

**MINUTES**  
**MICHIGAN ASPARGUS ADVISORY BOARD**  
November 13, 2019  
Fairfield Inn  
1520 E. Mt. Garfield Rd  
Muskegon, Michigan

**MAAB MEMBERS PRESENT:** Sarah Greiner, Eric Herrygers, Nicholas Oomen, Dwight Fuehring, Tom Oomen, Vic Shank, Tracey Butler and John Williams

**MARI MEMBERS PRESENT:** Glenn Rogers, Todd Greiner, Tom Oomen, Jordan Walsworth, Nick Oomen, Chris Rajzer, Gerrit Herrygers

**OTHERS PRESENT:** John Bakker – Executive Director, Joy McDevitt – Executive Assistant, Richard Raffaelli – Peterson Co. COO, Heather Throne, MDARD, John Kran -MI Farm Bureau, Bob & Lori Green-growers, Denise Pagura-grower

Chairman, Dwight Fuehring called the meeting to order at 10:37 am.

John Bakker addressed the room to explain that he was running both MAAB and MARI meetings at the same time, since the topic involved both groups. Self-introductions were made around the room.

John explained, as is defined in Open Meetings Act policy, if you would like to make a comment please keep your time to 5 minutes at a time, with a total of 10 minutes for any one Agenda item.

John went on to explain that we, MAAB and MARI, were aware of a tree fruit grower group looking into obtaining land to start a research farm. They have recently completed the acquisition of land that adjoins the asparagus research farm to the north. The name of the entity is West Central Michigan Horticulture Research, Inc. (**WCMHR**). Thanks to members of their Board, including Gerrit Herrygers and Andy Riley, they have proposed partnering with the asparagus research farm to share resources in the building and use of this facility. John continued that this special meeting was necessary to decide whether to partner with WCMHR, since a decision is required by them before our next regularly scheduled MAAB meeting in December at the Expo. They are asking for \$120,000 from asparagus to help fund the building of the facility.

**PRESENTATION by WEST CENTRAL MICHIGAN HORTICULTURAL RESEARCH, INC**

The meeting was turned over to Richard Raffaelli, Chief Operating Officer, Peterson Farms, Inc. and WCMHR board member. His power point presentation is included as Attachment A.

As shown on page 2 of Richard's power point presentation, the purpose of this facility will support research for unique soil and micro-climate of the Oceana, Mason and Newaygo counties. This facility will have a conference room, able to seat 120, a medium kitchen, lab, Farm Manager office, bathroom, small machine shop/tool crib. – all which would be available to Asparagus research farm should we decide to help fund the facility. Richard stated there is strong support from MDARD, and the Director, Gary McDowell, will be visiting in the next week or two to see the newly purchased land. WCMHR has applied for a \$100,000 Rural Development Grant and is still waiting to hear whether they received it.

Mr. Raffaelli continued that they see this facility as serving more than just tree fruit and asparagus growers. They have reached out to the local Shelby School and will partner with them for a "Young Farmer" program. They have reached out to the Historical Society to document agriculture in the area. They have planned the entrance of the building to recognize those in the agriculture world who have helped facilitate this building. They have a strong commitment from MSU, who will fund the Farm Manager position as well as outfit the lab and continue to support the ongoing lab expenses. They are planning for perennial gardens, as planned by MSU. They are also anticipating a strong working relationship between the MSUE tree fruit agent, David Jones, and the MSUE vegetable agent, Ben Werling, to continue this shared space.

On page 3 and 4 of the power Point presentation, it outlines the current Board of WCMHR. The majority of board members raise asparagus as well as tree fruit. It is anticipated to nominate Doug Buehler as the MSU Faculty Board Member, and they are anticipating the Accounting Board Member from Greenstone.

Page 5 of the power point gives a status quo of the project including secured and anticipated funding. They have completed the fifth draft of the plan, which has been sent to the designer. They are anticipating breaking ground in March.

Page 6 of the power point shows the proposed layout. The entryway will be the "Founder's Club", recognizing those instrumental in this project (Peterson Farms, possibly Seneca, possibly Wesco for propane support), and a possible small historical area. The main portion of the building will include a large teaching area, labs, bathrooms and work area. Plans also include a spray pad and barn and equipment storage.

Page 7 of the power point identifies other collaboration opportunities.

John Bakker gave the following example of potential benefit/use. Often when Mary Hausbeck is setting up her research, she is using a "donated" plot on one of the grower's farms. However, this keeps her from being able to inoculate the research plot with pathogens which would improve the success of her research. It would be possible to write into the grant the cost of using a plot at this research farm to do this which would cover necessary plot fees.

Richard stated that in the future he could see having an apple line so MSU could see the whole process. As well as experiments in processing and packaging.

Bakker suggested opening the meeting up at this point to discuss the concept rather than discuss and debate a specific motion. Members of both boards as well as the public followed with questions and comments:

***Will MSU have a say over the building plans?*** Richard stated that MSU will have collaboration but not the final say. ***It was asked who (ultimately) is carrying the note, in case of overspending?*** Richard responded ultimately Peterson Farms will sign the notes.

***Does MARI have the ultimate determination on what happens at the research farm?*** Richard stated that each farm remains separate in terms of the research done on them. Tree fruit doesn't want to tell asparagus what to do and vice versa. Bakker indicated that he would anticipate no change other than the slight loss of control of the farm manager.

***What happens when John Bakker retires?*** John Bakker spoke up to say it is his job to look out for asparagus and for that reason he has met with MSU- Doug Buehler, Jeff Dwyer and Jim Kells to confirm that MSU is committed to this venture since they will be funding the Farm Manager position. This is a way to ensure that the farm is an ongoing entity with the newly combined position. John continued, stating that the asparagus industry will still have the total control of the research farm and be able to continue with the valuable research we have accomplished to date

On a personal level, it would be up to the industry and himself on the level of involvement that he would have in the future.

***It was asked what happens if the asparagus 232 program was voted down in a future referendum (last referendum held in 2018) – what would happen to the research farm?***

John Bakker answered the farm is owned by MARI (Michigan Asparagus Research, Inc, a 501(c) entity) and he doesn't have an answer.

Richard Raffaelli stated they have/had similar questions on the fruit side and the attorney says it is distributed to those who have contributed in. There was concern that this should be in writing; too often there is a focus on how to get in, but not how to get out.

Lori Green commented that per the MAAB program that if it were dissolved the grower money is identified to be returned pro-rata to the growers. Heather Throne, with MDARD, stated that the State would step in should a 232 program be voted down to oversee and ensure the funds are properly disbursed. It's possible that MARI could use the same model.

It was noted that the West Central Michigan Research Facility (WCMRF) is not part of a 232 program and both the parties involved – MARI and WCMHR are 501(c) entities and therefore both are not funded through assessments.

***How will the research farm be funded?*** John Bakker commented that MSU will fund the farm manager. MARI dollars will continue to fund asparagus research, as in the past, and tree fruit money will fund tree fruit work.

At this point the Draft version of the Memorandum of Agreement (MOA) was covered, see Attachment B. The high points are that MARI has ***lifetime*** rights to the assets of the WCMHR facility. The initial amount of \$120,000 that Asparagus is contributing equates to approx. 17% of the initial funding (per point "b" on the MOA) and is the basis of the 20% of ongoing Asparagus commitment for operating expenses (heat, power, gas, cleaning supplies, building repairs), as identified in point "c" of the MOA. The MOA also addresses future expansion commitments; MARI can decide if they want to participate in any future expansions (buildings, land purchases) which would require a 20% contribution of that expansion – which would give them full access to that expansion. Should they (MARI) decide it wasn't in their best interest, i.e. it was a piece of equipment not used in asparagus farming, they could decline with no repercussions.

The MOA also states that assets/land owned by them will remain in their legal ownership; as well as points out that either group, MARI or WCMHR, have the right to build, plant on their own property as they see fit.

A Steering Committee will be formed, MOA point "k", which will likely be 6 individuals, which Richard anticipates will be a 50-50 representation between MARI and WCMHR. It was clarified that the Steering Committee will serve strictly in an advisory capacity; they would not be able to authorize funds. They would make recommendations back to the Boards of MARI and WCMHR. If there are any disagreements, the MOA allows for a third-party mediator to help resolve any issue.

**Additional question/concerns were voiced by Board members as follows:**

***What potential new buildings are in consideration?*** Richard replied a fill station and spray barn.

***What about other Commodity Groups being involved?*** John Bakker spoke regarding this – Carrots and other vegetable commodities do not have the funds to financially contribute to the initial build. However, in the future if an MSU researcher wanted to write a grant and needed a plot of land; he could see the researcher writing into the grant the funds to "lease" from WCMRF a plot to conduct research.

***When is it expected to begin building?*** Richard stated March 1, 2020.

***When would farm manager begin?*** John Bakker replied from talking with MSU it is too soon to answer. There is a possibility that a short-term person could be employed during the start-up and construction phase. He also stated that the asparagus industry should not count on the new farm manager directing operations at the Asparagus Research Farm during the 2020 harvest season.

***A question came up regarding how the 232 programs, Tree Fruit (and Asparagus) are involved.*** Richard Raffaelli clarified that when he uses the term "tree fruit" it is not the 232 Tree Fruit program but the type of trees that will be on the farm. Both groups, MARI and WCMHR are not 232's, but organized under IRS section 501(c). Therefore, this is involving two private entities.

***Will the Farm Manager be a 12-month position?*** Both John and Richard replied yes.

Gerrit Herrygers addressed the group, as an originating member of the WCMHR Board. He explained that there is no "back office" for the work that has gone into starting up the WCMHR and acquiring land for the facility, it has been done by the individuals on the WCMHR Board. They had been offered land by Peterson, which WCMHR turned down since they wanted to be able to adjoin the asparagus facility in hopes of partnering with them. This required tricky negotiations, e.g. purchase of one piece of land and then a land swap, to acquire the desired location.

***It was asked what if they, WCMHR, wanted to expand in the future, are there any first right of refusals from the people whose land was purchased?*** Again, it was emphasized it was/is very difficult to purchase from the people who own the surrounding farm due to the way it is titled, but they are making plans for future expansion.

Lori Green commented that she has read the WCMHR articles of incorporation but would like to better understand the dissolution arrangements. Richard Raffaelli explained that they had looked at the Northern Research station as a starting point for their articles of incorporation; but anticipates there will be Amendments which will clarify details such as upon dissolution the assets would be evenly distributed to the groups who funded the purchase.

***It was asked about the arrangement with Shelby school, had they hired an Ag Teacher?***

Richard said that he has had conversations with the Shelby Superintendent, and they have plans to bring on an Ag Teacher. He hasn't spoken with the Hart Superintendent; but knows the two Superintendents are in close communication and collaboration.

***At this point it was asked what/how needs to happen to make this work?***

John Bakker stated it would be MARI that needs to agree to sign the MOA. But since the funding would come from MAAB, they (MAAB) would need to make a motion to send \$120,000 to MARI to fund the WCMHR. John pointed out that although MAAB was sending money over to MARI, there are cost savings involved with the new WCMHR arrangement. Since MSU would be funding the Farm Manager, the approx. \$34,000 that MARI pays for our current research farm manager would be a cost savings. MARI would still have funding from MSU plot fees, Processor contributions, and asparagus seed sales.

**It was asked about the timing of all this, since a Special Meeting was called (rather than waiting for our regularly scheduled Dec. meeting).** Richard addressed that there are 2 plans that WCMHR have developed – One with asparagus contributing and one without and they need to have a firm commitment so that they can proceed. He gave the example that for best use of the land (based on drainage and access) the facility should be placed on the north side of the property, but this would not be convenient for asparagus. Therefore, they have a second plan so the building would be built on the south side which would make it more convenient to the asparagus research farm. Working backward from a March 1 (groundbreaking date) necessitated a mid-November decision rather than a mid-December one.

**Lori Green asked are we (MAAB – the 232 program) allowed to make this contribution? Why aren't the available funds being used for improving the markets for the 2020 crop? Denise Pagura also commented that why wouldn't the money come out of MARI's money?**

John addressed these concerns: According to our program directives we are allowed specific financial commitments – carry on research, establish advertising and sales promotions, establish program for developing new/larger markets. This is a one-time payment that will allow for many beneficial perks and likely future cost savings. This would be a way to address some needs on the research farm such as a spray pad, access to a larger tractor, in addition to the building and its facilities – such as the lab and flush toilets. It also solves a major issue of farm management in the future. This is considered as funding research which MAAB is allowed to do;

Discussion regarding a spray building and related fuel took place. Richard explained the spray building and larger tractor are part of the \$120,000 contribution and we (MARI) would have full access. There are grants available that are, at best, a 70/30 sharing of expense.

**It was asked: Where does the \$100,000 Rural Development Grant fit in with the WCMHR and MARI's \$120,000 contribution?** Richard said that if they WCMHR were awarded the \$100,000 grant it would be a "bonus", meaning they can't factor it into their funding since they

don't know for sure. He said they (WCMHR) are working on other funding possibilities and have 320 targets as a campaign fund-raising goal. This is another reason he feels MDARD is so supportive of the facility, since we (WCMHR) are putting so much into it already.

**There was concern expressed that the MARI 20% ongoing commitment for funding utilities should be reviewed on a periodic basis since we're using public (grower) \$'s for a community project.** Richard said they could write that into the MOA but did not feel like that would be a good deal for MARI. This would open up the MOA to potentially increase the MARI share. He stated that they anticipate that this will be a facility that will be open to other non-profit groups in the future, which could also be another opportunity for fund raising, with possible fees charged to the non-profits.

Bakker also noted that the 20% share would be paid from the MARI budget which is mostly made up of non-MAAB (grower) funds. He also noted that "swapping" a farm manager payment for a utilities / maintenance payment would likely result in significant cost reduction for MARI.

Bakker sensed that the general discussion regarding the concept was winding down and asked if an Advisory Board member was ready to make a motion. He indicated that having a formal motion to discuss and debate would be preferred.

**Motion**            Motion by Eric Herrygers to fund \$120,000 for the facility.  
**No. 1**            Additional discussion as follows:

John clarified that the motion needs to be for MAAB to fund MARI and then MARI will decide/move to fund the \$120,000 to WCMHR for the facility.

Eric Herrygers amended his motion to state: MAAB shall make a one-time payment of \$120,000 to MARI for the sole purpose of enabling MARI to enter into a joint relationship with WCMHR and funding new facilities. The payment shall be contingent upon MARI and WCMHR executing a Memorandum of Understanding outlining the working arrangement.

John Williams seconded the motion.

Further discussion followed:

It was asked whether the new facility would be big enough for the annual March "Asparagus Day". John said usually that's about 150 participants and currently the meeting room planned is for 120 (with tables). Richard said that the Fire Commissioner would determine the total capacity for the conference room. Upon further questioning, Richard said there are plans for expansion and even for the possibility of renting for non-agriculture activities such as weddings/other events.

Was any legal counsel used to review the MOA? Richard stated that no, and if we wanted legal counsel involved it would trigger WCMHR to involve legal counsel, which would cost everyone time and money. It was stated by an MAAB Board member that any legal costs should come out of MARI and not MAAB. Concern was expressed that the time frame didn't allow the Board members to go back and talk to growers in their area. Richard agreed that this is a valid concern but that they're up against a time frame that doesn't allow for a delay.

Chairman Fuehring asked if there was any other questions or comments.

Hearing none the vote was called. Voting was as follows:

Board Member	Yes/No/Abstain
Sarah Greiner	Yes
Eric Herrygers	Yes
Vic Shank	Yes
Tracey Butler	Yes
John Williams	Yes
Nick Oomen	Yes
Tom Oomen	Yes
Dwight Fuehring	Yes

**BUDGET AMENDMENT**

John stated we will need a motion to amend the Budget to include the above.

**Motion** Motion by Vic Shank, supported by Tom Oomen to amend the 2019-20  
**No. 2** Budget to include the decision to send \$120,000 to MARI with the intent to contribute to the new West Central MI Research farm. All ayes, motion passed.

**OTHER BUSINESS**

John asked if there was any other business.

Denise Pagura from Slocum farms gave an update on the Cherry grower Antidumping/Countervailing duty case against Turkey with dried tart cherries. She explained that she has spoken with the lead lawyer on that case, Elizabeth Drake with the intent on pursuing a similar action on behalf of asparagus (and the imports from Peru/Mexico).

She also summarized the Rubio trade bill which would make it easier for seasonal/regional produce growers to obtain relief from dumping during their harvest season. But it is not progressing and is unlikely to be available for any relief soon. Considering the above she asked if there would be any interest in setting up a webinar with Elizabeth Drake to see what relief she might be able to offer. Her thoughts being that it would be possible to see relief as soon as this next crop year.

John Bakker asked if Denise would be available for the regularly scheduled Dec. meeting. Denise responded yes and would see if Elizabeth Drake would be available to attend as well. It was asked if she (Elizabeth Drake) was doing this pro bono; Denise felt that she would attend at no charge and would get back to us.

It was also asked if the information on the West Central MI Research Facility would be sent out in a newsletter? John said yes, he would be sending a newsletter out.

No further business was proposed.

**Motion** Motion was made by Vic Shank, supported by Sarah Greiner  
**No. 3** to adjourn the meeting. All Ayes, meeting adjourned at 12:54 pm.

Respectfully submitted,  
John H. Bakker, Executive Director