

# Minutes

## LOUISIANA DEPARTMENT OF AGRICULTURE & FORESTRY

Louisiana Agricultural Commodities Commission  
Veterans' Memorial Auditorium  
5825 Florida Blvd.  
Baton Rouge, LA 70806  
May 25, 2016  
9:30 a.m.

### I. Call to Order

Mr. Robert Hanks called the meeting to order at 09:30 a.m.

### II. Roll Call and Declaration of Quorum

#### Commission Members Present

Mr. Robert Hanks  
Mr. Donald Berken  
Mr. Filmore Bordelon  
Mr. Keith Henggens  
Mr. Ryan Ellington  
Mr. Donald Zaunbrecher  
Mr. Stephen Logan

#### Absent Members

Commissioner Strain  
Mr. David Bollich

There was a quorum of seven (7) members present.

#### Staff Members Present

Assistant Commissioner, Office of the Agro Consumer Services, Benjij Rayburn  
Director of the Louisiana Agricultural Commodities Commission, Kyra Fitzgerald  
Louisiana Department of Agriculture & Forestry Auditor, John Smith  
Louisiana Department of Agriculture & Forestry Auditor, Jeff Fabre  
Louisiana Department of Agriculture & Forestry Auditor, Royshard Rushing  
Louisiana Department of Agriculture & Forestry Auditor, Billy Benton  
Louisiana Department of Agriculture & Forestry Legal Counsel Lindsey Hunter  
Administrative Assistant IV, Bridgette Ott

### III. Adoption of Minutes – January 21, 2016

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Stephen Logan to approve the minutes. The motion carried unanimously.

### IV. Public Comment

Mr. Hanks asked if there was any public comment. There was none.

### V. Old Business

1. Self-Insurance Fund Claim

Due to a conflict of interest, board member, Ryan Ellington, recused himself from this discussion and any vote pertaining there to.

Mrs. Fitzgerald stated that a claim against the Self Insurance Fund (SIF) was received by the Louisiana Department of Agriculture and Forestry on June 22, 2014 by Agspring Mississippi Region, LLC (Agspring) due to a loss that was incurred on May 27, 2014 at which time Agspring were the holders of three warehouse receipts.

She reminded the commission that the Claim was presented to the Louisiana Agricultural Commodities Commission (Commission) at their meeting on June 26, 2014 for their consideration. After careful review, the Commission determined that the Claim was premature and that it could be reconsidered at a later date after the claimant had exhausted other remedies, to include a claim properly made with the insurance company that issued the stock insurance on the warehouse.

Mrs. Fitzgerald stated that after exhausting all other remedies, Agspring, again, pursued their claim of \$397,300 on the SIF at the meeting of the Commission on May 25, 2016. Agspring was represented by Bert Farrish, CEO, Ron Miller, Sr. Vice President Business Development and Jacob Weixler, attorney for Agspring Mississippi Region, LLC.

Mr. Weixler, presented to the Commission documentation indicating that Agspring did as the Commission recommended and exhausted all other remedies, including, filing a claim against Winstboro Elevator, LLC's (Winstboro) insurance company as well as filing civil suit against Winstboro in an attempt to collect the monies owed, which were in excess of \$1.1 million dollars. Mr. Weixler also confirmed with the Commission that Agspring understands that the most that they could collect from the SIF is the amount of security held by Winstboro, in the amount of \$397,300.

The Commission then decided to go into Executive Session in order to discuss the matter further and to make a determination as to whether Agspring had exhausted all of its remedies and therefore had a valid claim under the requirements set forth in Title 37 Part IX. Agricultural Commodities Chapter 1. Self-Insurance Fund Regulation under the Administrative Procedure Act.

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Donald Zaunbrecher to go into Executive Session. The motion carried unanimously.

A motion was made by Mr. Stephen Logan and seconded by Mr. Filmore Bordelon to come out of Executive Session. The motion carried unanimously.

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Stephen Logan to pay the claim of \$397,300.00 from the Self-Insurance Fund to Agspring Mississippi Region, LLC for the loss incurred in May of 2014. The motion passed unanimously.

VI. Consideration of License Applications for Approval:  
(Renewal Applications)

A motion was made by Mr. Keith Hensgens and seconded by Mr. Donald Berken to go into Executive Session. The motion carried unanimously.

A motion was made by Mr. Donald Zaunbrecher and seconded by Mr. Filmore Bordelon to come out of Executive Session. The motion carried unanimously.

A. Cotton Merchants and Grain Dealer

1. Cargill, Incorporated
2. Louis Dreyfus Commodities, LLC

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Donald Berken to approve the following Cotton Merchant and Grain Dealer license applications: #1 Cargill Incorporated, #2 Louis Dreyfus Commodities, LLC. The motion carried unanimously.

B. Cotton Merchant

1. Carolinas Cotton Growers Cooperative, Inc.
2. Staple Cotton Cooperative Association
3. The Seam, LLC

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Ryan Ellington to approve the following Cotton Merchant license applications: #1 Carolinas Cotton Growers Cooperative, Inc., #2 Staple Cotton Cooperative Association, #3 The Seam, LLC. The motion carried unanimously.

C. Grain Dealer

1. Archer-Daniels-Midland Company
2. Beaumont Rice Mills, Inc.
3. BU Growers, LTD
4. Bunge North America, Inc.
5. Bunkie Elevator & Gin Company, Inc.
6. Commodity Specialists Company
7. Farmers Grain Terminal, Inc.
8. GulfRice Milling, Inc.
9. Harvest Rice, Inc.
10. Lansing Louisiana, LLC
11. Louisiana Farm Bureau Marketing Association, Inc.
12. Pilgrim's Pride Corporation
13. Pointe Coupee Farmers Elevator, Inc.
14. Producers Rice Mill, Inc.
15. Purina Animal Nutrition, LLC
16. Ragan & Massey, Inc.
17. The Andersons, Inc.
18. The Scoular Company

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Ryan Ellington to approve the following Grain Dealer license applications: #1 Archer-Daniels-Midland Company, # 3 BU Growers, LTD, #4 Bunge North America, Inc., #5 Bunkie Elevator & Gin Company, Inc., #6 Commodities Specialist Company, #7 Farmers Grain Terminal, Inc., #8 Gulf Rice Milling, Inc., #9 Harvest Rice, #10 Lansing Louisiana, LLC, #11 Louisiana Farm Bureau Marketing Assoc., Inc., #12 Pilgrim's Pride Corporation, #13 Point Coupee Farmers Elevator, Inc., #14 Producers Rice Mill, Inc., #15 Purina Animal Nutrition, LLC, #16 Ragan and Massey, Inc., #17 The Anderson, Inc., #18 The Scoular Company. The motion carried.

A motion was made by Mr. Donald Berken and seconded by Mr. Stephen Logan to approve Grain Dealer license applications: #2 Beaumont Rice Mills, Inc. The motion carried with Mr. Filmore Bordelon abstaining.

D. Warehouse

1. Crowley Rice Drier Co-Op, Inc.
2. Jones Producers Gin, Inc.
3. Producers Rice Drier
4. Tri-Parish Rice Drier

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Keith Hensgens to approve the following Warehouse license applications: #1 Crowley Rice Drier Co-Op, Inc., #2 Jones Producers Gins, Inc. and #4 Tri Parish Rice Drier, with #1 Crowley Rice Drier Co-Op, Inc. going into the Monitoring Program. The motion carried. Mr. Donald Berken abstained from voting on Warehouse license applications, #1 Crowley Rice Drier Co-Op.

A motion was made by Mr. Donald Berken and seconded by Mr. Keith Hensgens to approve #3 Producers Rice Drier. The motion carried. Mr. Filmore Bordelon abstained from voting on Warehouse license applications, # 3 Producers Rice Drier.

E. Grain Dealer and Warehouse

1. Fenton Rice Cooperative
2. Holly Ridge Rice & Grain
3. Lake Arthur Rice Drier, Inc.
4. Louisiana Rice Mill, LLC
5. Mannou Rice Drier and Warehouse, Inc
6. Third Crop, LLC
7. Victory Supply, Inc.

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Ryan Ellington to approve the following Grain Dealer and Warehouse license applications: #1 Fenton Rice Cooperative, #2 Holly Ridge Rice & Grain, #4 Louisiana Rice Mill, LLC, #5 Mannou Rice Drier and Warehouse, Inc, #6 Third Crop, LLC, and #7 Victory Supply, Inc. The motion carried. Mr. Robert Hanks abstained from voting on Grain Dealer and Warehouse license application, # 4 Louisiana Rice Mill, LLC and Mr. Donald Berken abstained from voting on Grain Dealer and Warehouse license application #1 Fenton Rice Cooperative Louisiana Rice.

A motion was made by Mr. Donald Berken and seconded by Mr. Donald Zaunbrecher to approve the following Grain Dealer and Warehouse license application: #3 Lake Arthur Rice Drier, Inc. Mr. Filmore Bordelon abstained from voting on Grain Dealer and Warehouse license applications, #3 Lake Arthur Rice Drier, Inc. The motion carried.

VII. New Business

Mr. Benjy Rayburn stated that due to the nominations received by appointing associations for the Louisiana Agricultural Commodities Commission, there will be three new members replacing three of the current members of the board. These new members will be sworn onto the board at the next meeting. Mr. Rayburn also stated that he was very appreciative of the current board members for all of their hard work and diligence in making this a very involved and productive board.

VIII. Public Comment

Mr. Robert Hanks asked if there was any public comment. There was none.

IX. Date for the Next Meeting

The date of the next meeting is scheduled for June 27, 2016 at 9:30 a.m.

X. Adjournment

A motion was made by Mr. Filmore Bordelon and seconded by Mr. Keith Hensgens to adjourn the meeting. The motion carried unanimously.

  
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Mr. Robert Hanks, Chairman