

**DEPARTMENT OF FOOD AND AGRICULTURE
FEED INSPECTION ADVISORY BOARD (FIAB) MEETING**

**Stanislaus County Farm Bureau
1201 L Street, Modesto, CA 95553
(209) 522-7278**

**February 24, 2015
MINUTES**

MEMBERS

John Walth, Chair
John Kauffmann, Vice Chair
Bob Berczynski
Marit Arana
Michael Koewler
Paul Parreira
Thomas Prokop
Tim Riordan
John Silva

CDFA

Amadou Ba
Chris Hansen
Elaine Wong
Jenna Areias
Jennifer Goucher
Killeen Sanders
Maria Tenorio
Marilyn Boehnke
Mike Davidson
Nirmal Saini
Rick Jensen
Samantha Moran
Theodore Bert

INTERESTED PARTIES

Doug Stabelfeld
Keela Retallick
Kelly Covello
Michael Kelley
Robert Donnelly
Russell Pate
Tad Bell

INTRODUCTIONS AND ANNOUNCEMENTS

Mr. John Walth, Chairman, called the meeting to order at 9:00 a.m. Self-introductions were made and a quorum was established.

Dr. Amadou Ba advised the Board of changes to the Bagley-Keene Open Meeting Act (Act), and informed the board an electronic copy of the Act will be sent to board members upon request. Dr. Ba highlighted the relevant rules:

1. For all action items at board and committee meetings, the 'yes', 'no', or abstention vote must be recorded for each member present and itemized by name in the minutes.
2. The option to receive meeting notices and agendas by regular mail, email, or both must be offered to board members and interested parties.
3. The meeting agenda must include all items to be discussed, and an item may not be broad or overall; the topic "Additional Items" has been replaced with "Agenda Items for Future Meetings" to provide the opportunity for members and the public to suggest items for future meetings.
4. The public is not required to sign in or identify themselves in order to attend board and committee meetings.

Dr. Ba reported a statement was added to the interested party sign-in sheet to advise interested parties they are not required to sign in.

APPROVE MEETING MINUTES

Chairman Walth requested the board review the minutes from the September 23, 2014 meeting.

MOTION: Mr. Michael Koewler moved to approve the September 23, 2014 minutes as submitted. Ms. Marit Arana seconded; the motion passed unanimously.

BOARD VACANCIES

Mr. Thomas Prokop reported on April 30, 2015 there will be three vacancies on the FIAB. Six applications were received; three of those were current board members. All six applicants were qualified, though one was geographically challenged as he is located out of the country. After review and discussion of the nominees' qualifications, it was decided that the diversity of the three current board members applying to serve another term on the board is the best fit. Ms. Marit Arana, Mr. John Kauffmann, and Mr. Paul Parreira were recommended for appointment. It was further recommended that anyone interested in serving on the board should regularly attend board meetings.

MOTION: Mr. Timothy Riordan moved to appoint Ms. Marit Arana, Mr. John Kauffmann, and Mr. Paul Parreira as regular board members. Mr. Bob Berczynski seconded the motion; the motion passed unanimously.

DEPARTMENT / DIVISION / BRANCH UPDATES

Mr. Rick Jensen provided the board with Department and Division updates. He stated on January 26, 2015, the Governor announced that Mr. Jim Houston, previously Deputy Secretary of Legislation for CDFA, was appointed as Department Undersecretary. Jennifer "Jenny" Lester Moffitt was appointed as Deputy Secretary.

Dr. Ba provided the board with Branch updates. He stated Ms. Jenna Areias, who has been on an out-of-class assignment as the Feed and Livestock Drugs Program Supervisor has been officially appointed to the position as an Agriculture Program Supervisor IV. Mr. Theodore Bert and Ms. Samantha Moran were appointed as permanent, full-time Feed, Fertilizer and Livestock Drug Inspectors in the program.

FUND CONDITION

Ms. Areias stated, as of December 31, 2014, the total funds for the Feed program were \$1,375,309; total funds for SAFE were \$121,375. The total combined funds were

\$1,496,684. Total combined revenue was \$2,035,162; combined expenditures were \$1,515,518; combined encumbrances were \$118,462; the adjusted ending balance was \$1,897,866.

Ms. Areias reported the total tonnage for fiscal year (FY) 2013/14 was approximately 20.1 million; total tonnage for the first two quarters of FY 2014/15 was approximately 11.3. The program budget is on track with tonnage reporting and revenue.

FEED PROGRAM UPDATES

Ms. Areias presented details on Senate Bill (SB) 27, introduced by Senator Hill on December 1, 2014. She reported this bill, which restricts the use of antibiotics for livestock, is a new version of SB 835 which was vetoed by the Governor on September 30, 2014. CDFA is now working with the Animal Health Branch and other agencies to develop processes in direct response to the Governor's veto letter. SB 27, if passed, would make it unlawful to give "medically important" antimicrobial drugs to livestock solely to increase weight gain or improve feed efficiency. As written, this bill would mandate CDFA to develop a process to track the use of these drugs and antibiotic-resistant bacteria and patterns of emerging resistance, and provide a summary report of the findings to the legislature annually on March 1. CDFA would only be required to track usage - not sales specifically. CDFA would further be required to create an antibiotic stewardship program with guidelines for "judicious use" of antimicrobial drugs. This bill would likely take effect January 1, 2016. Currently, there is no funding associated with the bill.

Mr. Mike Davidson noted the intent of SB 27 is to keep the antimicrobial stewardship program within the Livestock Drug Program. He suggested the program develop a two-tier structure to cover the extra costs of the program. One tier for regular drugs and one for restricted.

Ms. Areias reported the Division was exploring options to better track and be accountable for employee time. The new time-tracking system, designed to clearly identify the costs of each program, was implemented February 2, 2015. Employees are now entering the amount of time they spend each day on specific tasks, per program, in 30-minute increments. The program has the ability to query and track by employee or program activity. By the end of the year, there should be a clear picture of the actual costs of each program and activity.

Ms. Areias stated the previous Certificate of Free Sale service was not self-supporting. The Food and Agricultural Code states fees should pay for the services rendered. The fee remained \$100 per certificate, but in 2014 the structure of the certificates changed. One certificate must be for one product, instead of having multiple products on one certificate. The certificate revenue for 2014 was \$14,500, compared to approximately \$4,100 annual revenue in previous years. The certificate service is now self-supporting.

Chairman Walth recommended that information be added to the website advising that a certificate request should be submitted a minimum of six days before it is needed.

Ms. Areias reported the program invested a significant amount of time preparing CDFA's comments on the revised Food Safety Modernization Act (FSMA) proposed regulations that were submitted to FDA in December 2014. A copy of the 12-page comments letter was provided to the board members.

Ms. Areias presented an update on the self-assessment the program is conducting under Standard 9, Assessment and Improvement, one of the eleven Animal Feed Regulatory Program Standards (AFRPS). Mr. Gary Castro, the program's AFRPS coordinator, is making good progress. The assessment should be completed in April 2015, which will allow sufficient time for review prior to the September 2015 due date. Under the program's contract with the FDA, it will receive \$10,000 to complete the self-assessment and submit a form to the FDA certifying whether it meets, partially meets, or does not meet each of the 11 Standards, including a timeline of when the program will meet each standard that it has not met or has only partially met. In May 2015, Mr. Castro will be attending FDA's AFRPS training in Texas.

FIELD ACTIVITIES REPORT

Mr. Davidson reported a case of Bovine Spongiform Encephalopathy (BSE) was confirmed in a beef cow in Canada. Canada's food inspection agency immediately began an investigation; no determination has yet been made as to whether it is a spontaneously occurring case. The carcass did not enter human food or animal feed systems. All animals of equivalent risk will be destroyed and tested for BSE.

Mr. Davidson gave an update on Process Verification Inspections (PVIs). PVIs are overview inspections; the PVI report is not a regulatory document and there is no violation or written regulatory issue associated with it. The program tracks proficiency areas so industry can see where it may be lacking. "Incomplete compliance" occurrences were worst in the areas of production records; purchasing and receiving feed ingredients; quality control and laboratory analysis; and recall and complaint procedures.

Mr. Davidson stated the program did not receive the Federal contract email assignments, as the file was too large. The program, which is now the main entity conducting trace back investigations for illegal Tissue Residue (TR), made up time by doing almost half of the contract work in one month. The program completed 46 TRs in the month of November 2014; there were also 14 new assignments. Under the feed contract, 17 prohibited material handlers, 24 anytime BSEs, 15 non-licensed GMPs, and 20 BSEs were assigned.

Mr. Davidson reported he is on the FDA Alliance for Animal Food Outreach, which is working on a hazard analysis guidance document for small firms. They are starting with a

human food guidance document and are working to edit it for feed. The program will submit a more practical guidance document it has developed for hazard analysis to the co-chairs of the Alliance.

Mr. Davidson stated the program is moving into phase II in working with the firms on PVIs, which will include FSMA compliance in hazard analysis and risk-based preventive controls in addition to Good Manufacturing Practices (GMPs). The Alliance is envisioning FSMA compliance in three binders for the desktop of a manager.

Mr. Davidson reported on medicated feed analyses. The program has been in discussion with other states about the analytical variation for monensin. The assay limit given for the drug, plus or minus 15 percent, is for a laboratory analytical variation. The program has been getting a high violation rate on monensin. All other major agriculture states are using the assay limit in the Association of American Feed Control Officials (AAFCO) manual, which is 30 percent plus or minus, double the 15 percent CDFR has been using. Because it is not a feed safety issue, the program has adopted the 30 percent AAFCO standard. As of January 2015, per recommendation of the FIAB's working group to align with AAFCO, the program adopted the AAFCO analytical variation acceptances.

Mr. Davidson reported he attended the AAFCO Mid-Year meeting in San Antonio, Texas, where he provided the FSMA outreach materials developed by the Safe Animal Feed and Education Program (SAFE) to the AAFCO board. Mr. Davidson was also able to meet with the FDA and the Alliance. He attended the branch's field staff meeting in Oxnard, California, to set yearly objectives. The FDA Institute and the University of California are developing a curriculum for training for a regulatory feed program from inspector to management. Mr. Davidson attended a one week FDA International Food Protection Training Institute program in Davis, and also attended a one-week training in Rockford, Maryland last year to assist in developing and reviewing these regulations and education materials. They have identified most of the areas training would be required.

Chairman Walth stated the National Cotton Council of America decided not to comment on the FSMA animal food rules because they believe all cotton gins would be exempt.

Mr. Davidson reported the corn crop survey is ongoing; 2013 was exceptionally good corn with no significant mycotoxin concerns. Statistical information is not yet available for the 2014 corn crop, but there have been no reports of any concerns. The PVIs are continuing; all of the violations are being documented, tracked, and followed up upon.

Ms. Areias stated all the initial PVIs have been conducted. Since January 2015, the program has been focusing on conducting more incoming ingredient samples in order to help with sample verification. With hazard analyses, the verification samples of ingredients will be available to assist firms with the hazard analysis, especially for the 55 firms deemed as high risk.

Mr. Davidson stated category 1 firms are high risk and category 2 firms mix ingredients together. If a firm in category 1 or 2 has a low violation rate, the program will be sampling what it buys with the intent to connect it with a risk. He reminded the board the 2013 Working Group recommended the program's primary focus for sampling be feed and food safety, and its secondary focus is label compliance.

Ms. Kelly Covelo stated the final results of the almond hulls split sample survey from Almond Hullers and Processors Association (APHA) were shared with Ms. Elaine Wong, and her staff prepared graphs from the data; a copy of the graphs was provided to the board. The general conclusion of the study is that there is no significant trend. There is not one lab that is remarkably similar to or different from the CAC lab; the differences vary by analysis. However, because the lignin analysis had an 8 percent difference in lab results, which is a concern to AHPA, it was decided it would be necessary for the labs to discuss processes and procedures. APHA and CDFA will work together to set up a meeting with the labs to ensure all labs are using the same procedures so the results are as close as possible. Ms. Covelo also reported APHA started collecting voluntary samples in 2013. They had originally aimed for 1,000 samples; after this season, they have received 1,695 samples. APHA will keep the board updated going forward on outcomes from its task force meetings.

SAFE PROGRAM ACTIVITIES UPDATE

Ms. Jennifer Goucher reported activity totals from August 2014 through the end of January 2015 were 260 inspections, 380 samples taken, 23 PVI's, 64 tissue residue, and 26 BSE. A brochure she developed was provided to the board. It contained information about the pre-requisite program, the SAFE website, and a list of industry resources. The pre-requisite program information has been uploaded to both the feed and fertilizer program web pages and includes links to sample Standard Operating Procedures (SOP) with instructions to guide firms. The SOPs also list any forms, checklists, or other documents that go with the particular SOP. The 2014 sampling summary reports are being reviewed and compiled and the results will be posted soon. SAFE is working with Ms. Wong from the Center for Analytical Chemistry (CAC) to hold an information exchange meeting this spring between the lab and field staff to share perspectives on sample collection and analysis. A workshop for FSMA preparation is tentatively scheduled for the fall.

LAB REPORT/UPDATES

Ms. Wong reported the CAC has several employees taking extensive time off. These employees have over the maximum number of allowable leave hours and are on a mandatory vacation reduction plan per department policy. The resultant understaffing has prevented the lab from meeting its goal to keep processing time under 21 days. The total feed samples the CAC received from January 1 through December 31, 2014 was 764. The routine samples received were 462; priority samples were 30, partial rush samples

were 52, and rush samples were 220. The average assays requested per sample was 4.92; the total assays requested were 3,759; routine assays were 2,573; and rush assays were 1,186.

FUTURE MEETING AGENDA ITEMS

Chairman Walth reported at previous meetings, one of the last agenda items was Additional Items. With the recent amendments to the Bagley-Keene Open Meeting Act, issues cannot be discussed in detail that is not on the agenda. Please bring up any business for the board now that you would like added to the agenda for the next meeting. These items will only be discussed as necessary to determine whether they should be included as agenda items for a future meeting. The agenda must be distributed and posted to the internet along with the meeting notice at least 10 calendar days before the meeting. No items can be added to the agenda after the notice, unless the amended agenda can be distributed and posted at least 10 days prior to the meeting. An email requesting agenda items will be sent to the board before the next meeting. Any agenda items need to be received a few business days prior to the required 10 days. Two weeks should be the very latest to submit an agenda item to allow time for it to be approved and added to the agenda.

Mr. Riordan asked to have an "Information Technology (IT) update and discussion" on the next agenda to review the progress of the database improvements, such as being able to view current and past analysis of individual ingredients. He further stated there is a possibility a student could be funded by out-side sources to work on the database.

Mr. Paul Parreira gave two suggestions for perpetual agenda items for the board meetings. One, an agenda item for updates on almond hull issues from the AHPA ongoing working group task force; this could be a bullet under the field activity report. Two, an agenda item titled "board member reports and assessments".

Mr. Jensen stated it is important this board follows the Open Meeting Act. He noted the Attorney General's Office (AGO) gave a clear directive that items not included on the agenda may not be discussed in detail, even if no action is to be taken by the agency. Additionally, the AGO gave instruction that general agenda items such as "New Business," "Old Business," "Executive Officer's Report," "Committee Reports," "President's Report," "Miscellaneous," etc., without specifying the particular matters thereunder, cannot be used to circumvent this requirement; items need to be reasonably specific.

Mr. Jensen suggested an agenda item for an update on CalRecycle's regulations, about the potential impact to some of the coproducts the industry has within the state, such as almond hulls.

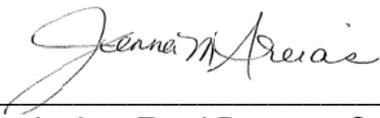
NEXT MEETING

The next meeting will be June 18, 2015, at 9:00 a.m. in Modesto.

MOTION: Mr. Michael Koewler moved to adjourn the meeting; Mr. John Kauffmann seconded. The motion passed unanimously.

The meeting was adjourned at 11:30 a.m. by Chairman Walth.

Respectfully submitted by:



Jenna Areias, Feed Program Supervisor
Feed, Fertilizer and Livestock Drugs Regulatory Services

2/24/15
Date