

COMMONWEALTH OF PENNSYLVANIA
Pennsylvania Milk Marketing Board

MINUTES

SUNSHINE MEETING

August 2, 2016
1:00 P.M. – Room 309 – Ag Building
Harrisburg, PA

1. CALL OF MEETING TO ORDER/ROLL CALL:

Chairman Luke Brubaker called the regular Sunshine Meeting of the Pennsylvania Milk Marketing Board to order at 1:00 P.M. in Room 309 of the Agriculture Building in Harrisburg, PA. **Secretary Tim Moyer** called the roll. Those in attendance and constituting a quorum were:

Board Members:

Present: Chairman Luke Brubaker, Consumer Member Lynda Bowman, Member James Van Blarcom

Absent: None

Others Present: Secretary Tim Moyer, Doug Eberly, Esq., Andrew Saylor, Esq., Gary Gojsovich, Earl Fink (PAMD), Allen Warshaw, Esq. (PFMA), Marvin Beshore, Esq. (PADC), Carl Herbein, CPA (PAMD), John Pierce (Lehigh Valley), John Howard, Esq. (PDA), John Bell, Esq. (PAFarm Bureau), Dennis Schadd (PADC), Chip English, Esq. (DWT)

2. ACCEPTANCE OF MINUTES:

A. Acceptance of Minutes of the July 6, 2016, Sunshine Meeting.

PRESENTED by: Chairman Brubaker

DISCUSSION: None

MOTION by: Consumer Member Bowman

Moved to accept the minutes as attached of the July 6, 2016 Sunshine Meeting. (*Note:* Minutes were prepared and distributed to the Board members for their review prior to the August 2, 2016 Sunshine Meeting). **Seconded by Member Van Blarcom. Motion carried without dissent.**

Assenting: Chairman Luke Brubaker, Consumer Member Bowman, Member Van Blarcom

Dissenting: None

3. PUBLIC INPUT (PERTAINING TO GENERAL ISSUES):

N/A

4. OLD BUSINESS:

N/A

5. NEW BUSINESS:

N/A

6. REPORT OF CHIEF COUNSEL:

PRESENTED by: Attorney Eberly

DISCUSSION: Attorney Eberly stated he met with Secretary Moyer and the Board Members prior to the Sunshine Meeting to review scheduling issues, and to discuss general activities with senior Staff. No official actions and no deliberations took place. The Board will not meet following this meeting.

7. LEGAL CASE DISPOSITIONS

1. Best Value Kosher Foods Inc. late filing of dealer annual financial statement

PRESENTED by: Attorney Saylor

DISCUSSION: Attorney Saylor presented **1. Legal Docket CA-16-013 for Best Value Kosher Foods Inc.** for late filing of dealer annual financial statement (PMMB-60). A consent order was signed and a penalty of \$150.00 was paid.

MOTION by: Member Van Blarcom

Moved to accept the consent order as presented. **(1. Legal Docket CA-16-013 for Best Value Kosher Foods Inc.) **Secinded by Consumer Member Bowman. Motion carried without dissent.****

Assenting: Chairman Luke Brubaker, Consumer Member Bowman, Member Van Blarcom

Dissenting: None

2. Camphill Village Kimberton Hills Inc. late filing of dealer annual financial statement

PRESENTED by: Attorney Saylor

DISCUSSION: Attorney Saylor presented **2. Legal Docket CA- 16-017 for Camphill Village Kimberton Hills Inc.** for late filing of dealer annual financial statement (PMMB-60). A consent order was signed and a penalty of \$ 150.00 was paid.

MOTION by: Consumer Member Bowman

Moved to accept the consent order as presented. **(2. Legal Docket CA-16-017 for Camphill Village Kimberton Hills Inc.) **Secinded by Member Van Blarcom. Motion carried without dissent.****

Assenting: Chairman Luke Brubaker, Consumer Member Bowman, Member Van Blarcom

Dissenting: None

3. Farmland Dairies LLC late filing of dealer annual financial statement

PRESENTED by: Attorney Saylor

DISCUSSION: Attorney Saylor presented. **3. Legal Docket CA-16-020 – Farmland Dairies LLC for late filing of dealer annual financial statement (PMMB-60).** A consent order was signed and a penalty of \$150.00 was paid.

MOTION by: Consumer Member Bowman

Moved to accept the consent order as presented. **(3. Legal Docket CA-16-020 – Farmland Dairies LLC.) **Seconded by Member Van Blarcom.****

DISCUSSION: Attorney English inquired if this was the Michigan plant. Secretary Moyer stated that it is the one in New Jersey.

Motion carried without dissent.

Assenting: Chairman Luke Brubaker, Consumer Member Bowman, Member Van Blarcom

Dissenting: None

4. JRZ Dairy Products Inc. late filing of dealer annual financial statement

PRESENTED by: Attorney Saylor

DISCUSSION: Attorney Saylor presented. **4. Legal Docket CA-16-022 for JRZ Dairy Products Inc. for late filing of dealer annual financial statement (PMMB-60).** A consent order was signed and a penalty of \$150.00 was paid.

MOTION by: Member Van Blarcom

Moved to accept the consent order as presented. **(4. Legal Docket CA-16-022 for JRZ Dairy Products Inc.) **Seconded by Consumer Member Bowman.****

DISCUSSION: Chairman Brubaker inquired who they are and their location. Attorney Saylor stated that they took over Ethnogenesis, in Selinsgrove.

Motion carried without dissent.

Assenting: Chairman Luke Brubaker, Consumer Member Bowman, Member Van Blarcom

Dissenting: None

5. Seven Stars Farm Inc. late filing of dealer annual financial statement

PRESENTED by: Attorney Saylor

DISCUSSION: Attorney Saylor presented. **5. Legal Docket CA-16-028 for Seven Stars Farm Inc. for late filing of dealer annual financial statement (PMMB-60).** A consent order was signed and a penalty of \$150.00 was paid.

MOTION by: Consumer Member Bowman

Moved to accept the consent order as presented. **(5. Legal Docket CA-16-028 for Seven Stars Farm Inc.) **Seconded by Member Van Blarcom.****

DISCUSSION: Chairman Brubaker inquired on their location. Attorney Saylor stated it is in Phoenixville.

Motion carried without dissent.

Assenting: Chairman Luke Brubaker, Consumer Member Bowman, Member Van Blarcom
Dissenting: None

6. Kreider Dairy Farms, Inc. Below minimum sales

PRESENTED by: Attorney Saylor

DISCUSSION: Attorney Saylor presented. **6. Legal Docket CA-16-036 for Kreider Dairy Farms, Inc. for sale of controlled products below PMMB minimum prices.** A consent order was signed and a penalty of \$250.00 was paid.

MOTION by: Member Van Blarcom

Moved to accept the consent order as presented. **(6. Legal Docket CA-16-036- Kreider Farms Dairy, Inc.) Seconded by Consumer Member Bowman.**

DISCUSSION: Attorney Bell inquired as to the relative nature of the fee for below minimum pricing which seems a bit lower than previous other situations, in which the same occurred. Attorney Saylor stated there are a number of factors in each case. In this case they were in transition with their billing of a particular company and the methodology used there was a miscalculation for the discount that was given. The penalty was appropriate with the given factors. Our goal is always compliance.

Motion carried without dissent.

Assenting: Chairman Luke Brubaker, Consumer Member Bowman, Member Van Blarcom
Dissenting: None

7. Vetch, LLC late payments to producers

PRESENTED by: Attorney Saylor

DISCUSSION: Attorney Saylor presented. **7. Legal Docket CE-16-037 for Vetch, LLC for late payments to producers.** A consent order was signed and a penalty of \$500.00 was paid.

MOTION by: Consumer Member Bowman

Moved to accept the consent order as presented. **(7. Legal Docket CE-16-037 for Vetch, LLC.) Seconded by Member Van Blarcom. Motion carried without dissent.**

Assenting: Chairman Luke Brubaker, Consumer Member Bowman, Member Van Blarcom
Dissenting: None

8. Ted Remington & Sons Inc. late filing of monthly hauler report and payment fee

PRESENTED by: Attorney Saylor

DISCUSSION: Attorney Saylor presented. **8. Legal Docket CA-16-038 Ted Remington & Sons Inc. for late filing of monthly hauler report and late payment of hauler fee.** A consent order was signed and a penalty of \$100.00 was paid.

MOTION by: Consumer Member Bowman

Moved to accept the consent order as presented. **(8. Legal Docket CA-16-038 for Ted Remington & Sons Inc.) Seconded by Member Van Blarcom. Motion carried without dissent.**

Assenting: Chairman Luke Brubaker, Consumer Member Bowman, Member Van Blarcom
Dissenting: None

8. LICENSE APPLICATIONS:

1. Fonterra Foodservice (USA) Inc. Dealer

PRESENTED by: Attorney Saylor

DISCUSSION: Attorney Saylor presented that Fonterra Foodservice (USA) Inc. has submitted an application for a dealer license, for 2016-2017. Applicant will purchase raw milk from a dealer who will process it for them in Utah, under a service contract. Applicant will use milk to manufacture cooking cream and will sell to restaurants, schools, stores, and subdealers in Areas, 1, 2, 3, 4, 5, and 6. No bond is required. Appropriate staff has reviewed the application to ensure that all forms and fees have been received and are in order, and that the applicant has met the requirements of the Milk Marketing Law. With Board approval of this application, a dealer license will be issued.

MOTION by: Consumer Member Bowman

Moved to approve a dealer license to Fonterra Foodservice (USA) Inc. as presented. **Seconded by Member Van Blarcom.**

DISCUSSION: Attorney Beshore inquired on what is cooking cream. Attorney Saylor stated that it is a cooking liquid cream and because of the percentage of fat it does comes within a controlled product. Because they are in a service contract for processing the product they require a dealer license, as opposed to a subdealer, who sells the packaged product in the same container purchased.

Attorney English inquired who the selling dealer is. Attorney Saylor stated that it is Gossner Foods.

Motion carried without dissent.

Assenting: Chairman Luke Brubaker, Consumer Member Bowman, Member Van Blarcom
Dissenting: None

9. REMINDERS:

PRESENTED by: Chairman Brubaker

<u>Sunshine Meeting</u>	<u>Date</u>	<u>Time</u>	<u>Room</u>
Regular Sunshine Meeting	Wed – Sept 7, 2016	1:00 PM	309 Ag Bldg.
Special Sunshine Meeting	Wed – Sept 14, 2016	(to be determined)	309 Ag Bldg.

DISCUSSION: Chairman Brubaker added that the Over-Order Premium hearing is also scheduled for Wednesday, September 7th for 10:00 AM in room 309 Ag Bldg.

Attorney Warshaw inquired on the time for the Special Sunshine meeting on September 14th. Attorney Eberly stated that there has not been a time established yet.

***10.* ADJOURNMENT:**

Chairman Brubaker, hearing no further matters to come before the Board, adjourned the meeting at 1:20 PM.