

**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 Director's Meeting**

**Date:** July 20, 2017

**Location:** Sutton Place Hotel – Salon Renoir

**BOARD IN ATTENDANCE:** Brad Bond, Chair  
Jennifer Woike, Vice Chair  
Aryn Alibhai, Board Member  
Fred Krahn, Board Member  
Walter Siemens, Board Member

**STAFF IN ATTENDANCE:** Katie Lowe, Executive Director  
Joey Aebig, Manager, Operations & Logistics  
Erin Duetta, Manager, Finance  
April Dicer, Recording Secretary

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**CALL TO ORDER**

Chair, Brad Bond, called the meeting to order at 1:07 pm.

**ADOPTION OF AGENDA**

The agenda was adopted as presented.

**1.0 APPROVAL OF MINUTES**

1.1 Approval of the Minutes of June 21, 2017

**R17-042** It was MOVED and SECONDED

THAT the Board of Directors approve the Minutes of June 21, 2017 as amended.

CARRIED

## The Board of Directors of BC Egg Marketing Board

Minutes: Board of Director's Meeting

Date: July 20, 2017

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### 1.2 Approval of the Minutes of June 27, 2017

**R17-043** It was MOVED and SECONDED

THAT the Board of Directors approve the Minutes of June 27, 2017 as presented.

CARRIED

## 1.0 BUSINESS ARISING/ACTION LIST REVIEW

### 2.1 Board Calendar

The Board calendar was presented for information.

### 2.2 Action Items

The action items document was reviewed for information.

### 2.3 New Business

#### 2.3a EFC Service Fee Response

BCEMB's response to the EFC service fee, noting that the Board is in support of the new fund level adjustments as well as their incorporation into the current MOU was presented for information.

#### 2.3b Request for the EIAC

█'s correspondence to the EIAC, requesting their input into possible solutions for the Grader issues of free run pricing, insufficient organic product and enriched pricing was presented for information.

#### 2.3c West Coast Reduction Letter

BCEMB's letter to the Minister of Agriculture, supporting █'s lack of long term certainty at the Port of Vancouver, was presented for information.

## 3.0 PERFORMANCE REPORTS

### 3.1 Dashboard

The dashboard was presented for information.

#### 3.1a Feed Mill Participation Report & AAFC Report

The Feed Mill report was presented to the Board for information.

### 3.2 Quota

#### 3.2a Industry Reserve

The total quota allocated and held in reserve as of week 26, 2017 was presented for information.

#### 3.2b IP Report Week 26

The Industrial Product report up to week 26 was presented to the Board for information.

#### 3.2c IP Processor Summary Week 26

The week 26 IP Processor report was presented to the Board for information.

#### 3.2d EFP Report Week 26

The EFP report as at week 26 was presented for information.

3.2e Quota Utilization Update

The quota utilization report as at week 26, 2017 was presented for information. The Board reviewed the current utilization rate and decided that in order to get to 100% utilization, it is necessary to end the early fowl removal program. *We have seen a reduction* in Se cases which has alleviated the pressure of reaching the utilization rate and incentives are therefore no longer required.

**R17-044** It was MOVED and SECONDED

THAT the Board of Directors approve to cease the early fowl removal incentive program and that any producers who have already submitted their applications be honored, effective immediately.

CARRIED

**Action:** Staff to send notice to producers advising them of the termination of the fowl removal incentive program.

3.2f Inventory Report

The Inventory report was presented for information.

3.3 Financials

3.3a Period 6 Board & Committee Per Diems & Expenses

**R17-045** It was MOVED and SECONDED

THAT the Board of Directors approve the Directors', Executive Director's, and Committee members' per diem and expenses for Period 6 as presented.

CARRIED

3.3b Period 6 Financial

The BCEMB period 6 financials were presented for information.

3.3c BCEPA Financials

The BCEPA financials were presented for information.

3.4 Preliminary COP

The preliminary COP was presented for information.

**4.0 STAKEHOLDER ENGAGEMENT**

4.1 CEIRA Report for June 2017

██████████'s update on the CEIRA was presented for information.

4.2 Draft PMC Minutes of June 20, 2017

The draft PMC Minutes of June 20, 2017 were presented for information.

4.3 Draft EIAC Minutes of June 26, 2017

The draft EIAC Minutes of June 26, 2017 were presented for information.

#### 4.4 EFC's NAFTA Submission

BCEMB's NAFTA response was presented for information.

#### 4.5 Quota Assessment Tools Follow-up

On July 13 BCEMB staff met with BCFIRB staff to discuss BCEMB's Quota Assessment Tools submission. The purpose of the meeting was to clarify any questions or motivations that BCFIRB may have had regarding the submission in anticipation for the meeting that will take place between the Board of Directors and FIRB in August.

The meeting was informal and BCFIRB's questions mainly focused on how the changes would impact new entrants or sellers. The recommendations that were put forward by BCEMB in its executive summary were questioned at length. Topics discussed were removal of the LIFO 10/10/10, removal of the 5% Transfer Assessment Policy and replacing it with a Reserve Responsive Assessment, expanding the transfer assessment exemptions and the policy changes on all quota.

#### 4.6 FPA Update

██████████ presented an update from the FPA meeting of July 7, 2017. In this meeting there was some discussion on pricing specialty product. Next steps will be to determine which components of the QAC formula the committee wants to review, review those components then make a recommendation to EFC.

The QAC, which is used when EFC allocates additional production to provincial boards, allocates more quota to short provinces than it does to long provinces. In addition, there is a Saskatchewan agreement that gives them a guaranteed quota value regardless of their status that supersedes the formula. The board asked how many years -it will take for BC to transition from a have not province to a self-sufficient province assuming the QAC formula and other agreements remain intact.

**Action:** Staff was directed to do some analysis on the QAC formula.

#### 4.7 Specialty Pricing Update

The BCEMB has been working with the Western Provinces to develop a COP for Specialty Pricing. Staff held a conference call with the Western Provinces to determine where their Boards are at in regards to specialty pricing and offered for our Board to come out and speak with theirs if there were any concerns. Staff also provided the Western Provinces with a copy of their Buyback policy as well as the production change request forms that are used to regulate the supply of specialty products.

Alberta and Manitoba will be deciding at upcoming Board meetings if they would like to move forward. Saskatchewan has some reservations as they would like to see specialty pricing implemented at a National Level.

A meeting will be held in August with the Western Provincial Boards and GM's to discuss the final draft of the study as well as an implementation plan based on a Manitoba plus model.

Recommendation:

- 1) Develop an implementation plan to present to the Western Provinces based on a Manitoba Plus model. This implementation plan should include a timeline for provinces to adjust their pricing if it is different from the final COP number. This will give the graders and producers a chance to adjust to the price change.
- 2) Continue to work with EFC on the Specialty IP project
- 3) Continue to put pressure on EFC to develop a Specialty COP nationally

██████████ updated the board on the Specialty IP program noting that the processor still has some concerns with the program. EFC has sent the Specialty MOU to the Western Provinces for their information while we move forward with the Specialty COP Pricing Model.

4.7a BCEPC Response to Specialty Pricing

The BC Egg Processors Council's response of July 6, 2017 to BCEMB's specialty pricing letter was presented for information.

**Action:** Staff was directed to draft a response to the BC Egg Processors Council's letter of July 6, 2017

4.8 Feather Cover Research Project

Multiple producers have inquired how we can do more accurate feather assessments. EFC is working on a project for just that purpose; the end goal is a management tool for farmers, including a feather scoring system, illustrated guide and decision tree, to help manage feather cover in enriched cages and non-cage housing systems.

Staff will respond to EFC with a draft memo, inform producers regarding the opportunity for involvement and assist EFC with distribution and collection of questionnaires where possible.

4.9 Insight Roundtable Summary

The Board discussed the visioning session of July 19<sup>th</sup>, sharing objectives for BC Egg's strategic plan as staff works on updating and reworking this document for submission to the Board at the October meeting.

**5.0 OPERATIONS**

5.1 Rodent Control Update

As reports are received from pest detective, staff is forwarding the reports to the owner and the farm manager.

Fifty one percent (23 of 45) of the reports received have identified risk levels moderate or higher. A standard operating procedure is being developed to ensure that PLO's will follow up with the producers that are identified as moderate/high risk to ensure that action to mitigate their risk is being taken wherever possible.

5.2 Organic Lease Program

At the CPEPC meeting in Kelowna it was communicated to BCEMB that BCs organic market requires an estimated 40,000 to 50,000 layers in additional production to meet its current market demand.

To immediately address their production concern, BCEMB offered to lease quota from its reserve (pending grader response). Ultimately, the responses from graders to staff did not relay the need for an immediate response. The organic market continues to expand and BCEMB producers are generally moving in tandem with the market.

**Action:** Staff was directed to compose a letter to EFC requesting IP information.

**Action:** Staff was directed to compose a letter to the Graders regarding their change to their initial request of organic product.

5.3 Pro-Cert Feedback

The initial conversation with Pro Cert indicated that they may be willing to provide auditing services for the specialty certification program once they have reviewed and approved the program. Staff is still waiting for a more formal response from Pro Cert on the program.

5.4 Catching Update

In response to the video released by Mercy for Animals (MFA) that depicted the horrific abuse of chickens during the catching process on broiler farms throughout BC the catching processes are being scrutinized by all stakeholders (processor, producer, government, activist, and public) with the goal of creating a more robust system that will minimize the opportunity for abuse to occur during in the catching process.

BCEMB staff attended a meeting on July 12 at the BCCMB boardroom. The meeting was a follow-up to BCSPCA's request for the feather commodities to jointly support the inclusion of the Code of Practice into provincial BC legislation.

**6.0 GOVERNANCE**

6.1 Director Surveys

This item was discussed in the in-camera meeting.

6.2 BCFIRB – Quorum Decision

BCFIRB's Quorum letter was presented for information.

6.3 BCEMB 50<sup>th</sup> Celebration Producer Recognition Update

BCEMB's 50th anniversary celebration takes place on August 16 from 2 to 6 pm at Mt. Lehman Winery. A tent will be set up right at the edge of the vineyard to create a beautiful setting.

Guests will receive a welcome gift upon arrival.

There will be a full bar featuring Mt. Lehman wines as well as passed appetizers from Restaurant 62.

While an official program hasn't been finalized, speech making will be kept down to a minimum in order to allow producers, suppliers, and friends mingle and enjoy a wonderful afternoon.

6.4 Egg Stamping Update

██████████ reported to the Board that ██████████ will be the first producer/grader to be stamping their eggs and whose farm profile will be available on line. The website is ready to be populated with producer profiles and this will be done in the upcoming weeks.

The Board asked that staff keep them apprised as to how many producers post their profile on the website

**Action:** Staff was directed to create a consent form for stamping participants in order to obtain written permission to post their profiles on the BC Egg website.

**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.

**ADJOURNMENT**

The meeting was adjourned at 2:55 pm

  
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Board Chair

  
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Certified Correct, Secretary