

Meeting of the Board of Directors

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

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.

MINUTES of Board of Directors Meeting

Date: March 29, 2019

Location: Mt. Baker Room, Quality Inn, Abbotsford

BOARD IN ATTENDANCE: Gunta Vitins, Chair
Walter Siemens, Board Member
Matt Vane, Board Member
Jon Krahn, Board Member
Jeff Regier, Board Member

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

CALL TO ORDER

Chair, Gunta Vitins, called the meeting to order at 9:29am.

The Chair acknowledged that the meeting was held on the traditional and unceded territories of the Kwantlen, Sto:lo, and Lummi First Nations.

ADOPTION OF AGENDA

It was MOVED by Jon Krahn and SECONDED that the agenda be adopted as presented.

1.0 APPROVAL OF MINUTES

1.1 Approval of the Minutes of February 21, 2019

R19-026 It was MOVED by Matt Vane and SECONDED

THAT the Board of Directors approve the Minutes of February 21, 2019 as amended.

CARRIED

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1.2 Approval of the Minutes of February 27, 2019

R19-027 It was MOVED by Jon Krahn and SECONDED

THAT the Board of Directors approve the Minutes of February 27, 2019 as presented.

CARRIED

1.3 Approval of the Minutes of February 28, 2019

R19-028 It was MOVED by Matt Vane and SECONDED

THAT the Board of Directors approve the Minutes of February 28, 2019 as presented.

CARRIED

1.4 Approval of the Minutes of March 20, 2019

R19-029 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the Minutes of March 20, 2019 as presented.

CARRIED

2.0 BUSINESS ARISING/ACTION LIST

2.1 2019 Board Calendar

The 2019 Board Calendars were presented for discussion.

The Board reviewed the calendar and confirmed meeting dates moving forward.

3.0 STAKEHOLDER ENGAGEMENT

3.1 EFC Update

An EFC update was presented including service fees and the LDA.

3.2 FPA Update

The Federal Provincial Agreement (FPA) Committee and EFC Board of Directors have approved using a principles-based approach to the FPA rather than the current two-phased process. The concept of a principles-based FPA is to avoid a highly prescriptive and detailed document that may unnecessarily tie the hands of signatories and become out of date as the system evolves and new issues emerge. The first draft of the Principles Based FPA was presented for discussions.

The Board agrees with the direction provided.

3.3 Manitoba AGM Notes

A board member attended the Manitoba Egg Farmers AGM on March 5-6, 2019 and notes from the event were presented for information.

The Board discussed Manitoba's specialty production and in store sales.

3.4 BC Egg and EPA Meeting Notes

Notes from the February 27, 2019 BC Egg and EPA meeting were presented for information.

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3.5 BC Egg and Grader Meeting Notes

Notes from the February 28, 2019 BC Egg and Grader meeting were presented for information.

3.5a Post Farm Gate Pick-up

On March 22, 2019, BC Egg received a letter from the BC Egg Processors Council (BCEPC) asking that the Post Farm Gate Pick-up program be reviewed. The letter was presented for discussion.

The Board discussed the program's history and agreed that a fulsome proposal with detailed analysis is required before any amending concepts can be reviewed.

Action: Staff was directed to draft a response letter to BCEPC.

3.6 BC Egg Allocation Consultation Update

In order to allocate the new quota allocation, BC Egg is required to determine an allocation methodology that meets the Regulated Markets Economic Policy and SAFETI Principles and receive approval from BC FIRB. BCEMB also undertook a review of the New Producer Program in 2018. The allocation and NPP are interrelated so their policies are being updated at the same time.

BC Egg is currently conducting an extensive consultation process in order to engage stakeholders in the allocation policies. The consultation timeline was provided, along with notes from the March 1, 2019 industry meeting.

The Board agreed to review the policies at the April board meeting once all letters, survey results, and additional analysis has been received.

The Board discussed the upcoming BCFIRB meeting and appointed Jeff Regier to the Public Accountability and Reporting Project (PARP). A draft PARP report will be provided at the April board meeting.

Action: Staff was directed to ensure producers are receiving reminders regarding the consultation survey and to provide weekly producer reminders.

3.7 CAF Update

The BCEMB and BCMMB jointly own the Central Agriculture Facility. The Board of Directors consists of one board member and the Executive Director from each commodity. The CAF Board met on March 15, 2019 to review the financial statements and building improvement/maintenance. The Draft Audited Financial Statements and a 360 review were presented for information.

3.8 AGM Debrief and Draft Minutes

The 2018 AGM was conducted on March 1, 2019. The draft minutes from the meeting and industry feedback were presented for information.

The Board provided additional feedback from the 2018 AGM and considerations for next year.

3.9 Updated Board Positions and Committee List

The updated Board Positions and Committee List was presented for information.

Action: Staff was directed to ensure the committee chairs are included on the public website.

3.10 Marketing Update

An update on the completed and upcoming marketing initiatives, as well as an updated copy of the MarComm Committee Terms of Reference were presented for information.

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3.11 Social Media Audit Report

BC Egg contracted Advantis Communications Inc. to conduct a social media audit of all our social channels. The audit report outlined what we do well and offered a number of valuable recommendations. Some recommendations were very minor and have already been implemented. Others require a significant amount of research and work by staff before they can be implemented. A summary and the full report were presented for information.

The Board discussed national TV campaigns, social influencers, and provided additional feedback.

3.12 CEIRA Election Results

BC Egg was required to conduct a CEIRA election to elect a Voting Delegate for either a one or two year term. Matt Vane was elected by acclamation for a two year term.

3.13 PGC Report

A board member attended the Pullet Growers of Canada AGM on March 19, 2019 and notes from the event were presented for information.

PGC also provided BC Egg with a letter requesting funding, which was discussed by the Board.

4.0 OPERATIONS

4.1 Producer Update

The Board requested monthly progress reports from the producer to ensure that the producer is progressing towards compliance in a timely manner. An update was presented for information.

4.2 Authority Matrix

As requested by the Board, a copy of the Authority Matrix was presented for information.

4.3 Self Removal Producers

Some producers have been conducting self-removals. To ensure that layers removed from farms are processed through a certified plant and/or removed in a manner that is compliant with the Codes of Practice, an Amending Order was drafted. The amended document was presented for a second reading.

The Board reviewed the Amending Order and provided additional feedback to be incorporated. A fulsome documentation package will need to be created in order for the Board to have full confidence when approving potential producers. The Board agreed to review the item again at the July board meeting.

Action: Staff was directed to create supporting documentation to address the process of approval.

4.3a Fowl Removal Update

The current contracted company does not want to be involved in the process of euthanizing hens in the Interior. Staff have since held discussions with the company and potential replacements. An update on the process was presented for information.

The Board agreed with the direction provided to guarantee labour in the Interior with the caveat that the pricing structure be reviewed with the current contracted company.

4.4 Specialty Buyback Usage

Up until 2016, the Specialty Buy-Back (SBB) program was allocated pro-rata based on the previous year's specialty production percentage by grading station. When the SBB budget was increased in 2017, the direction was given to staff that it was a pool of funds for the graders to

use based on their downgrading needs. We have continued this methodology in 2018 and 2019. A breakdown of the 2019 usage was presented for discussion.

The Board reviewed the data and provided direction for staff regarding the usage and that the information should be confidentially shared with the grading stations.

Action: Staff was directed to provide an update to all grading stations regarding the program.

Action: Staff was directed to draft a letter to a grader based on discussions by the Board.

Action: Staff was directed to provide an update to the Board at the April meeting.

4.5 Euthanasia Training

The Code of Practice has several new requirements pertaining to euthanasia, which do not exist in the current EFC Animal Care Program (ACP) euthanasia training requirement. In order to include, and objectively assess, these new Code of Practice euthanasia requirements in the redeveloped ACP, the ACP redevelopment project team recommended that the content required for the current stage 2 euthanasia training be expanded to include the missing Code requirements. EFC provided the egg boards with changes to Euthanasia training requirements on March 5, 2019. The changes were presented for discussion.

The Board agreed with Staff's direction to draft a memo as part of the Euthanasia certification requirement.

4.6 Barn Measurement Update

EFC is in the process of completing non-conventional barn measurements. On February 12, 2019, staff was trained by EFC on how to conduct the measurements. When in attendance for an entire measurement, staff has been creating detailed drawings and independently verifying the final tallies, which are being completed by EFC. A copy of the barn drawings and EFC/BCEMB calculations were presented for discussions.

The Board discussed the steps being taken by BC Egg in the measurement process. A discussion on Quota Credit usage and how the rate of usage in the future could increase was also held.

4.6a Aviary Barn Measurement Update

There is currently an issue with aviary systems whereby perch rails are not being considered as allowable perch space. Staff has obtained additional information from industry professionals and have incorporated them into a draft letter intended to be sent to EFC for their April PMC meeting. The draft letter was presented for discussion.

The Board discussed the process and information presented by Staff and agreed with the direction proposed.

4.7 Producer QC Request

A producer is requesting BCEMB consider his two farms as one entity for inventory purposes until the QATE is resolved. At the February 27, 2019 meeting, the Board directed staff to draft a letter to the producer. The letter was presented for discussion.

Action: Staff was directed to send the letter to the producer.

4.8 Producer Update

A 2015 New Producer Program winner under the "producer-vendor" category is not fulfilling the producer-vendor requirements per our Consolidated Orders. The producer is required to provide monthly updates for the Board. The February update was presented for information.

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4.9 Producer Update

A producer has submitted paperwork asking BCEMB to consider a quota transfer to incorporate their farm. At the February 27, 2019 board meeting the Board agreed it does not have all of the information required to make a sound decision. On March 8, 2019, the producer formally requested to terminate their application in writing. An update on the request was presented for information.

4.10 Going Concern Transfer Request

A going concern transfer application has been submitted to BC Egg. The information was presented for information.

The Going Concern Transfer Request has since been rescinded so no additional discussion was required.

4.11 Facility Policy Review

Changes to the industry and programming have resulted in the need for additional facility policies. BC Egg is scheduled to focus on On-Farm programs in Q2 2019. A list of the programs and key details were presented for discussion.

The Board discussed that both facility and quota leasing should be reviewed. The review of facility leasing should begin at the PMC.

4.12 Canadian Organic Standards Update

The Canadian General Standards Board Organic Agriculture and its technical committees have begun discussions regarding strengthening the Canadian Organic Standards. Currently the standards require that all production brought in to Canada meet our density requirements. The technical committees are looking to strengthen those requirements. A verbal update was provided for discussion.

The Board agreed on the importance of having an observer from BC's egg industry join the technical committee meetings, as BC is most at risk from any potential changes.

Action: Staff was directed to review organic production numbers across the country.

4.13 Women in the Industry Program

A new program called Women in the Industry was presented at EFC's Board of Directors meeting on March 20, 2019. Egg Boards have been asked to nominate an experienced farmer who would serve as a mentor, and a farmer showing leadership potential who would serve as a mentee. The memo from EFC was presented for discussion.

The Board agreed to nominate [REDACTED] as a mentor and [REDACTED] as a mentee.

5.0 GOVERNANCE

5.1 QATR Discussion

BCFIRB released their Quota Assessment Tools Supervisory Review on February 2, 2018. BCEMB, along with the other supply managed commodities have been given the discretion to change the assessment tools applied on all non-exempt quota transfers. After further clarification was received by BCFIRB on February 26, 2019, Staff has drafted amendments to the Orders, which were presented for discussion.

The Board reviewed the Amending Order and discussed the implementation timeline. Additional amendments were provided.

R19-030 It was MOVED by Walter Siemens and SECONDED

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THAT the Board of Directors approve the first reading of the Quota Assessment Tool Amending Order in concept with the date of implementation to be determined.

CARRIED

5.2 Quota and Succession Planning Amending Order

A producer requested clarification on how to “will” someone their quota, which identified a gap in our Consolidated Orders. BC Egg received a legal opinion regarding the situation and drafted an Amending Order, which was presented for discussion.

The Board agreed with Staff’s direction and determined that BC Egg should reach out to producers sixty days after the death of someone in a shareholder structure.

Action: Staff was directed to draft an Amending Order for the April board meeting.

5.3 PCAA Animal Care Codes of Practice Regulation

On February 28, 2019, an Order In Council (OIC) regarding changes to regulations under the Prevention of Cruelty to Animals Act (PCAA) was signed. The OIC repeals the Dairy Cattle Regulation and adds the Animal Care Codes of Practice Regulation effective June 1, 2019. The Ministry of Agriculture held a working session on March 15 that staff attended. Notes from the session were included for information.

The Board discussed additional conversations that have taken place regarding the topic, including the SPCA’s process and the process for complaints regarding the SPCA. NSF will be training the SPCA on how to assess farms on the Code.

5.4 2019 BOD Disclosure Statement

Every BC Egg board and committee member must complete a yearly disclosure statement. Once the statements have been completed and signed by the Chair, they will be filed with BC Egg.

5.5 Strategic Planning Schedule

BC Egg is scheduled to undergo a full strategic planning in 2019 with Junxion. The draft project timeline was presented for discussion.

The industry attendees were agreed on and Staff will work with Junxion to schedule the meetings and workshops.

5.6 Election Rule Review

As per the review process in our 2016 BC Egg Election Rules and Procedures, the rules must be reviewed prior to December 31, 2019. The proposed timeline, which includes fulsome consultations, was presented for discussion.

5.7 CETPP Update

The CETPP (Conventional to Enriched Transition and Producer Price) Project is a National committee, supported by EFC. The aim of the project is to develop and implement an optimal commodity Producer Price structure that accommodates the transition from conventional to enriched housing by July 2019. At the March 21, 2019 EFC Board Meeting, the EFC Board approved their roles and responsibilities for the CETPP Optimal Solution final report. At that time, EFC staff also confirmed that all provinces approved the report. The project team is now focusing on the administrative processes. An update on the process was presented for discussion.

6.0 PERFORMANCE REPORTS

6.1 Dashboard

The Dashboard is under construction and a new version will be provided at the April meeting.

6.2 Quota

6.2a Industry Reserve

The Industry Reserve was presented for information.

The Board agreed with the revised format.

6.2b IP Report Week

The IP Report Week 11 was presented for information.

Staff will be working with the grader to obtain further information regarding the report.

6.2c IP Processor Summary Week

The IP Processor Summary Week 11 was presented for information.

An update will be provided at the April Board meeting, once Staff has reviewed the information further.

6.2d EFP Report Week

The EFP Report Week 11 was presented for information.

6.2e Quota Utilization Update

The 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.

The Board requested additional data regarding utilization.

6.3 Financials

6.3a Period 2 Board & Committee Per Diems & Expenses

The Period 2 Board & Committee Per Diems & Expenses were presented for information.

R19-031 It was MOVED by Walter Siemens and SECONDED

THAT the Board of Directors approve the Period 2 Board & Committee Per Diems & Expenses.

CARRIED

6.3b AR Report

The AR Report was presented for information.

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6.4 Preliminary COP

6.4a Period 4, 2019 COP

The Period 4, 2019 COP was presented for information.

6.5 Audit Scores

The Audit Score Report was presented for information.

6.6 Feed Mill Participation Report & AAFC Report

The Feed Mill Participation Report & AAFC Report was presented for information.

6.7 Fowl Removal Update

The Fowl Removal Report was presented for information.

The Board reviewed the report and agreed that it should also be reviewed by the PMC. The PMC, with input from the EPA, should also discuss a process for contacting producers if a concern is brought forward.

Additional conversations should be conducted with the catching crew to determine improved ways to decrease concerns.

MEETINGS HELD & UPCOMING

7.1 Meetings Held Appendix A

The Meetings Held Appendix A were presented for information.

The Chair and Executive Director attended an MLA Luncheon on March 28, 2019. A verbal update on the event was provided.

7.2 Meetings Upcoming Appendix B

The Meetings Held Appendix B were presented for information.

7.2a CPEPC 2019 AGM & Convention

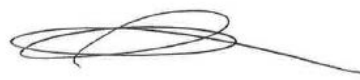
The CPEPC 2019 AGM & Convention schedule was presented for information.

ADJOURNMENT

The meeting was adjourned at 5:44pm.



Board Chair



Certified Correct, Secretary