



**Minutes of the Board of Agriculture**

I. CALL TO ORDER – The meeting of the Board of Agriculture was called to order on December 30, 2014 at 9:12 a.m. by Board of Agriculture Chairperson Scott Enright, at the Plant Quarantine Conference Room, 1849 Auiki Street, Honolulu, Hawaii 96819.

Members Present:

Scott Enright, Chairperson, Board of Agriculture  
Jerry Ornellas, Kauai Member  
Richard Ha, Hawaii Member  
Clark Hashimoto, Member-At-Large  
Lynn DeCoite, Maui Member  
Bill Tam Deputy Director for Water Resource Management for William Aila,  
Chairperson, Board of Land and Natural Resources  
Dr. Kenneth Grace, Associate Dean and Associate Director for Research of the  
University of Hawaii at Manoa College of Tropical Agriculture and Human  
Resources (CTAHR) for Dr. Maria Gallo, Ex Officio Member

Members Absent:

Glenn Hong, Member-At-Large  
Mary Alice Evans, Deputy Director, Department of Business, Economic  
Development and Tourism (DBEDT)  
Michelle Galimba, Member-At-Large

Others Present:

Brad Duff- Big Island Dairy  
Ed Boteilho Jr., Clover Leaf Dairy  
Jeri Kahana, Control Program Specialist/QAD  
Juanita Kawamoto Brown- Environmental Caucus of the Democratic Party of  
Hawaii (ECPH)  
Robert Brown- ECPH  
Janelle Saneishi, HDOA Chairperson's Office (CHR)  
Michael Opgenorth, HDOA/CHR  
Margaret Ahn, Deputy Attorney General, Attorney General's Office

II. APPROVAL OF MINUTES FROM 10/28, AND 11/25/14 MEETINGS

This agenda item was not discussed or voted on during this meeting.

1 III. COMMENTS FROM THE GENERAL PUBLIC ON AGENDA ITEMS (ORAL OR  
2 WRITTEN)  
3

4 See items IV. and V. below.  
5

6 IV. INTRODUCTION AND COMMENTS  
7

8 Chairperson Enright thanked the Board and the Deputy Attorney General for attending  
9 the board meetings. He then opened the floor for testimony.  
10

11 Juanita Brown Kawamoto expressed concerns about the impending vote and the impact  
12 that it would have on Cloverleaf Dairy.  
13

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15 V. COMMUNICATIONS FROM DIVISIONS AND ADMINISTRATION  
16

17 A. QUALITY ASSURANCE DIVISION  
18

- 19 1. Request by Hawaii milk producer for a waiver in accordance with the  
20 amendment to Section 4-60-10, Hawaii Administrative Rules, entitled,  
21 "Minimum prices in the Hawaii milk shed." Allowing milk producers in  
22 the Hawaii milk shed to petition the Board of Agriculture for a waiver to  
23 the minimum milk prices paid by distributors to producers.  
24

25 Jeri Kahana of the Quality Assurance Division presented a request for a waiver to allow  
26 Big Island Dairy and Clover Leaf Dairy, if they wish to, to sell milk at less than the  
27 minimum price in the Hawaii Milk Shed, if it can be demonstrated that the price takes  
28 into consideration certain standards specified in Section 157-32, HRS. It will be up to  
29 the Board whether the waiver should be granted or not.  
30

31 Chairperson Enright then asked if there is a dairy in the audience that would like to  
32 request a waiver.  
33

34 Brad Duff of Big Island Dairy approached the Board to request a waiver so they have  
35 the chance to sell their milk at a lower price than what is mandated by the Milk Act. He  
36 then made him self available for questions and comments.  
37

38 Chairperson Enright stated that one of the questions is the dairy's economic viability if  
39 this was granted.  
40

41 Mr. Duff stated that they have watched their own costs and business affairs, and they  
42 ran the numbers to ensure that they can be profitable if they do sell at lower than the  
43 current minimum price. They watched the markets and the numbers, and they felt the  
44 Big Island would be the market that would be profitable for them.  
45

1 Chairperson Enright then asked Mr. Duff if he looked at the financials and the situation  
2 looking forward.

3  
4 Mr. Duff said looking at future prices for milk, they anticipate the prices to follow what it  
5 trades for in the market. Big Island Dairy ran the numbers to verify that they are  
6 profitable, they are confident that after looking at their cost of doing business, they  
7 should be profitable moving forward.

8  
9 Motion to accept the: Decoite/ Ha


10  
11 Vote : 7/0

12  
13 Chairperson Enright then asked at that point if Clover Leaf Dairy would like to come  
14 forward and request a waiver.

15  
16 Mr Boteilho stated everything has been done and he was planning to stay within the  
17 Milk Control Act.

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19  
20 Meeting adjourned at 9:22 am

21  
22 Respectfully submitted,

23  
24 

25  
26 Michael L. Opgenorth  
27 Board Secretary