

2007 NERO Minutes

Salt Lake City, Utah

Sunday, March 11, 2007

Vice President Charles Kirchner called the meeting to order at 12:50 PM, March 11, 2007.

Member States in attendance: Roger Ames - Arizona, Danny Hughes - Arkansas, Tony Herrera - California, Cliff Hudson - Delaware, Dwight Anglin - Florida, Jeri Kahana - Hawaii, David Steen - Indiana, Suzanne Moss - Illinois, Dana Finnemore - Maine, Deanna Baldwin - Maryland, LeRoy Raymond - Missouri, Richard Hoyle - North Carolina, Chuck Kirchner - Ohio, Cary Wise - Utah, Tony Stover - Virginia, Lucy Severs - Washington, and Terri Wenger - Wisconsin.

Vice President Charles Kirchner welcomed the group to the National Egg Regulatory Officials 15th Annual Conference and Training Seminar.

Vice President Charles Kirchner discussed with the members that President Phyllis Davis would be unable to attend this year's meeting due to her son's health problems. He also noted that Kim Miller had some emergency health problems and would not be able to attend this year's meeting. Chuck also noted that Billy Klein's wife had had a heart attack recently and Billy was also unable to attend.

Doug Pearson, Utah Egg & Poultry Supervisor,
Introduced Kyle Stephens, Deputy Commissioner, Utah Department of Agriculture & Food.

Kyle Stephens, Deputy Commissioner, welcomed the group to Utah and Salt Lake City.

Secretary's Report

Cary Wise

Because the minutes for 2006 had been previously distributed to the membership prior to this meeting, the 2006 minutes were not read.

Membership for 2006

26 Member States

4 Affiliate memberships

Cary stated that it was an honor to be the Secretary and appreciated Deanna Baldwin's help.

A motion was made by Cliff Hudson and seconded by Deanna Baldwin to accept the Secretary's Report.

Motion Passed

A motion was made by Deanna Baldwin and seconded by Jeri Kahana to accept the 2006 meeting minutes as previously distributed.

Motion Passed

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Financial Report

Treasurer Terri Wenger presented the 2006 Treasurers report. Terri discussed with the members that the Board had approved the reimbursement of travel for a second representative. Also that this reimbursement may or may not be fully funded depending upon the amount of grant money leftover.

A motion made by Danny Hughes and seconded by Tony Herrera to accept the Treasurers Report as given. Motion Passed - full Treasurer's report attached.

State Roll Call Reports

(See Summary of State Roll Call Reports)

Break

Charlie Ingram, Director of Legislative and Regulatory Affairs, NASDA, gave an update on NASDA's activities, including the 2007 Farm Bill. NASDA spent 18 months developing nine key policy areas, including allowing Interstate Sales of State-Inspected Meat and Poultry and a Single Food Agency. Charlie also discussed food response plans. A grant from the USDA will allow NASDA to help develop a training program for states. Also discussed was more flexibility for Farmers Markets.

(See Speaker Highlights)

State Roll Call Reports Continued.

(See Summary of State Roll Call Reports)

5:00 PM

Roger Ames made a motion that was seconded by Suzanne Moss to adjourn.

Motion Passed

Monday, March 12, 2007

Vice President Charles Kirchner called the meeting to order at 9:00 AM.

State Roll Call Reports Continued.

(See Summary of State Roll Call Reports)

Danny Hughes discussed with the group President Phyllis Davis' situation with her son and his battle with cancer, and the financial stress that this has caused. Also discussed was Phyllis's dedication to the NERO Organization. She has served faithfully as Vice President, President and chaired many committees. After some discussion by the general membership, a motion was made by Tony Herrera and seconded by Cliff Hudson to give all of the funds from this year's annual NERO auction to help assist Phyllis with her financial needs in caring for her son.

Motion Passed

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A motion was made by Cliff Hudson and seconded by Deanna Baldwin that NERO match the auction amount dollar for dollar. This money will also be given to Phyllis Davis.

Motion Passed

Richard Clark Director of Regulatory Services
Utah Department of Agriculture & food
Welcomed the group to Utah and Salt Lake City.

Break

Roger Parsell
Vice President of Merchandising, SYSCO Intermountain
Roger indicated that Sysco Intermountain carries 13,000 items and has 4,000 customers. Sysco is looking for the right amount of inventory, constancy in product quality, and peace of mind that the product is properly handled. Sysco Intermountain markets about 20,000 dozen eggs per week. When asked about specialty eggs, indicated that organic eggs are being marketed by Sysco in smaller amounts of 1,000 dozen per week. He also indicated that the 150 sales personnel are always being trained about the benefits of USDA graded eggs.

Hillary Shallo Thesmar, Ph.D., RD, Egg Safety Center, provided training on Crisis Communications and Avian Influenza. Hillary gave good counsel on crisis communication. Stay ahead, build bridges with other agency's, and communicate directly and calmly. Be proactive, act like a leader, and be truthful. Engage creditable support, correct false information, don't answer hypothetical questions. You are always on the record, be yourself and show compassion.

Question - Danny Hughes – Does in-shell pasteurization kill AI?

Answer – In-shell Pasteurization can kill AI. All eggs need to be handled properly.

Question – Deanna Baldwin – Can low path AI be transmitted on the shell of eggs?

Answer – Washing and sanitizing can kill low path on the shell surface.

(See Speaker Highlights)

Danny Hughes, NEQS Coordinator

National Egg Quality School Update - The National Egg Quality School will be held May 21 - 24, 2007, at the Radisson Penn Harris Hotel and Convention Center, 1150 Camp Hill Bypass, Camp Hill, PA 17011. Danny gave a brief history of the National Shell School. It was a regional school. 14 years ago the Midwest and the Eastern Schools were joined into one school.

12:00 PM Lunch Break

Gerardo A. Ramirez, Ph.D., FDA/CFSAN
Environmental Swabbing Training Session

Jerry discussed: The focus of the FDA has now shifted to Avian Influenza.

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The incidence of SE over the past 10 years has declined. Research needs to continue in the area of SE.

(See Speaker Highlights)

Break

Hillary Shallo Thesmar, Ph.D., RD, Egg Safety Center

Egg Safety Center Update

Hillary described how the Egg safety Center is a sister organization of the United Egg Producers. She also described the many things that the Egg Safety Center is doing to help the changing egg industry.

(See Speaker Highlights)

Deana Jones, Ph.D. Research Food Technologist, USDA/ARS

USDA/ARS Update on Research Activities

A study was conducted to determine the levels of aerobic organisms and *Enterobacteriaceae* associated with the shell and in the contents of restricted shell eggs. Furthermore, samples were compared to determine the incidence of *Salmonella*, *Campylobacter* and *Listeria*. On a single day, three shell egg processing facilities were visited.

Questions

Danny Hughes - Could this research be applied to egg repacking at the retail level?

Deana - Answer – No, there are too many variables with eggs repacked at the retail level.

(See Speaker Highlights)

3:15 PM Committee Meetings – Business Committee, Federal Relations Committee,
Standards and Grades Technical Committee (See Committee Reports)

Meeting Adjourned at 5:00 PM

6:00 PM

NERO Group Dinner and Auction.

Dinner was served. Various items donated from State and Organizations were auctioned off.

Music was provided by a group called “Don’t Quit Your Day Job” from Salem, Utah.

Tuesday, March 13, 2007

Vice President Chuck Kirchner called the meeting to order at 8:30 AM.

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Cindy McGarrigle, Vice President, Industry Programs, American Egg Board

Update – The egg sandwich is a fast growing area. Many fast food chains are adding breakfast sandwiches to their menus. Also, some fast food chains are testing offering breakfast all day. The space on grocery shelves for eggs is under allocated. The American Egg Board provided 15, 000 eggs for the White House Easter Egg roll. Each year less and less people take the time to color Easter Eggs. The American Egg Board is working with Paws to help promote the coloring of Easter Eggs. Look for many new ideas from the American Egg Board.

(See Speaker Highlights)

Howard Magwire, Director of Government Relations, United Egg Producers

Egg Industry Issues - Al Pope retired after 32 year of building the United Egg Producers and several programs such as the Egg Nutrition Center and the Animal Care Program. Al represented the United States at the International Egg Expo.

Gene Gregory is President & CEO of United Egg Producers.

Chad Gregory is Senior Vice President of United Egg Producers.

Compassion over Killing has proposed legislation in several states. UEP is opposed to this legislation. UEP is also opposed to the one food agency legislation being proposed.

(See Speaker Highlights)

10:00 a.m. Break

Bruce L. King, DVM, Assistant State Veterinarian, Utah Department of Agriculture and Food
Utah Egg Quality Assurance Program and Swabbing Methods.

Dr. King discussed the overview of the Utah Quality Assurance Plan. The Utah Quality Assurance Plan is a Cooperative Agreement between: Utah Egg Producers, Utah Department of Agriculture and Food (UDAF), Utah Department of Health, United States Department of Agriculture (USDA), and the United States Food and Drug Administration (FDA). The plan has 23 key components. He also described the methods used in the swabbing of a poultry house for environmental samples for Salmonella.

(See Speaker Highlights)

11:00 a.m. The General session was adjourned and members and guest attended the following committee meetings – Production and Processing Committee, State Egg Laws Committee, Membership/Communication Committee.

1:00 P.M. Lunch Break

Charles Johnson, Chief, USDA/AMS, Poultry Programs, Grading Branch

Roger Glasshoff, National Shell Egg Supervisor, USDA/AMS, Poultry Programs, Grading Branch

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USDA/AMS, Poultry Programs, Grading Branch Update

Chuck Introduced Gerald Brockman, Regional Director, Western Region, and Kellie Anderson Federal – State Supervisor, Denver Colorado, who were in attendance during the meeting.

Chuck discussed the number of audits being done each year. A new audit section in the Poultry Program had been organized. Chuck also discussed reorganization of the USDA, AMS regions. There are now 3 regions, Western, Central and Eastern. The new PIGS system is collecting a lot of data. At this point, states are not being allowed to connect to the AMS computer system. A discussion was held regarding reorganizing the marketing team. Don Dixon is in charge of the new marketing team.

(See Speaker Highlights)

3:45 p.m. Break

Election of Officers/Meeting Site Selection/Business Committee Report

Tony Herrera – Business Committee Chairman

2007 – 2008 Officers

President – Chuck Kirchner, Ohio

Vice President - Jeri Kahana, Hawaii

Secretary - Cary Wise, Utah

Treasurer – Terri Wenger, Wisconsin

Director at Large – Suzanne Moss

Nominations from the floor - Phyllis Davis for Director at Large.

A motion to close nominations was made by Richard Hoyle and seconded by Roger Ames.

Motion Passed

A motion made by Richard Hoyle and seconded by Bill Browning that all offices not opposed be voted as one.

Motion Passed.

The vote was taken on all of those running unopposed. They were all unanimously elected.

A ballot vote for Director at Large was conducted by Bill Browning and Cliff Hudson. One member from each Member State present voted on a secret ballot.

Suzanne Moss was elected Director at Large by a majority vote.

Discussion was held concerning up coming locations. The Business Committee gave the following proposal - 2008 Virginia, 2009 California. 2010 vacant. Hawaii was discussed as a possible location, but only discussed.

Tony Stover from Virginia indicated both he and EL Knicely were looking forward to the 2008 NERO meeting in Virginia. They have some possible locations selected. It will be the 400 year anniversary of Virginia in 2008.

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Discussion concerning Article XI

The Business Committee is proposing a change to article XI.

Adding the following to Article XI “shall be delivered either personally or by electronic mail at least 30 days prior to the regular or special meeting”.

This Item would require a 30 day notice and vote in the next year.

The Business Committee proposed changing the NERO fiscal year from April 1, to March 31.

Discussion was held concerning financial issues involved in changing the fiscal year. The Business Committee recommended that this matter be reviewed by the NERO Financial Committee.

Discussion concerning article VI

Adding two Federal Advisors to the Board of Directors. A 30 day notice had been sent out notifying all members of this proposed by-laws change.

Discussion was held by several members concerning this change. Some expressed concern whether or not the USDA or FDA people had time to commit to NERO. Others expressed that many other organizations had similar advisors.

Vice President Chuck Kirchner suggested a secret ballot.

Bill Browning and Cliff Hudson conducted a secret ballot vote. One member for each Member State present voted by secret ballot.

The proposed by-laws change failed to pass a 2/3 majority.

A motion was made by Roger Ames and seconded by Jeri Kahana to accept the committee report as given.

The motion passed unanimously

5:00 PM Vice President Chuck Kirchner adjourned the meeting

Wednesday, March 14, 2007

8:30 a.m. Vice President Chuck Kirchner called meeting to order.

Andy Rhorer, Director, USDA/APHIS/VS National Poultry Improvement Plan
USDA/APHIS/VS National Poultry Improvement Plan - Updates on the National Avian Influenza Monitoring Plan

The National Poultry Improvement Plan, published in the Federal Register on September 26, 2006, establishes a 100% indemnity. The indemnity would pay for destroyed birds and associated costs. Compensation for cleaning and disinfection of premises, conveyances, and

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materials that were exposed to H5/H7 LPAI will be based on receipts or other documentation maintained by the claimant verifying expenditures for C/D-Compliance Agreement.

U.S. H5/H7 Avian Influenza Monitored

Table-Egg Layers-

- 11 Birds or eggs per flock to be tested 30 days prior to disposal or during a 12 month period or an ongoing active and passive surveillance program for H5/H7 subtypes of avian influenza.

9:30 a.m. Committee Reports

Federal Relations,

Jeri Kahana, HI, V. Chair, Chair E.L Knicely not present.

Discussed Shell Egg Surveillance reimbursement changes. Recommended that NERO draft a letter to the USDA addressing SES Reimbursement.

There was some discussion concerning the NERO proposed cooperative agreement with USDA. Danny Hughes indicated that the revisions to the agreement would not affect all members, but it is simply an agreement designed to help the NERO members. For example, under a State Trust Agreement, if a company goes broke and doesn't pay for grading service, currently the State must pay the USDA the administrative charges even though the company had not paid the State. This may not affect your state, but it will help other states. He indicated that not all items in the proposed agreement would affect everyone, but that as an organization we need to stand united. Charles Johnson, Grading Branch Chief, indicated that only a few items need to be resolved in regard to the proposed Cooperative Agreement.

Recommended training items for next year's meeting: Training procedures for track back, and food defense training. Deanna Baldwin suggested that NASDA has some training material for food defense. (See Committee Reports)

A motion was made by Roger Ames and second by Cliff Hudson to accept the committee report as amended.

Motion Passed

Standard & Grades,

Cary Wise Chair, Vice Chair Vacant

Discussed Egg Fusion and noted that Egg Fusion has equipment in 4 plants in the United States at this time. Discussed Surveillance sublotting. Roger Glasshoff has indicated that the USDA will look at the language in that section of the SES handbook. Also, the USDA has indicated they are planning a retail survey to see if any changes are needed to the grade standards. (See Committee Reports)

A motion was made by Jeri Kahana and seconded by Tony Stover to accept the report as given.

Motion Passed

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State Egg Law

Danny Hughes Chair, Deanna Baldwin Vice Chair

A model Egg Regulation was handed out to the members present. Some revisions were needed, but Deanna would provide a copy to all members by April 30th. (Secretary Cary Wise indicated that he would assist with the distribution.) (See Committee Reports).

A motion was made by Jeri Kahana and seconded by Tony Herrera to accept the report as given. Motion Passed.

Membership and Communication Committee

Roger Ames Chair, Tony Herrera Vice Chair

Discussion was held concerning the date of the NERO Annual Meeting regarding grant money and special events. No Motion made.

Discussion concerning grant money from industry. No Motion made.

It was recommended that a copy of the Annual Report be sent to all non-member states. There was further discussion concerning membership. Danny Hughes suggested calling Kentucky.

Deanna Baldwin suggested calling New Hampshire.

Comment by Tony Herrera,

Encourage members to put money in their annual budget to attend the NERO meeting so that in the years when an FDA grant is not available members will still be able to attend.

Comment by Tony Stover,

Putting more links on the NERO Website to encourage more traffic to the NERO site.

Break

Tony Stover Continued.

Make sure that each State's URL is correct. He also suggested that each State add a link to the NERO site on their State's site.

A motion was made by Danny Hughes and seconded by Tony Stover that the NERO annual meeting be held during the month of March.

Motion Passed.

More discussion concerning grant money from affiliate members. No motion made.

(See Committee Reports)

A motion was made by David Steen and seconded by Suzanne Moss to accept the report as given.

Motion Passed

Michael Musgrove, Ph.D., Food Research Technologist, USDA/ARS

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Processing Issues - Problems and Perceptions

Michael Musgrove conducted a sanitation study of nine commercial plants. He sampled both pre- and post-sanitation. Shell and membrane were crushed and tested. Participating Shell Egg Facilities: Plant X Mixed facility (In-line, Off-line) process 373 cases/hr or ~135,000 eggs/hr, Plant Y In-line facility process 265 cases/hr or ~95,000 eggs/hr, and Plant Z Mixed facility (In-line, Off-line) process 291 cases/hr or ~10,500 eggs/hr

All genus / species identified by selection of random isolates were reduced by commercial processing. *Escherichia coli* and *Enterobacter* was recovered from every plant / visit
Vibrionaceae and *Aeromonaceae* were persistent contaminants.

(See Speaker Highlights)

Production and Processing

Chuck Kirchner Chair, Vice Chair Vacant

Discussed model sanitation requirements. Suggested canvassing members who have sanitation requirements and adding their links to NERO website.

A motion was made by Roger Ames and seconded by Danny Hughes to accept the report as given.

Motion passed.

Finance Committee Report

Terri Wenger presented the Finance Committee Report. (See Committee reports)

A motion was made by Tony Stover and seconded by Jeri Kahana to accept the committee report as given.

Motion passed.

Danny Hughes, Arkansas Department of Agriculture

AVI-Foam Guard – Foam Disease Control Machine

Danny Hughes gave a presentation on a machine used to depopulate boiler poultry houses which have been diagnosed with Avian Influenza. (See Speaker Highlights)

Vice President Chuck Kirchner recognized President Phyllis Davis and her support and dedication to NERO. Her efforts helped to make this year's meeting a success.

Also recognized was David Steen for all of his years of service to NERO. He was presented with a NERO engraved mug.

2007 President Chuck Kirchner adjourned the NERO 15th Annual meeting at 1:50 PM.



TREASURER'S REPORT

JANUARY 1, 2006 – DECEMBER 31, 2006

Beginning Balances (January 1, 2006):

Checking Account WesBanco	14.00
Checking Account Amcore Bank	13,553.47
Savings Account Amcore Bank	<u>5,041.30</u>
	\$18,608.77

Income:

State Membership Dues	3,900.00
Affiliate Membership Dues	600.00
Registration Fees	2,325.00
Interest Income	63.37
Miscellaneous	760.01
2006 FDA Grant Draw Downs	<u>21,434.15</u>
	\$29,082.53

Total: Beginning Balances and 2006 Income **\$47,691.30**

Total Expenses:

FDA Grant Expenses	21,434.15
NERO Expenses	<u>2,109.07</u>
	\$23,543.22

Ending Balances (December 31, 2006):

Checking Account Amcore Bank	54.65
Savings Account Amcore Bank	<u>24,093.43</u>

TOTAL ASSETS: **\$24,148.08**



NATIONAL EGG REGULATORY OFFICIALS, INC.

2007 Proposed Budget

Estimated Income:	Membership Dues	\$3,900.00
	Affiliate Membership Dues	450.00
	Meeting Registration	1,850.00
	Miscellaneous	<u>750.00</u>
	TOTAL	\$6,950.00
Proposed Expenditures:	Annual Meeting Expenses	\$2,280.00
	Annual Meeting –Meals & Breaks	3,500.00
	Annual Report	375.00
	License	25.00
	Postage - Shipping	350.00
	Service Recognition	115.00
	Internet Website Hosting	125.00
	Miscellaneous	<u>180.00</u>
	TOTAL	\$6,950.00