

1320 Research Park Drive
Manhattan, Kansas 66502
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900 SW Jackson, Room 456
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Jackie McClaskey, Secretary

Governor Sam Brownback

Local Food and Farm Task Force Meeting Minutes September 21, 2016

Task Force Members in attendance: Chair Ron Brown, David Coltrain, Dr. Cary Rivard, Representative Adam Lusker, and Ex Officio Member Senator Tom Hawk.

*KDA staff attendance: Taylor Harms, Kellen Liebsch, Julie Roller and Kerry Wefald.
(alphabetical order)*

Others in attendance: Michael Schoenecker, Nancy Brown, Heather O'Hara, Mary Fund, Marlin Bates, Helen Schnoes, Scott Thellman, and Kathy Damron.

Welcome: Meeting called to order by Chair Ron Brown at 9 a.m. All task force members were present, for the exception of Annarose Hart White, Loren Swenson, and Senator Dan Kerschen. Task Force and audience made introductions.

Lusker moved to approve the minutes, Coltrain seconded.

Guest Presenter, Scott Thellman of Juniper Hill Farms, gave his presentation of Tier 2 Market Opportunities and explained Juniper Hill Farms' background and business. Details of Thellman's presentation included below:

- 1,000 acres of hay, alfalfa, grains and row crops. 50 acres of vegetables
- 12 grocery stores
- 12 restaurants
- 2 wholesale grocers
- 1 food manufacturer
- 300 member CSA
- 2 school districts
- 120,000 lbs. of produce in 2015
- EQUIP no longer requires you to be certified organic- now more producer-friendly
- Organic opens new marketing opportunities
- Works with door to door organics from Kansas City
- Organic can get you 20% premium
- KDA cost-share program makes it cheaper to get certified
- Transitioning out of organic- it is not being asked for, but being asked for "local"
- 50-60 acres next year

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Thellman: “30 crops is good, but 10 is better.” Scale up with a few crops you’re really good at. Small, no-longer-used, farm equipment is available for reasonable prices with a few modifications for vegetables. Low rental rate versus ownership. You can rent cheaper than owning and can pay more than a row crop farmer. Harvest is the biggest expense. Crop insurance through NAP/USDA is not a lot of money, but it’s helpful. Marketing is very important and you must look professional.

Thellman continued with his presentation and covered different marketing strategies including: Farmers’ market, Community Supported Agriculture (CSA), cold calls and on—the-fly marketing, agreements (non-contracts), contract growing, and selling through a broker. You must anticipate seasonal demand.

Senator Hawk asked Thellman about rationalizing traditional versus specialty crop.

Thellman stated that Juniper Hill Farms has three full-time employees and eight part-time employees on 50 acres. If Juniper Hill only did vegetables and not traditional, their community would be much smaller. There is a difference between being a gardener and a farmer. Traditional is a side business if anything.

Senator Hawk stated that Thellman seems to not get trapped in market price. Hawk asked what Thellman’s thinking is on that and as he gets larger, does he get more leverage with growth?

Thellman states that growth does not mean more leverage. As you scale up, you are going to receive a lower price. That is pretty standard. The goal is to be a price maker, but there will be times when you are a price taker. Having numbers behind it- you know where you can price at.

Lusker asked Thellman what he expects from the Task Force and what they can do at the state level.

Thellman stated that the biggest challenge is labor shortages to scale up. Vocational training for vegetables. Conventional farmers are calling to ask about vegetables. He states that he thinks we’ll start to see more large-scale operations coming on line in the next few years. He says there is a need for warehouse space. They do not do large-scale canning in a commercial kitchen. Cold storage rental (public/private). USDA NAP Crop Insurance is hard to navigate, he lost \$20,000 in squash and will receive \$5,000 at best from the crop. They use Mid America Bank in Lawrence.

Thellman stated that he would like to see a program to subsidize traditional to organic conversion. An incentive could help capitalize on national market.

10-minute break taken at 10:26.

Meeting reconvened. Marlin Bates and Helen Schnoes with Douglas County were welcomed to the floor.

Bates: How do we accomplish the things we do? There is demand for people who can give technical assistance to high value producers across the state and those calls come to Douglas County.

Schnoes stated that the city and county see local foods as an engine they should be supporting. Schnoes handles the logistics of the food policy council, applies for grants, etc. She helps on the sourcing side to make the local food connections to help grow the local food system. Schnoes stated that they work outside of their boundaries. There is need and want for support across the state to build stronger food systems in their part of Kansas.

Bates showed the group the wholesale food directory to connect producers and buyers. The theme he shared with the group is collaboration- this is how they are able to do the work.

1. Look at who is represented on the food policy council- all sectors in place and regularly meet. This helps to know the issues we should be addressing, why and how.
2. Objectives are high-level, but not actionable items.

Schnoes states that we don't have the infrastructure- transportation, processing and aggregation. The Food Policy Council looked at food hubs from around the country and found this:

1. Applied for a RBEG to hire an expert consultant to talk with farmers and buyers about food hubs to see if it would viable to benefit farmers in the local community. At the same time, the Kansas City Food Policy Hub was doing a study and we collaborated with them.
2. Created Fresh Farm HQ
3. Looked at farmers' markets to see how they are organized, maximized, etc.
4. Is economic development in support of a physical structure in Lawrence feasible?

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Bates stated that in regards to what they are asking of the Task Force, they would like to see a body at the state level for grievances to be aired, and also a place for other ideas to be generated. He asks that the group find a way to support this grassroots effort. Where there's interest, motivation and support, we can see greater success. Bates stated that we need a lot more community involvement to identify these issues- a great way to empower local communities.

Bates asked the Task Force what they are thinking about and if that is something this group could do?

Dr. Rivard stated that the task is to write a report. Rivard posed a question for discussion: Identify a group that can address these issues for the next report (trying to get an assessment of what is out there right now and would like to see actionable items come out of that).

Brown would like to see more emphasis on local food in the extension areas, rather than just landscape. He would like more people statewide to be there, out in the fields, with expertise to offer to growers and the community.

Coltrain stated that it's a good time because of the economy. He stated that people are looking at things in ag now. He believes we are coming to that time again (like early 2000s)- looking at value-added areas because commodity prices are not doing as well.

Schnoes stated that they are looking to support a new community food system. She said we are needing a new system to support that- what they are seeing now in Douglas County. They need support of the local food system (truly from farm to fork).

Bates posed the question: What do we want this place to look like? Are we going to be proactive or reactive? Are we going to make this place a favorable climate for growers? He stated that we have to make sure people see the value in paying attention to this. Bates said that we are doing some work, but we need to amplify this. Bates believes we need to lift up growers that are doing it on a large scale and show growers you can make it work. It's about community development.

Lusker stated that the group's task is to give a report. He asks Bates what they need to do or can do at the state level to attract people to invest in local food- whether at the table or the field?

Schnoes stated that we need to intentionally bring a lot of people to the conversation.

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Lusker asked Schnoes and Bates if their advice to the Task Force is to create a team like Douglas County at the state level?

Bates says yes.

Schnoes stated that we need state support.

Bates said whatever the Task Force needs, to say the word.

Lusker begins the work session by talking about what he would like to see at future meetings:

1. Continued of Local Food Systems Coordinator at KDA- restore funding or a position within K-State Research
2. Wine Tax
3. State Forrester at the next meeting to discuss milling opportunities to keep in state.

Lusker stated that Rural Caucus could be educated about specialty crops.

Hawk stated that he would like to include support efforts to expand EBT in report.

Schnoes stated that brand alignment is important- making it easier for consumers.

Hawk wanted to know how we make sure those resources are utilized that are already out there to help young producers.

Rivard stated that he would like to include more of the budget information in the Financial Opportunity in Specialty Crops sheet that he created. He also stated that we need to communicate the demand for specialty crops, not just the profit. Rivard envisions this sheet as an eye-catching piece, not all text. He would also like to include finances available.

Hawk stated that he would like to include the link for the Small Farm Toolkit in this document.

Roller stated that she would like to include labor information on the document as well.

Hawk asked the group if crop insurance should be included on the document as well.

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Roller brought up licensing guide creation or information for specialty crops in that kind of format.

Rivard asked KDA if other resources should be included?

Roller stated that KDA would need to do some research to see what is out there.

Lusker stated that he would like to see KDA staff come to the next meeting and state what they are doing and what is being done at KDA and K-State. He would like to spend the first 20 minutes of the next meeting doing this and then focus on wine.

Hawks asked if the group should do a report on food processing and the meat sector?

Meeting was adjourned at 1:30 p.m.