

## Meeting of the Board of Directors

250 – 32160 South Fraser Way  
Abbotsford, BC V2T 1W5

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**Strategic:** Identify key opportunities and systemic challenges and plan for actions to effectively manage risks and take advantage of future opportunities.

**Accountable:** Maintain legitimacy and integrity through understanding and discharging responsibilities and reporting performance.

**Fair:** Ensure procedural fairness in processed and decision-making

**Effective:** A clearly defined outcome with appropriate processed and measures.

**Transparent:** Ensure that processes, practices, procedures & reporting on exercise of mandate are open, accessible and fully informed.

**Inclusive:** Ensure that appropriate interests, including the public interest, are considered.

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### MINUTES of Board of Directors Meeting

**Date:** July 18-19, 2018

**Location:** BCEMB Boardroom

**BOARD IN ATTENDANCE:**

Gunta Vitins, Chair  
Walter Siemens, Board Member  
Aryn Alibhai, Board Member  
Barry Lockwood, Board Member  
Matt Vane, Board Member

**STAFF IN ATTENDANCE:**

Katie Lowe, Executive Director  
Joey Aebig, Manager, Operations & Logistics  
Erin Duetta, Manager, Finance  
Amanda Brittain, Manager, Communications & Marketing  
Nicole Thompson, Executive Assistant

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#### **CALL TO ORDER**

Chair, Gunta Vitins, called the meeting to order at 9:32am on July 18, 2018.

#### **ADOPTION OF AGENDA**

The agenda was adopted as amended.

4.11 MISC Update

4.12 Freedom of Information Request

#### 1. **APPROVAL OF MINUTES**

1.1. Approval of the Minutes of June 18, 2018  
**R18-067** It was MOVED and SECONDED

THAT the Board of Directors approve the Minutes of June 18, 2018 as presented.

CARRIED

1.2. Approval of the Minutes of June 19, 2018  
**R18-068** It was MOVED and SECONDED

THAT the Board of Directors approve the Minutes of June 19, 2018 as presented.

CARRIED

- R18-069** 1.3. Approval of the Minutes of June 28, 2018  
It was MOVED and SECONDED

THAT the Board of Directors approve the Minutes of June 28, 2018 as presented.

CARRIED

- R18-070** 1.4. Approval of the Minutes of July 3, 2018  
It was MOVED and SECONDED

THAT the Board of Directors approve the Minutes of July 3, 2018 as amended.

CARRIED

- R18-071** 1.5. Approval of the Minutes of July 4, 2018  
It was MOVED and SECONDED

THAT the Board of Directors approve the Minutes of July 4, 2018 as presented.

CARRIED

- R18-072** 1.6. Approval of the Minutes of July 6, 2018  
It was MOVED and SECONDED

THAT the Board of Directors approve the Minutes of July 6, 2018 as presented.

CARRIED

- R18-073** 1.7. Approval of the Minutes of July 9, 2018  
It was MOVED and SECONDED

THAT the Board of Directors approve the Minutes of July 9, 2018 as presented.

CARRIED

- R18-074** 1.8. Approval of the Minutes of July 11, 2018  
It was MOVED and SECONDED

THAT the Board of Directors approve the Minutes of July 11, 2018 as presented.

CARRIED

## **2. BUSINESS ARISING/ACTION LIST**

### **2.1 2018 Board Calendar**

The 2018 Board Calendar was presented for information.

**Action:** Staff was directed to send out a meeting invite for the November 30<sup>th</sup> EPA meeting with EFC and producers from 1-4pm.

## **3.0 STAKEHOLDER ENGAGEMENT**

### **3.1 EFC Update**

An LDA update was provided which included discussions regarding provincial quota allocations, growth allowances and levies. The Committee is reviewing intricacies and consistencies across the provinces.

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The Board discussed the updates provided and potential ramifications for BC. Feedback was also provided regarding the Summer Meeting in Calgary.

### 3.2 Egg Nutrition Label

BC Egg contracted the University of Alberta to conduct a study on the nutritional content of eggs raised in different housing systems (caged, free run and free range) to determine if different hen housing types affect the nutritional content of the egg.

The Board discussed what the results might mean for the industry, what parameters were included for the eggs sent to the university, and their support of the project.

### 3.3 Market Responsive Roundtable

The roundtable is scheduled for September 24-25 with key stakeholders and will allow BC Egg to discuss how we can be more responsive to changes in the market in a timely manner.

The Board reviewed the current invitation list and discussed additional stakeholders to be invited.

**Action:** Staff was directed to invite additional stakeholders discussed.

### 3.4 CCFI Talking Transparency Webinar Notes

Staff attended a CCFI webinar on June 26, 2018. Notes taken by the staff in attendance were presented for information.

**Action:** Staff was directed to send the CCFI report to the Chair.

### 3.5 SPCA Update

Despite two requests from the Chair to the SPCA to schedule a telephone meeting, the SPCA did not respond. Further outreach attempts to the SPCA will commence in early September.

### 3.6 Timelines and Gaps

Through an activist video supplied to the media, an animal welfare concern was identified on a farm due to the facilities no longer being suitable for layer production. Steps were taken by the Board and Staff to manage the situation in both the media and the industry. BCEMB's media philosophy is to be proactive with responses to media outlets and to be prepared for any interview opportunities. The timelines were provided for information.

The Board discussed how BCEMB's media philosophy differs from EFC's and provided support to Staff to continue with their media strategy. The Board also discussed ways to improve optics for the catching process.

The Board discussed the timeline document and what items should be added to it. EFC programs and timelines were also discussed, along with how BCEMB is putting steps in place to mitigate the gaps. The steps will also include a revised process for when CARs are not completed by producers, which includes PMC and Board notification.

The Board also discussed the steps being taken to remove the birds from the condemned barns and to deal with the eggs held at GVF.

**R18-075** It was MOVED and SECONDED

THAT the Board of Directors exercise its right under Section 11 (1) of the BC Egg Marketing Scheme to purchase the regulated product from [REDACTED], currently being held by GVF for a total amount of \$1.

CARRIED

**Action:** Staff was directed to work with the other poultry boards and catching companies to create strategies to improve optics regarding the catching process.

**Action:** Staff was directed to reconcile accounts with EFC regarding the costs to hold the eggs.

**Action:** Staff was directed to copy the applicable producer on CAR communications sent to EFC.

### 3.7 Collective Bargaining Update

BCEMB has commenced collective bargaining with Teamsters. Management is working with Bill Hartley to represent the BCEMB during the bargaining process. An update was provided for discussion.

The Board provided feedback and direction to Staff.

**Action:** Staff was directed to speak with BCMMB regarding their industry standards.

**Action:** Staff was directed to research a corporate footwear program with Marks.

### 3.8 BCEMB Strategic Planning Update

BCEMBs Strategic Planning Session is scheduled for October 3-4 in Nanaimo and it was previously discussed that a facilitator for the meeting would be beneficial. In addition, this person could also be invited to the Market Responsive Roundtable and future Strategic Planning sessions.

The Board agreed with the direction.

**Action:** The Chair will request a proposal from a consultant and contact the BCMMB for a reference.

### 3.9 PLOs

Management has received concerns from our PLOs that their workload is too high. Office staff has made numerous accommodations over the last two years to help reduce the workload but concerns continue to arise. To ensure that BCEMB has adequate resources to satisfactorily complete all duties assumed and directed by the Board, Staff presented background details regarding the programs and responsibilities PLOs are accountable for and recommendations for discussion.

The Board discussed the options provided by Staff, suggested additional options, and provided direction to Staff.

**Action:** Staff was directed to determine who completes SE testing in other provinces.

**Action:** Staff was directed to create clear documentation defining the roles and responsibilities regarding EFC programs and to ensure EFC's understanding and involvement with the restructuring.

### 3.10 NPP Survey Results

BCEMB is reviewing the effectiveness of its New Producer Program to establish if there is an opportunity to improve the policies that surround incentive quotas issued under the New Producer Program set forward in Part IV of our Consolidated Orders. The NPP survey was sent out June 5, 2018, to 335 stakeholders and a copy of the survey was posted to our website for public comment. In total BCEMB received 94 completed responses. Results from the survey and a letter from the EPA were provided for information.

The Board discussed the highlights from the survey and EPA's suggestions. It was agreed that all information should be included in the draft consultation document which should be completed prior to the Market Responsive Roundtable.

The Board also discussed the New Producer Programs in other provinces, mentorship and training options, and providing additional information to the public so applicants have a better understanding of the NPP application process.

**Action:** Staff was directed to provide a draft consultation document at the August meeting.

#### **4.0 OPERATIONS**

##### **4.1 Redeveloped Animal Care Program**

The EFC ACP Redevelopment Project Team has established a working draft of the ACP audit for Code sections 2, 3, and 4 for which EFC is requesting feedback. The working draft and BCEMB's proposed feedback letter were presented for discussion.

The Board agreed with the letter and discussed the need for a manual for producers which included all of the program amendments.

**Action:** Staff was directed to send the letter to EFC by July 20, 2018.

##### **4.2 Pullet Animal Care Checklist**

To foster a robust audit program for our BC pullets, BCEMB is proposing to develop a checklist that will help pullet growers assess their facilities and practices in comparison to the standards in the 2017 Code of Practice and current industry best practices.

The Board discussed the details of a BC checklist and potential process, as well as completing a poll with producers to determine who is growing pullets, their capacity and production type.

**Action:** Staff was directed to draft a timeline for the process and a BC checklist.

##### **4.3 SCSC Management Audit**

BC has been selected for review to demonstrate compliance with our national OFFSP initiatives. 2018 is the first year that this compliance audit is being conducted in BC. The purpose of the Annual Review of Outsourced Activities Checklist is to assist the egg board/EFC in determining if there is conformance and effectiveness of the processes identified in the Administrative Manual and MOU agreed to by the egg board and EFC.

At this time EFC has conducted a pre-audit of BC's delivery and implementation of the SCSC program. A copy of the audit report was provided for information. A full audit will be conducted the week of July 23, 2018 by the third party auditor.

##### **4.4 NPP Producer Update**

A 2015 NPP producer has placed a flock in excess of their quota without the necessary QCs to maintain the flock. On June 11, staff sent an email to the producer requesting his strategy to remedy his QC deficit and informed him that this matter would now be referred to the Board. The email also requested an update on his progress as a self-sufficient producer vendor as the information we had previously received demonstrated that little progress had been achieved. An update was provided for discussion.

The Board discussed the recommendations by Staff, the producer's producer-vendor status and the requirements for that producer designation. The Board also discussed having graders sign off on all quota trades.

**Action:** Staff was directed to draft a letter to the producer, to be provided to the Board for review.

##### **4.5 Catching Forms and Licensing**

To ensure that all persons who are involved in handling hens follow the Codes of Practice for laying hens, Staff will be meeting with the managers of the poultry boards to discuss a united response to BCFIRB's directive. BCEMB Staff have also been working with Elite on options for improvements to the process. The Load Out Report was provided for discussion.

The Board provided feedback on the Load Out Report, discussed covered areas for loading, monitoring processor reports and provided further direction to Staff.

**Action:** Staff was directed to proceed with the directions as discussed and to have further conversations with Elite.

**Action:** Staff was directed to amend the Load Out Report and provide it to the Board for final approval.

4.6 Grade C Egg Pricing Adjustment

BCEMB was provided with the 2017 egg pricing of provincial boards for smalls, mediums, pee wee and B/C grades. Additional methodology was also provided by EFC regarding their method for determining the price spread for Provincial C Grade Price. This information was presented for discussion.

The Board discussed the information provided, including B grade, and agreed the details should be brought to EIAC for review.

**Action:** Staff was directed to have EIAC review the pricing details.

**Action:** Staff was directed to further review B grade to determine if it is being used.

4.7 Barn Fitness

To ensure that every barn in BC is suitable to house the hens cared for by our producers, BCEMB is recommending that a process be put in place to identify aged barns and equipment and prevent birds from being placed in barns that are not fit for maintaining our animal welfare expectations. BCEMB's expectation of the producer to provide suitable housing and monitor the needs for the birds under their care remains unchanged. BCEMB staff is certain that every producer shares a similar objective.

The Board agreed with the concept and that the PMC should be responsible for completing the assessment. If a facility is found to be a concern, the details would be brought to the Board for a decision. Further details regarding the process were discussed and it was agreed that once a procedure has been approved, it should be presented to the EPA for consultation.

The Board also discussed that there are a select number of facilities that may currently be operating beyond their useful life and would benefit from further investigation. It was agreed that these producers would be invited to meet with the Board to discuss the situation further.

**Action:** Staff was directed to complete a draft message to be approved by the Board informing producers that a new policy is forthcoming. The message is to be included in the August Scrambler.

**Action:** Staff was directed to draft a letter inviting the producers in question to meet with the Board.

4.8 Production Restrictions

BC Egg has been made aware of animal welfare situations where equipment is being used outside of its intended parameters, causing the potential for harm to the birds during catching. Going forward, the recommended course of action would be to bring any concerns to the PMC for review and who then would make a recommendation to the Board.

The Board discussed the situation and agreed with the direction.

**Action:** Staff was directed to gain access to the Processor Reports through agreement from the EPA.

4.9 Audit Timing

For producers with low initial audit scores, BCEMB is proposing that a process be put in place to complete unannounced audits.

The Board agreed with the general proposal and discussed process options and timelines.

**Action:** Staff was directed to complete a draft message to be approved by the Board informing producers that a new policy is forthcoming. The message is to be included in the August Scrambler.

**Action:** Staff was directed to create a process to be presented to the Board for further review and

approval.

#### 4.10 ILT Update

There has recently been a rise in the number of ILT cases in specialty flocks. The list was provided for information, along with a letter from Poultry Plus Veterinary Consulting Ltd.

The Board discussed the vaccines being used in the industry and creating an ILT-SE working group to handle the situation as a poultry industry concern.

**Action:** Staff was directed to check with the vets to determine what vaccines are being used.

**Action:** Staff was directed to speak with the poultry boards to create an ILT-SE working group.

**Action:** Staff was directed to draft an announcement for the Scrambler to suggest that producers don't use the CEO vaccine.

#### 4.11 MISC Update

Board and Staff attended a MISC meeting on Thursday, July 12, 2018. An update was provided for information and discussion.

**Action:** Staff was directed to provide additional operational details to the Board for review.

**Action:** Staff was directed to obtain further details regarding a provincial insurance agent.

The meeting was adjourned at 4:45pm on July 18, 2018.

### **CALL TO ORDER**

Chair, Gunta Vitins, called the meeting to order at 9:07am on July 19, 2018.

#### 4.12 Freedom of Information Request

BCEMB has received a Freedom of Information Request from Animal Justice. BCEMB has a conference call scheduled with the other commodity boards to review the request.

The Board discussed the FOI request and the next steps.

**Action:** Staff was directed to contact other provinces and EFC to ensure they are aware of the request.

**Action:** Staff was directed to inform FIRB of the request.

## **5.0 GOVERNANCE**

### 5.1 Quota Allocation Review

Before BCFIRB makes a final decision on the Egg Board's quota allocation request, BCFIRB has asked the Egg Board to provide written confirmation that they understand the implications of the Quota Review decision on allocations. A letter from BCEMBs legal counsel was presented for discussion.

The Board supports the legal opinion obtained by BC Egg and discussed the details that should be included in a letter to be sent to BC FIRB.

The Board also discussed the timeframe for accepting quota allocations, national standards, and industry needs and concerns.

**Action:** Staff was directed to draft an amended letter to BC FIRB based on the discussions, to be provided to the Board for review prior to the July 31 Board meeting.

**Action:** Staff was directed to inform other poultry boards of the legal advice received by BCEMB.

5.2 Consolidated Orders Amendments

As a result of the QATR direction, updates are required to the Consolidated Orders. The proposed changes were provided for discussion.

The Board discussed including this topic in the Quota Allocation letter to FIRB.

5.3 Committee Terms of Reference

To ensure that all Board and committee members remain in good standing with the BCEMB Consolidated Orders, a review of the Terms of Reference was conducted.

The Board discussed their agreement with the amendment to the terms of reference.

**Action:** Staff was directed to amend all committee Terms of Reference documents as discussed.

5.4 Rebate Policy

The Board approved the Rebate Policy at the February 2018 meeting but based on recent events, it was recommended a clarification be included indicating that a producer is not eligible to receive the rebate if they have open CARs.

The Board agreed with the recommendation.

**R18-076** It was MOVED and SECONDED

THAT the Board of Directors approve the amended Producer Rebate Policy as presented.

CARRIED

**Action:** Staff was directed to amend the Rebate Policy as discussed.

5.5 2018 National SE Protocol

The SE Protocols were established to provide guidance to the egg boards for the microbiological sampling process, the management for a confirmed Se positive environment, and the further surveillance on a farm with more than one egg layer barn, or pullet barn. The SE Project Team has completed the first draft of the SE Protocol and has requested input and comments on the draft by August 20, 2018. The draft protocol was presented for discussion.

The Board discussed their agreement with the process and provided further feedback to be provided to EFC.

**Action:** Staff was directed to draft a letter of support to EFC with the Board's feedback, to be sent by August 20, 2018.

5.6 PARP Update

BCFIRB is developing improved annual performance measures and reporting for both itself and the commodity boards, along with improved data collection and analysis, from what has been in place to date with respect to its supervisory mandate of the marketing boards and commissions. A meeting was held with the supply managed commodities on July 12, 2018 to review the PARP requirements and was attended by Board and Staff members.

**Action:** Staff was directed to begin consolidating the information required for the reports so any concerns can be brought up in advance of the June 2019 deadline.

5.7 SE Provincial Control Strategy

The BC Ministry of Agriculture and the BC Ministry of Health have been working on a Provincial SE Control Strategy that encompasses a farm to fork design, to reduce the incidence of SE in the general population to 2006 levels. The draft was presented for discussion.

5.8 CPTPP-TRQ Public Consultation

On July 9th, 2018, Global Affairs Canada opened a public online comment period to seek input on



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the administration of the new tariff rate quotas (TRQ) that will be implemented pursuant to Canada's commitment under the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP). The consultation was presented for discussion.

The Board discussed the implications to BC and their agreement to submit an opinion.

**Action:** Staff was directed to bring the consultation back at the August Board meeting.

**Action:** Staff was directed to send the consultation out in Scrambler to provide producers with an opportunity to respond if they choose.

### 5.9 Transition from Conventional to Enriched Project Team

To ensure that producers are paid, on average, their cost of production, EFA recommended that a joint message be sent to EFC through a Transition from Conventional to Enriched Project Team.

As a follow-up to the meeting on July 11th regarding enriched transition, there was some further discussion amongst the stakeholders about what we may want to see in terms of the Committee moving forward.

The Board discussed the committee terms and agreed that Katie Lowe (member) and Aryn Alibhai (alternate) should be appointed to the committee. The Board also agreed with the recommendation to include the COP implementation in the committee's discussions.

## 6.0 PERFORMANCE REPORTS

### 6.1 Dashboard

The Week 18 Industry Dashboard was presented for information.

#### 6.1a Feed Mill Participation Report & AAFC Report

The June 7, 2018 AAFC Report was presented for information.

### 6.2 Quota

#### 6.2a Industry Reserve

The Week 28 Industry Reserve was presented for information.

#### 6.2b IP Report Week

The Week 27 IP Report was presented for information.

#### 6.2c IP Processor Summary Week

The Week 27 IP Processor Summary was presented for information.

#### 6.2d EFP Report Week

The Week 27 EFP Report was presented for information.

#### 6.2e Quota Utilization Update

The Week 27 Quota Utilization Update was presented for information.

#### 6.2f Quota Credit Update

The Quota Credit Update was presented for information.

#### 6.2g Inventory Report

The Inventory Report was presented for information.

### 6.3 Financials

#### 6.3a Period 6 Board & Committee Per Diems & Expenses

The Period 6 Board & Committee Per Diems & Expenses were presented for information.

The Board agreed with the Period 6 Board and Committee Per Diems and Expenses.

6.3b Period 5 Financials

The Period 5 Financials were presented for information.

6.3c Director Expense and Per Diem Policy

The Director Expense and Per Diem Policy was presented for discussion.

**R18-077**

It was MOVED and SECONDED

THAT the Board of Directors approve the Director Expense and Per Diem Policy as amended.

CARRIED

**Action:** Staff was directed to amend the policy as discussed.

6.4 Preliminary COP

6.3a Period 8, 2018 COP

The Period 8 COP Summary was presented for information.

6.5 Audit Scores

The SCSC, BC Biosecurity, and Animal Care Program audit score summaries were provided for information.

**7.0 MEETINGS HELD AND UPCOMING**

7.1 Meetings Held Appendix A

Meetings attended since the last Board meeting were reviewed.

7.2 Meetings Upcoming Appendix B

Attendance and participation in upcoming meetings was discussed and approved.

7.2a EFA 50<sup>th</sup> Anniversary Celebration

EFA's 50<sup>th</sup> anniversary invite was presented for information.

**ADJOURNMENT**

The meeting was adjourned at 12:24pm.



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Board Chair



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Certified Correct, Secretary