues  
16 to grow, so we will definitely be working on more things  
17 to, to do in regards to that.

18                  CHAIRMAN COOK: Did we ever decide whether a  
19 tax holiday would be in order, or --

20                  MR. HETTRICK: I think the governor's office  
21 expressed the desire not to do tax holidays. They were  
22 uncomfortable with the fact that we collected a tax and  
23 then gave it back. So I think we're probably more  
24 likely to consider a, a reduction in tax --

25                  CHAIRMAN COOK: The assessments?

1 MR. HETTRICK: -- up front. Yeah, reduce  
2 the assessments. And that is a concern because we've  
3 gone through this before, but it's a concern because if  
4 you reduce the assessments enough to make the reserve go  
5 down, then sooner or later you're going to approach the  
6 situation where it's where it should be, and now what  
7 are you going to do, you're going to raise taxes again  
8 just so you stabilize? It's an issue. But we're going  
9 to have to do something, because it's clearly --

10 CHAIRMAN COOK: Have we absorbed all the  
11 costs of the lab and --

12 MR. HETTRICK: We'll have some new costs  
13 coming in the lab, new equipment. We do have our  
14 microbiologist on staff and doing a great job picking up  
15 on a lot of the work that Anna was doing, giving her  
16 some breathing room to actually get out and do more of  
17 what she's supposed to do. And give her a few hours in  
18 the day where she can actually see -- you know, not  
19 under water constantly. So that part's going forward.  
20 Yes, we still have some equipment stuff, but none of it  
21 is going to be significant.

22 And then that brings me to the next thing,  
23 and that was our Moolisa trailer was scheduled to be  
24 completed, actually, two days ago, and I called and  
25 checked on them -- and checked on it, and I got an email



1 back from the trailer company and they said that they  
2 ordered -- our trailer was unique. We ordered it  
3 somewhat differently than they build every day. And it  
4 ended up when they got time to build it, they didn't  
5 have the parts, and they had to order some parts. They  
6 expect it to be done around the first of November. So  
7 we're talking about a week, and then they expect it to  
8 be done.

9 We are preparing to get it back here, but  
10 because of the operations going on at the southern  
11 headquarters down there, with the remodeling and so on,  
12 there is a possibility we're going to pull that trailer  
13 in there and perhaps load it with some of the stuff  
14 that's there and actually use it to pull materials up  
15 here as it comes. So it won't be here in the  
16 short-term, but it will be here soon.

17 And with the winter weather coming, I think  
18 we're slowing down on the Moolisa use right now anyway.  
19 We did have Moolisa out for a full month in October in  
20 Winnemucca at a, at a private facility that, kind of an  
21 adventure park for kids during the month of October.  
22 Moolisa was there, and still is there. She's supposed  
23 to return November 2nd. They were quite pleased with  
24 that and having her there.

25 And we just got a call from the Washoe

1 County parks system, and they're going to use her two  
2 days the first two weeks of November, on two Saturdays.  
3 One day they expect over a thousand kids to be there.  
4 So we'll have some real impact with her on that day. It  
5 will be a good day for us.

6 CHAIRMAN COOK: Aren't we buying another one  
7 for Southern Nevada?

8 MR. HETTRICK: We're on hold on all of the  
9 purchases until SHQ gets done and we can see what we  
10 have for storage and what we have for all of the other  
11 things.

12 CHAIRMAN COOK: Okay.

13 MR. HETTRICK: Yes, we've had that  
14 discussion and we're aware of it, and I think we can  
15 justify it, but yet we're on hold for a trailer and the  
16 second Moolisa until we see what we have for parking,  
17 storage, all of that facility, and then we'll figure out  
18 what we're going to do.

19 CHAIRMAN COOK: We could probably put it in  
20 Troy's driveway.

21 MR. CROWTHER: Sure.

22 MR. COLLIER: Along with his camper.

23 MR. HETTRICK: And then --

24 MR. CROWTHER: Yeah.

25 MR. HETTRICK: -- unless anybody else has

1 anything, I do want to mention that this is probably the  
2 last meeting Damon will be joining us, and we are sorry  
3 to say that. Damon's been a real benefit to us and the  
4 entire Department of Agriculture, and in particular to  
5 the Dairy Commission. He's going to move on, for  
6 personal reasons, to some other functions, so -- but we  
7 really appreciated his input and his effort on our  
8 behalf, and I just want to thank him.

9 CHAIRMAN COOK: Thank you, Damon.

10 MR. HERNANDEZ: Thanks, Lynn. I appreciate  
11 that. It's been a pleasure working with all of you. I  
12 learned a lot about an area I knew nothing about.  
13 There's still a lot left to learn. But I appreciate  
14 being able to be included and see how the Dairy  
15 Commission works and learned a lot about the dairy  
16 industry. So thank you.

17 CHAIRMAN COOK: Well, good luck.

18 MR. HERNANDEZ: Thank you.

19 MR. HETTRICK: All right. Unless anybody  
20 else has any question on that, the next thing we have is  
21 consideration of any other matters relating to the dairy  
22 industry.

23 CHAIRMAN COOK: Okay. Anybody have anything  
24 they want to throw on the table for discussion?  
25 Questions, comments, observations? Seeing none --

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1 MR. HETTRICK: Finally, public comment and  
2 discussion, Mr. Chairman.

3 CHAIRMAN COOK: Okay. Last chance.

4 MR. PERAZZO: David Perazzo from Perazzo  
5 Brothers Dairy. P-e-r-a-z-z-o. And I'm here because I  
6 wanted to keep a promise. I said if you had, if you had  
7 your meetings here in Fallon, I would show up. And so  
8 that's why I'm here. And I appreciate you having the  
9 meeting here.

10 I appreciate the program where it kills the  
11 starlings. I think it would be helpful if you did send  
12 out a letter, Lynn. I didn't really realize it was on  
13 the agenda until I sat down and started really looking  
14 at it.

15 MR. HETTRICK: Okay.

16 MR. PERAZZO: I might be a little slow, it  
17 wouldn't be anything new, but it would be helpful to  
18 have a letter sent out.

19 And then that video, Ann, if you -- of the  
20 DFA, inside the plant, if that's available I would like  
21 to show it to my family. Oh, thank you. I give it back  
22 to you?

23 MS. VICKREY: (No audible response.)

24 MR. PERAZZO: Okay. Thank you very much.  
25 I've been inside, but I have siblings that haven't. So,

1 and that's my only comment. Thank you very much.

2 CHAIRMAN COOK: Well, thank you. We  
3 appreciate you showing up, taking the time.

4 MR. COLLIER: Thank you for being here.

5 MR. PERAZZO: You're welcome.

6 CHAIRMAN COOK: Any other comments? Seeing  
7 none -- Ron, do you want to throw anything out?

8 MR. MARTIN: Oh, they don't let me say  
9 nothing.

10 CHAIRMAN COOK: Okay. Well, that will show  
11 up on the minutes, so you can prove to them that you  
12 didn't say anything.

13 MR. MARTIN: I don't say anything.

14 MR. HETTRICK: We're glad you're there  
15 anyway.

16 CHAIRMAN COOK: Thank you for coming. Thank  
17 you for attending. We appreciate it. And I guess we  
18 will now adjourn this meeting.

19 (Meeting adjourns at 1:33 p.m.)

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BOARD SIGNATURE PAGE

CHRISTOPHER COOK, CHAIRMAN

JOHN COLLIER, MEMBER

TROY CROWTHER, MEMBER

1 STATE OF NEVADA )  
COUNTY OF WASHOE ) ss.

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4 I, SUSAN E. BELINGHERI, a Certified Court  
5 Reporter and Notary Public for the County of Washoe,  
6 State of Nevada, do hereby certify that on Thursday, the  
7 22nd day of October, 2015, I reported the Nevada Dairy  
8 Commission meeting;

9 That the foregoing transcript is a true and  
10 correct transcript of the stenographic notes of  
11 testimony taken by me in the above-captioned matter to  
12 the best of my knowledge, skill and ability.

13

14

Susan E. Belingheri, CCR #655

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