

State Board of Agricultural Research and Education
Minutes - March 2-3, 2006
Doublewood Inn, Bismarck, ND

The State Board of Agricultural Research and Education met at the Doublewood Inn in Bismarck, North Dakota on March 2 beginning at 1 p.m. Members present were Ole Aarsvold, Bob Bahm, Tom Borgen, Randy Christmann, D.C. Coston, Jerry Doan, Jerry Effertz, Carol Goodman, Ken Grafton, Duane Hauck, Rodney Howe, Doyle Johannes, Patrice Lahlum (for Roger Johnson), Paul Langseth, and Larry Lee.

Chairman Jerry Effertz called the meeting to order shortly after 1 p.m. and explained that the afternoon would be spent gathering information and testimony from commodity/constituents with interests in North Dakota agriculture.

State Representative Mike Brandenburg, District 28, addressed the board and said that he has toured the NDSU greenhouses and sees the need to move ahead with the greenhouse project to help advance research at NDSU and in North Dakota. He indicated that there seemed to be a lack of unity and overall support for the project during the last legislative session and his hope would be to get everyone on the same track for the coming session.

Eric Bartsch, representing pea, lentil and chickpea producers, shared a paper for a pulse crop enhancement initiative. He stated that the pulse industry is one of the fastest growing in North Dakota and that pulse crops offer producers a low cost alternative for rotations. Bartsch told SBARE that a survey was distributed to over 500 producers and results have been used to set priorities for the organization. Bartsch indicated that their financial request would include consistent funding for research extension centers working on pulse crop research; implementation of a breeding program within the university system and a research agronomist position dedicated to pulse crop research; and a research agronomist in areas of weed and disease control, variety screening and other agronomic issues.

Stan Myers, a producer from northwestern McClean County, testified on the benefits of using pulse crops for rotation.

Daryl Dukart, representing the North Dakota Pork Producers, addressed SBARE. After reviewing some North Dakota pork industry history, sharing production projections, and expressing needs, Dukart requested SBARE consider funding a swine nutrition research/extension specialist. He stressed that a major need for producers is technical assistance specific to hogs.

Gary Puppe, North Dakota Soil Conservation Districts, told board members that soil conservation districts are dependent on the Extension Service since their appropriations go through Extension to the districts. Puppe noted that the soil conservation community has made tremendous strides in protecting land from wind and erosion and that translates into better economics for producers. He said he hopes for continued support and collaboration with the NDSU Extension Service.

Neal Fisher, North Dakota Wheat Commission, invited SBARE to participate in the annual wheat research review next week at the Fargo Holiday Inn. Fisher stated that he has been traveling the state and participating in NDSU's "Best of the Best" workshops, which have been very informative and

extremely well attended. Fisher noted that even though there are new wheat varieties and new technologies available, there was a terrible scab outbreak in 2005. He told board members that the Wheat Commission is ahead of schedule in paying off their trade case and hopes to work with the North Dakota Legislature to redirect some of those funds for research enhancements after 2007.

Dan Wogsland, North Dakota Grain Growers/Durum Growers, stated competitiveness begins with research and expressed appreciation for NDSU's efforts. He noted that the "Best of the Best" research forums had shown an 80% retention rate for all-day attendance, a tribute to NDSU Extension's information sharing.

Myron Ditterle, producer from Sheridan County and vice president with the North Dakota Weed Control Association, told SBARE members there is a real need for a staff person, knowledgeable in weed control, to do plot work and assist people in identifying potential weed invaders in southwestern North Dakota. He added the differences from the valley to the west, both in land and climate, dictate the need.

Tom Christensen, chairman of the North Dakota State Soil Conservation Committee, reminded SBARE members that SBARE oversees funding requests from the NDSCC. Christensen asked board members if there would be a way that the Conservation Committee could include initiatives for bioproducts and other hot topic issues. He noted appreciation for past and future support.

Gladys Cairns, administrator for Child Protection Services - North Dakota Department of Human Services, talked with SBARE members about the need for cooperation between her department and the NDSU Extension Service. She expressed appreciation for the Extension programs that help educate on the front end before social workers need to deal with crisis. She added that the Extension Service is not perceived to be threatening, but people often feel threatened by Human Services so working to educate often helps avoid confrontation.

Steve Edwardson, North Dakota Barley Council, told SBARE members that the breeding research programs are doing well and emphasis will be toward variety development and scab problems (crop management options). He noted that the industry continues to be involved with ethanol production, utilization of barley in livestock feed, and also commented on a "heart healthy" focus for barley in human food. Issues for consideration in the future include transportation logistics, agronomics, and fusarium head blight in the eastern part of the state. When asked about the western malting barley program, Edwardson said it is working well, the program should be continued and expanded.

Barry Coleman, Northern Canola Growers, addressed the group noting the following:

- weed control in canola has been successful over the past ten years
- major disease issues are black leg and scab
- working with FDA to pursue a health claim for canola
- continue to work with Canadian Canola Oil Committee, leveraging research dollars
- need for increased canola acreage with the two proposed biodiesel plants in ND
- increase in canola in Kansas and Oklahoma with a lot of success and interest

Randy Mehlhoff, director at the Langdon Research Extension Center, told members he feels fortunate to be part of the North Dakota system and learned recently at a national conference that many other research extension centers in the U.S. do not receive as much support as in North Dakota. He noted that Langdon has a very good research program in place and that they have been working very closely with Carol Goodman on enhancement of rural sustainability.

Blaine Schatz, Carrington Research Extension Center Director, thanked SBARE for meeting at the center in November, mentioning it gave his staff a chance to showcase their research and program areas. He noted Carrington represents a diverse agriculture component because of location and they have strong agronomy and livestock programs including animal livestock and nutrition management, seedstocks and crop management. Schatz said the beef cattle nutrition program continues to be very active and currently all pens are being used; feedlot school and cow-calf workshops were extremely successful; Vern Anderson continues work with the pea industry on nutrition research; and the agronomy disease issue comes to the forefront with the severe scab infestation in 2005. Schatz stated he will continue to look to SBARE to sustain and enhance the programs in Carrington.

Eric Eriksmoen, interim director at the Hettinger Research Extension Center, reminded SBARE members that Tim Faller retired as center director two weeks ago, the search is in process and it is hoped a new director will be in place in the next few months. He also noted:

- this is an exciting time for southwestern ND agriculture with a lot of pulse crop research
- there is a new ethanol plant at Richardton using co-products
- the new switchgrass projects present huge potential

Jay Fisher, director of the North Central Research Extension Center, told SBARE that the poor farm was demolished and they are busy planning for the new facility in Minot. He stated that their major focus includes agronomy research, foundation seed production and Extension. Fisher told the board that he is excited about the new Dakota Skies biodiesel plant and mentioned there is a huge demand for canola. He told SBARE that the fundraising continues for their building projects and they have secured cash and pledges in excess of \$1,082,000. Fisher also told board members that Janet Knodel, research specialist at the North Central Research Extension Center, recently took a job in the entomology department at NDSU, resulting in a huge loss for Minot.

Jerry Bergman, Williston Research Extension Center Director, reminded SBARE members that this is an exciting time to be involved with research because there are so many opportunities. Bergman noted the importance of malt barley research to western North Dakota, adding that work with variety development is critical. Researchers at Williston are looking at rejected barley for ethanol; specialty wheats; high selenium wheat; and increased pea and lentil production. Irrigation research in the Nesson Valley continues. Bergman noted that support for the research extension centers is appreciated, adding that the budget for the Williston Research Extension Center has doubled in the last ten years, while the budget at the research center at Sidney, MT has remained even except for salary increases. He emphasized that the system works and stressed the importance of maintaining line item budgets.

SBARE members talked about the issue of outdated equipment at the research extension centers and how the lack of higher technology equipment hinders the ability of researchers.

Bob Bahm raised an issue about soil fertility being the basis for all crop production and the fact that the area has been overlooked. He added that the number of faculty and staff in the soil science department has diminished.

Prior to adjournment at 4:45 p.m., D.C. Coston announced that the Emergency Commission met and considered six proposals today and NDSU's Center for AgBiotechnology proposal received unanimous approval.

The State Board of Agricultural Research and Education reconvened on Friday, March 3 beginning at 8:00 a.m. at the Doublewood Inn. Members present were Ole Aarsvold, Bob Bahm, Tom Borgen, D.C. Coston, Jerry Doan, Jerry Effertz, Carol Goodman, Ken Grafton, Duane Hauck, Rodney Howe, Doyle Johannes, Roger Johnson, Paul Langseth, and Larry Lee.

Carol Goodman reported that she attended the meeting with the Center for Rural Health at the University of North Dakota on January 12 and noted many synergies for collaboration. She also participated in sessions with the pea and lentil group and the North Central Research Extension Center Board of Visitors.

Larry Lee told SBARE that he participated in the Dry Pea and Lentil Association meeting and observed tremendous interest. He attended the North Central Research Extension Center Board of Visitors meeting, which was well attended by many local legislators and board members. Lee said he also attended the annual NDSU Variety Release Meeting at NDSU and the National Scab Initiative Forum in Milwaukee.

Bob Bahm participated in the North Dakota Grain Growers/Durum Growers meeting. He, too, noted that attendance at the “Best of the Best” workshops was very high. He reported that some attendees expressed interest in touring NDSU’s facilities lab, cereal grains department and other relevant research areas. He added that as he participated in various events, peas and lentils and no-till farming seemed to be hot topics.

Doyle Johannes, the newest member of SBARE, told board members that he is actively involved with the education committee of ND Farm Bureau and that he has an interest in helping to solve educational issues and work on redirection of funds for education. He added that he is very much looking forward to being a member of the State Board of Agricultural Research and Education.

Tom Borgen reported that he has attended several meetings related to canola over the past months, including a summer meeting in Nova Scotia, a Dow-sponsored canola meeting in Indianapolis in November, Northern Canola Growers annual meeting in Minot in January, he represented canola growers in Washington, D.C. in February, and plans to participate in the Canadian Canola Council meeting in New York in March, where the focus will be on development of “healthy food” oils and spreads.

Paul Langseth said he represented SBARE at the NDSU Variety Release Meeting and following a lot of interesting and good discussion, all lines were approved for release. Langseth added that in early February, he attended the ND Corn Growers annual meeting, commenting that the industry is growing, there is a lot of excitement with ethanol, and last year was an excellent agronomic year for corn.

Jerry Doan reported that he participated in a two-day “Animal Ag Summit” January 10-11 in Mandan. Doan said highlights of the program included a presentation on Hatfield’s Beef Coop, a unique grassroots effort similar to the centers of excellence concept; an administrator from SYSCO Foods giving his perspective on livestock production; and discussions by smaller pork producers regarding the amount of money spent trying to get larger pork operations in the state.

Roger Johnson added that the intention of the summit was to help grow North Dakota's livestock industry. Johnson stated that it is a challenge to get large hog facilities approved; suggesting everyone loves ham, but nobody likes pigs. He stressed the importance of continuing dialogue, noting that with the ethanol and biodiesel industry rapidly growing it is important to keep the livestock industry growing, as well.

Johnson told SBARE members that he met recently with fellow ag commissioners in Boulder, Colorado to discuss current ag-related issues. He has also been in Washington, D.C. for Farm Bill discussions. Johnson stressed the importance of renewable energy and encouraged NDSU to move to the head of the pack with cellulosic fuels research.

Ole Aarsvold reported that he attended the Soybean Growers meeting in Fargo and that energy issues were paramount. Aarsvold stated that North Dakota has an incredibly bright future in business, he is excited for the younger generation, and he is appreciative for all of the NDSU research efforts.

Jerry Effertz thanked all the board members for participating in the commodity/producer sessions, adding he was pleased to be chair of SBARE, but emphasized that all board members are able to represent SBARE at functions or events.

Paul Nyren, director at the Central Grasslands Research Extension Center, told the board that Amanda Hancock recently completed her first season (SARE grant program). Nyren informed SBARE that there are three architect interviews scheduled next week to discuss the construction of the office addition. He reminded members to mark June 28 on their calendars for field day at Streeter (the 25th year). Nyren completed his update by reporting that calving begins any day and 2005 was a good year.

Rod Lym, interim chair in the department of soil science, briefed SBARE informing them that there are three faculty vacancies in the department. He added that following a recent departmental review, it is likely that the soils unit will be merged with another on campus.

Ken Grafton announced that Rodney Lym was recently named fellow with the Weed Science Society of America, a very prestigious honor.

Al Schneiter, head of plant sciences, told SBARE that he manages a very large department and D.C. Coston, Ken Grafton, and Rod Lym are all part of the plant sciences department. He reported that interviews are scheduled for the dry bean breeder position after receiving 31 applications, due in large part to the strong support from the edible bean growers and Northharvest Bean Growers. Schneiter concluded his update by saying the department is getting ready for a Cooperative State Research, Education, and Extension review to evaluate programs and provide direction to the department. The review is scheduled the week of March 20.

Jack Rasmussen, chair of plant pathology, told SBARE members that the department recently closed a national search for a dry bean pulse pathologist and the pool was strong. Rasmussen stated the department deals with different diseases in all crops. The department currently has 13 faculty working with breeders to develop fungicide applications and varieties.

Doug Freeman, head of veterinary and microbiological sciences and the veterinary diagnostic laboratory provided the following update:

- several new faculty have been hired in the past few years
- the three newest faculty members have been successful in receiving major grants
- the diagnostic lab works on over 10,000 cases each year
- the biosurveillance group works with other units to enhance preparedness
- NDSU vet science and vet diagnostic lab work closely with ND Department of Health
- the multidisciplinary food safety program provides broad interactions

Don Kirby, interim chair of the department of animal and range sciences, told board members he manages a diverse group including traditional animal science, range management, equine science, veterinary technology, and natural resources management. Kirby noted that the department recently hired an Extension sheep researcher and he reported that recruitments are ongoing for a meat specialist and equine instructor.

Bob Bahm asked Kirby about the direction and focus of the equine science program at NDSU and Kirby indicated that it is a work in progress. Bahm stressed the importance of narrowing down and developing a direction for the equine program for it to be successful.

Leslie Backer, agricultural and biosystems management chair, told board members that his department has teaching programs in two colleges with the ag and biosystems engineering major in the College of Agriculture, Food Systems, and Natural Resources and ag systems management in the College of Engineering. Teaching faculty are also involved the natural resources management and food systems programs. Backer noted some departmental research highlights include bioproducts, biosensors, and irrigation work. He indicated a new Ph.D. from Cornell was hired recently, adding that Vern Hofman plans to retire in the spring and there will be a real void in the department.

Cal Thorson, marketing specialist at the USDA-ARS Northern Great Plains Research Laboratory, provided SBARE with an overview of the work that is done at the facility. He noted several collaborative efforts with NDSU, Southwest Feeders in Hettinger, UND and soil conservation districts. He invited SBARE members to participate in their next customer focus group session July 20, 2006 in Mandan.

Jim Venette, interim chair in the department of cereal and food sciences, told SBARE the department continues to go through change and visioning to determine its future. There are currently three faculty in the department and the academic program was recently approved by the Institute of Food Technologists. Venette reported that a food technology management proposal has been submitted through the appropriate channels and they are waiting for approval.

Dave Lambert, agribusiness and applied economics chair, provided the following departmental highlights:

- Bill Wilson has worked very diligently and successfully on the Center for Ag Biotechnology proposal (with Phil McClean from plant sciences).
- Larry Leistriz is actively involved in a bioprocessing project with MBI, a research facility in Michigan, researching use of wheat straw for nanowhiskers.
- Won Koo is working with the North Dakota Congressional Delegation to provide an analysis of the Farm Bill that will be posted on the web.

- The department has a new specialist in public finance who has been encouraged to work on state public finance issues.
- Lambert is traveling on an Asian trade mission relating to specialty soybeans and development of markets.

Prior to moving into the NDSU administrative updates, the minutes of the November 29 SBARE meeting were approved as distributed (motion by Carol Goodman, second by Paul Langseth).

D.C. Coston briefed SBARE as follows:

- NDSU agriculture will sponsor a summit relating to scab issues at the North Central Research Extension Center in Minot on April 25.
- Thursday, July 13 is the date scheduled for the dedication at the Dickinson Research Extension Center.
- Two weeks ago, NDSU completed a site survey as part of an accreditation process conducted every ten years; initial reports are very positive.

Ken Grafton provided the following update:

- At the variety release meeting six new soybean varieties, a hard red spring wheat variety and an oat variety were approved for release.
- Special thanks to Bill Wilson, Phil McClean and Dennis Wiesenborn for their hard work developing the Center for AgBiotechnology proposal.
- Tim Faller is officially retired as director of the Hettinger Research Extension Center, but will work out of the experiment station director's office developing projects to enhance collaboration among research extension centers.
- Due to issues related to PeopleSoft, the Agriculture Budget Office has developed a shadow accounting system for budgeting.

Duane Hauck reported:

- A new Extension sheep specialist has been hired.
- Vern Hofman's pending retirement will leave a huge void and the leadership team is looking at the best way to proceed with filling the position.
- The Extension early childhood adolescent specialist position has been left vacant and the funds have been redirected to the Rural Leadership Program.
- There are currently several Extension agent vacancies.
- Winter Extension meetings have been very successful with outstanding attendance.
- The relationships following the integration of Extension and research have never been better.

Ken Grafton reported that D.C. Coston had a meeting with the NDSU Development Foundation and the greenhouse project funding co-chairs, Tom Archbold and Jim Broten, in early February to talk about plans for moving forward. Grafton complimented Coston for getting the green light and also for working with the Foundation to include the project as part of NDSU's "Momentum Campaign." Grafton said he is excited that Foundation Director Jim Miller is optimistic about the ability to raise funds for the greenhouse. He added that a feasibility study is being conducted to determine the best way to proceed.

Ole Aarsvold reported that he received an attorney general's opinion related to the questions raised by SBARE regarding member term limits. Aarsvold moved to include the official opinion as part of the SBARE record. Jerry Doan seconded the motion, which passed unanimously.

Jerry Effertz announced that following Edmund Goerger's resignation, he asked Larry Lee to chair the crops subcommittee and Lee agreed.

Effertz also announced that Doyle Lentz from Rolla will join SBARE July 1 when Jerry Doan's term expires.

Lori Capouch provided SBARE with an update on the Agricultural Research Fund reporting that there continues to be a steady decline in gas tax refund dollars. She said it is interesting to note that although the funding source is declining, the number of applications has increased. Capouch provided a list of funded projects for SBARE review and Tom Borgen made a motion to approve the project list as presented. Larry Lee seconded the motion which passed unanimously.

Jerry Doan reported that he, Larry Lee and Tim Bryan met to explore potential additional sources of funding for ARF, but they agreed the issue needs to be discussed with the governor's office to determine if there is support at that level before more effort is put into exploring other resources.

Rodney Howe, SBARE livestock subcommittee chair, reported:

- livestock farm financial situation in southwest is critical
- excited about hiring the Extension sheep specialist
- Hettinger has diversified some in cattle research, but the focus will remain with sheep
- it is important to know how research extension centers integrate and work together
- Beef Systems Center of Excellence
 - much information is proprietary
 - there have been ongoing changes after a conservative start
 - the fund drive for company capitalization is ongoing
 - SBARE's role is to approve partnership with private company
 - need to be flexible in this endeavor as this is a first step in keeping more cattle in the state

D.C. Coston reported that the legislation related to the two meat scientist positions calls for partnership with a private sector firm and SBARE's approval. Coston said what emerged is the formation of a new company, ND Natural Beef, LLC. The interim board of directors has endorsed moving ahead with a private placement memorandum. The board is looking at an existing 30,000 square foot facility in Fargo, with carcasses transferred to New Rockford. Six thousand feet of the space at the Fargo facility would be used for NDSU teaching and would be open to anyone anticipating being involved. While searching for meat scientists, it would be useful to have a cluster of applicants allowing for overlap which could provide a stronger candidate pool.

Jerry Doan stated that researchers need the chance to go the slaughter facility and Coston assured him that opportunity would be available and encouraged.

Upon reviewing and discussing the proposed memorandum Ole Aarsvold said he found the words "pre-paid lease" to be strange and asked what happens to the money NDSU invests if the venture is not successful.

When Doyle Johannes questioned what happens if the New Rockford plant goes away, Dr. Coston stressed the importance of understanding the separation between the private sector company and the NDSU piece.

Rodney Howe stated that even if the company fails, having a facility could help to attract another partner.

Jerry Effertz said he does support a memorandum of agreement, but wants to be sure to follow legislative intent and Aarsvold agreed the board should check with the Legislative Council regarding language.

Coston told board members that Bruce Bollinger, director of the Agriculture Budget Office, talked with the Legislative Council and the NDSU general counsel also reviewed the document.

Jerry Doan stressed the importance of the two beef specialists and stated that he was comfortable with the agreement.

Jerry Effertz questioned who in the Legislative Council office had agreed with the content of the memorandum.

Rodney Howe said he felt it is important to move ahead with the two beef positions and if Bruce Bollinger has talked with someone about the agreement it may be possible for him to follow-up with a written validation.

Howe made a motion to get a written opinion from the Legislative Council regarding language used in the memorandum of agreement to see if it meets legislative criteria. Tom Borgen seconded the motion which passed with Jerry Doan opposed. Follow-up discussions will continue at March 22 board meeting.

Al Schneiter talked with SBARE about a viticulture research project at NDSU and the plant science department's intent to approach the legislature asking to redirect some of the business privilege taxes toward a grape and wine program. Schneiter told members of the board that he is not requesting financial support from SBARE, but would appreciate endorsement. Following the discussion, Rodney Howe made a motion to endorse the concept of support for the viticulture proposal presented to SBARE by Schneiter. Carol Goodman seconded the motion, which passed.

Cathy McDonald, director of finance for the North Dakota University System, told SBARE members that Governor Hoeven is expected to release his budget guidelines on March 20. Shortly after that, the State Board of Higher Education is expected to release their biennial budget guidelines.

Jerry Effertz called on Vice President D.C. Coston to provide an overview addressing the budget plans based on input collected over the past several months. In sharing a printed draft document, Coston told SBARE members and others in attendance that the document shows NDSU ag has paid attention to the input gathered. Coston challenged those in attendance to look ahead and try to imagine North Dakota in 2025. He reviewed challenges, recommendations, and proposed list of initiatives, which he noted were an ambitious set of proposals that could help build a brighter future.

Board members were asked to read and review the list of initiatives and be prepared to discuss at the next SBARE meeting in Bismarck on March 22.

Jerry Effertz noted for the record that Senator Bill Bowman was not able to attend the day's meeting, but supports increased infrastructure and maintenance at the research extension centers.

Effertz also indicated he had received a letter from Harlan Klein, chair of the ARF Wheat Granting Committee, requesting state funding for a regional disease forecasting system, disease and insect survey, and double haploid wheat breeding program.

Effertz reminded SBARE members that the capital improvement budget was not included in the budget proposal.

The meeting adjourned at 12:30 p.m.

Recorded by Margaret Olson