

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (Department)
FEED INSPECTION ADVISORY BOARD (FIAB) WEB CONFERENCE MEETING**

**May 21, 2020
9:00 – 12:00 PM**

MINUTES

MEMBERS

Dan Rice
David Meeker
Jed Asmus
Marit Arana, Chair
Michael Koewler
Paul Parreira, Vice Chair
Shay Rambur

MEMBERS ABSENT

Jeremy Banducci

CDFA STAFF

Adriana Avalos
Amadou Ba
Angelia Johnson
Brittnie Sabalbro
Jenna Leal
Maryam Khosravifard
Mike Davidson
Natalie Krout-Greenberg
Rachelle Kennedy
Samantha Moran-Defty
Valerie Brott

INTERESTED PARTIES

Beate Crossley
Chris Zanobini
Kate Horstmann
Mandy Heitz
Robert Poppenga
Tad Bell

INTRODUCTIONS AND ANNOUNCEMENTS

Dr. Marit Arana, Chair, called the meeting to order at 9:07 a.m. A quorum was established. Jeremy Banducci was absent.

Jenna Leal introduced new board member Jed Asmus and reappointed members Dan Rice and Michael Koewler.

APPROVE JANUARY 14, 2020 AND APRIL 28, 2020 MEETING MINUTES

Leal requested the board review the minutes of the January 14, 2020 and April 28, 2020 FIAB meetings.

MOTION: Michael Koewler moved to approve the meeting minutes; Shay Rambur seconded. The motion passed unanimously with a vote by all board members present of 7 - 0.

DEPARTMENT / DIVISION / BRANCH UPDATE

Natalie Krout-Greenberg reported that during the COVID-19 pandemic, the Department has been focused on continuity of operations and identified the workforce to ensure all essential functions continue to move forward. The Feed, Fertilizer and Livestock Drugs Regulatory Services Branch (Branch) and the Inspection Services Division (Division) has since worked together to provide continuity of services to the industry while ensuring program staff remain safe. Inspections that were feed and food safety related

functions became top priority. In addition to addressing the Division's internal program functions, the California Governor's Office of Emergency Services (CalOES) activated the state Operations Center. The Department has a representative embedded within the CalOES Operations Center. Alongside the CalOES Operations Center, the Department activated its own operations center to help address issues that the industry was facing this included: developing guidance for industry ensuring resources were deployed and supplies were secured; developing the Department's resource webpage; working with the Department of Pesticide Regulation to release a survey to understand agriculture needs for Personal Protective Equipment (PPE); and working closely with CalOES to secure vendors and supplies available. Due to the work of the Branches and programs, the Division was able to pivot quickly by transitioning staff to telework schedules and finding ways for the Center for Analytical Chemistry (CAC) lab to continue their services by placing lab staff on alternating work schedules.

Krout-Greenberg reported on the changes in the budget since January. The Governor Office's (GO) proposed budget presented in January versus the revised proposed budget presented in May, was due to the deficit as a result of COVID-19 at the state level. The GO's proposed budget includes a line item of \$10 million dollars for the Office of Farm to Fork, Farm to School program. Of the \$10 million, \$1.5 million would be staff funding to support the Office of Farm to Fork and Farm to School program and the remainder would support pilot grant programs to help fund farm to school efforts including school infrastructures to help procure and store fresh produce. Krout-Greenberg reported that the Department will continue to monitor the funding reduction for other programs throughout the Department as the Governor finalizes the proposed budget.

Krout-Greenberg reported that the Food and Drug Administration's (FDA) investigative report for the Salinas Valley outbreak of E.coli O157:H7 in romaine lettuce was published. Since the outbreak occurred last fall, the Department continues to collect samples in the environment and work with FDA, the Center for Disease Control and Prevention (CDC), and the California Department of Public Health (CDPH), to support sampling and investigative efforts. The report details findings and discusses next steps and important risks to consider.

The Department is working to set a framework for a three-year period longitudinal study throughout California, an item presented in the FDA's leafy greens action plan. The purpose of the study is to conduct samples throughout the environment to understand the location of food borne pathogen risk and the ability to put mitigation measures in place. The study will be in coordination with the leafy green industry, cattle, vineyards, compost, and other entities who oversee wildlife as well as meteorology, to help better understand weather conditions. Krout-Greenberg stated the study is being organized by the Department but ultimately be industry led with the plan to start by summer.

Dr. Amadou Ba reported in compliance with the Governor's order during COVID-19, 75 percent of employees have been teleworking with a reduction in the number of employees present in office. The Branch has been working with the CalOES, Department of General Services, and the Department's Administrative Services Division to provide PPE to all staff.

Dr. Ba announced Brooke Elliott, Research Data Analyst I, has promoted to Associate Governmental Program Analyst for CDPH's Woman, Infants, and Children program. Lisa Montanez and Kelly Amodeo, Environmental Scientists (ES) for the Fertilizer program were appointed to focus on biological soil amendments of animal origin. The two ES positions are FDA funded through the Department's Produce Safety Program.

The Fertilizer program's proposed rulemaking to amend the administrative civil penalties violations matrix was approved by the Office of Administrative Law (OAL) and became effective on April 13, 2020. The proposed rulemaking to reduce the Fertilizer's mill assessment from two to one and a half mills was also approved by OAL and becomes effective on July 1, 2020.

Dr. Ba reported that the GO proposed budget requests state agencies start a 10 percent salary reduction for staff beginning July 1, 2020. The GO proposed fiscal year (FY) 2021/22 requests a five percent budget reduction which might come from general, special/industry or federal funds.

BOARD APPOINTMENTS

Leal stated at the last FIAB meeting, Jon Handly announced his departure from Foster Farms to J.D. Heiskell. Leal stated that having two representatives from one company serve on the board was not in the best interest of the industry; therefore, Handly resigned from the board as of April 30, 2020. Handly's resignation resulted in a board member vacancy. The Feed program received one application from Kate Horstmann, Quality Control Manager of Commodities and Fats and Oils Laboratory Manager of Foster Farms. Leal stated based on the information provided, it appears that Horstmann has a wealth of industry knowledge and relevant experience. Leal asked for the board's consideration and recommendation to the Secretary to fill the board member vacancy.

MOTION: David Meeker moved to approve the board recommendation to the secretary to appoint Kate Horstmann; Paul Parreira seconded. The motion passed unanimously with a vote by all board members present of 7 - 0.

FUND CONDITION / TONNAGE REPORTING

Leal reported as of December 31, 2019, the beginning balance combined total for Feed and the Safe Animal Feed Education program (SAFE) was about \$4.3 million; total revenue was about \$2.3 million; expenditures were about \$2.1 million; encumbrances were \$271,712; and the adjusted total balance for Feed and SAFE were about \$4.2 million. Leal reported that the tonnage reporting appears steady and on track.

PROGRAM UPDATE / STRATEGIC PLAN FOLLOW UP AND RECOMMENDATIONS

Leal reported that since COVID-19, the Feed program received a stop work order on all FDA contract inspections. Leal presented the FY 2019/20 contract work assignments completed for the Food Safety Modernization Act (FSMA) Good Manufacturing Practices (GMP) Preventive Controls (PC) and Licensed Medicated Feed inspections stating that there are several inspections from this contract year the program will likely not be able to complete. Leal stated the incomplete inspections will be absorbed into the 2020/20 contract year.

Leal presented the changes of workflow during COVID-19, pointing out that while the Feed program has stopped conducting unannounced, in-person inspections or meetings with the industry at firms unless it is "For Cause". The Program has continued several critical programmatic functions, including: developing a system on OneDrive for all documents, participating in weekly Zoom program meetings, enhancing/modifying the program's standard operating procedures (SOP)'s, and developed Post COVID-19 sampling and inspection activities checklist and guidance for staff to follow, developed a decision tree for complaints based upon complaint type, and revised the programs complaint form and instructions in the inspector manual; revised the Commercial Feed Violation Inspection Report; published the annual corn survey; published the SAFE Industry Newsletter, updated several chapters of the inspector manual, collected food safety related samples on farm, and have reviewed several medicated feed labels to ensure label compliance.

Rachelle Kennedy stated that the Department will be releasing the 2019 Veterinary Feed Directive (VFD) report soon. Kennedy reported a few items to note on the report include replacing wording with infographics, updating the compliance section with Tissue Residue information and the Department's audit and visit numbers, and adding links to Federal Drug approvals. Kennedy presented the Feed program's proposed regulations stating that the alignment with national standards, tax payments, and lot number on formula feed labels are topics that the program has already presented to the board and strategic plan workgroup in previous meetings. The Feed program will need to seek a legislative change in the Feed law in order to reference the most recent edition of the Association of American Food Control Officials (AAFCO) official publication. The additional proposed amendments include license application requirements in defining a legal representative for the firm and notifying the Department within 30 days of any changes are needed with the original application or renewal; administrative penalties including how violations/penalties will be assessed; and hearing process and procedures for the Department. The Feed program anticipates the proposed regulations could take about six months for processing and submission to OAL for final review.

Leal expressed the importance of having industry input when the Feed program begins developing the administrative penalties, specifically the violation matrix, and advised

that having a “regulations subcommittee” would be beneficial to assist in developing and adding appropriate penalties to the matrix. The program will keep the board posted and form a subcommittee when needed.

Kennedy stated the Feed program has been surveying online feed sales as part of their research for a mill assessment option for feed products. Kennedy presented a chart illustrating the range of feed products sold online detailing the package size, price per package, and price per ton. Based on the survey data, the program was able to capture an idea of potential feed mill assessment rates of one or two mills for different products. The online survey will continue to be an item presented at the next FIAB Strategic Plan Workgroup (SPWG) meeting.

Kennedy announced Shelly King, Special Investigator, has started online hemp and cannabidiol (CBD) enforcement and has found over 1,000+ hemp/CBD products marketed online. King has contacted most of the firms which has resulted in a 73 percent compliance rate. Kennedy stated that the program has focused on online sales inspections presenting the process and steps to performing online sale inspections. Program inspectors research websites focusing on California prescription drugs, restricted livestock drugs, hemp/CBD products, unlicensed feed manufacturers and unregistered livestock drugs. The inspector then contacts and notifies the firm compliance requirements and then a completes a follow up to ensure the firm has changed their website to not ship to California or received proper licensing; additional enforcement is pursued if a firm fails to comply.

Leal announced that since Samantha Moran-Defty has taken on the Animal Feed Regulatory Program Standards Cooperative Agreement (AFRPS-CA) workload along with continued oversight of all SAFE activities. With that said, the Branch felt it was appropriate to reclassify Moran-Defty into the correct classification for her workload, Senior Environmental Scientist (Specialist), which aligned more to the duties she has been performing for SAFE and AFRPS for the last five years.

Leal gave a SAFE update stating that the AFRPS-CA’s final audit is in the summer as the grant comes to an end in August. SAFE has applied for the maintenance cooperative agreement for maintenance on current standards and regulatory program standards for all PCs. The five-year maintenance cooperative agreement will cost \$525,000 per year. Leal stated that the maintenance cooperative agreement grant is separate and distinct noting that the standard 10 lab function is not included in the program standard. There are several pieces within the program standards that SAFE must develop for PC FSMA work compliance.

Leal stated that the SAFE newsletter was published in April. Moran-Defty continues to provide food safety consultations using post sampling SOPs and review food safety plans. SAFE has considered hosting online trainings related to medicated feed labels which would be beneficial for industry and Preventive Controls Qualified Individuals for

animal food if there is any interest in the industry for SAFE to provide more outreach and education.

Leal stated the FIAB SPWG web conference meeting held on May 19, 2020 consisted of presentations by the University of California, Davis' (UCD) Analytical (AN) lab and California Animal Health and Food Safety (CAHFS) lab, and the Department's CAC lab. The AN lab presented a proposal to provide label compliance analyses to the Feed program, CAHFS presented a proposal to provide food and feed safety related assay analyses for the program, and the CAC presented a proposal to keep lab services at CAC. Each lab provided a proposed budget and budget type, which became the key differentiation between the UCD labs and the CAC. Leal presented a decision criteria worksheet consisting of a summary for each lab including the implementation timeframes, budget type and overall budget, equipment needs, accreditation and performance management, reporting, and turnaround time. Leal explained that the decision criteria worksheet was utilized in order to assist the SPWG make an objective recommendation to the board. After discussion and deliberation, the SPWG made a unanimous recommendation to the FIAB to transition all Feed program laboratory services to UCD. Leal stated that the two key point takeaway was the overall budget savings, fee for service budget type, and the UCD LIMS reporting system, which were all key decision factors for the SPWG's recommendation to the board.

In addition, Leal detailed the review of the proposals and decision details pertaining to method development and Near Infrared (NIR) equipment transfer to the AN lab for almond hull analysis for crude fiber, specifically the transition for Almond Hull products to the AN lab. For CAHFS, year one would be of significant cost saving; however, in year two CAHFS is requesting additional equipment, which with the board's approval, will cost about \$500,000. The turnaround time for both AN and CAHFS is ten business days and 48 hours for rush samples.

Leal stated CAC's proposed budget of \$1,485,737 for three years, does not include costs for method development which means additional and unknown costs to the program for seven methods to be upgraded, with a twelve-month timeframe. CAC's overall budget includes maintenance, repair, and supply costs. CAC's turnaround times vary based on type of assays.

Leal stated that if the board approves the SPWG recommendation to move lab services to UCD labs, The Program must operationalize a plan for a smooth transition. This plan includes identifying a project manager and SOP development, establishing a project plan with measurable outcomes and timeframes, and ensuring oversight and accountability on UCD labs performance and deliverables. The almond hull analysis and NIR will require further discussion. Leal recommended an informal workgroup or subcommittee to look at the lab transition to ensure the program is meeting industry and board expectation. Leal also suggested having one Feed program staff or a member from the board attend the CAHFS advisory board meetings. Leal explained that the

program will need prepare a memo for Secretary Ross' approval, and that only then can the program begin the contract and procurement process with UCD. Leal mentioned that the program and board be mindful that CAC will need a budget in place through the lab transition period, making note of staff transitions to other programs and retirement payouts throughout CAC will need to occur.

Leal advised that a discussion with FDA is important to ensure AFRPS compliance. The Feed program has informed Dan Danielson, FDA AFRPS coordinator, that the program is working with UCD and CAC labs on proposals, but emphasized the importance of continuing open dialogue with the programs FDA partners through the lab transition as it pertains to the AFRPS CA.

Chair Arana reiterated that the SPWG recommendation is for the Feed program to transition all program lab services the UCD labs. Chair Arana stated that keeping almond hull analysis at CAC for the coming year seemed logical and will allow AN Lab time to prepare for the transition of having methods in place to provide almond hull analysis in a years' time. Since there will be a year one industry savings of an approximate \$700,000 Chair Arana discussed the possibility of purchasing another NIR for the AN lab at a cost of \$85,000.

Michael Koewler asked how the Feed program's parting ways from CAC affect the Fertilizer program use of CAC. Chair Arana responded stating that while Feed parting with CAC would be a break from the tradition; that the Fertilizer program would stay with CAC.

David Meeker asked if the Feed program has identified the person who will manage the lab transition. Leal stated that she will work with program staff and Division for guidance in determining who will eventually take the lead to ensure the lab transition project continues to meet program needs and deliverables and stated she would remain very involved with transition process.

Chair Arana emphasized that the UCD labs are a fee for service budget type and if the program does not submit as many samples as presented in the breakdown criteria of sheet presented by Leal, the costs will be lower. Chair Arana asked for board motion to approve the SPWG recommendation of the Feed program to begin transitioning all program laboratory services the UCD labs.

MOTION: Shay Rambur moved to approve the SPWG recommendation; David Meeker seconded. The motion passed unanimously with a vote by all board members present of 7 - 0.

CENTER FOR ANALYTICAL CHEMISTRY LAB UPDATE

Maryam Khosravifard presented the assays completed for samples received from January to April, reporting the average turnaround time was 11 days as sample

submissions were down due to COVID-19. CAC prioritized the assays that were identified as an essential function with a one-day turnaround time. Khosravifard continued with a breakdown of assays for mineral analysis and old methods and instrumentation for each assay. Overall, CAC completed a total of 951 assays with an average turnaround time of ten days.

Khosravifard presented a bar graph illustrating the sample turnaround time by calendar days and number of samples shown the COVID-19 effect on CAC operations. CAC has focused on activities to continue CAC operations which included: analyzing samples while maintaining social distancing and lower lab occupancy; analyzing rush bovine death samples; training staff on aflatoxin, mycotoxin methods and new Inductively Coupled Plasma Atomic Emission Spectroscopy equipment; validating new nitrogen/protein analyzer; developing Ankom fat and sulfur analyzer methods; and updating SOPs on the Department's website.

Krout-Greenberg commended CAC and UCD labs for working through this lab transition process with the Department as those that have been around know that it has been a conversation and heavy lift for the board and program to have those difficult discussions. Krout-Greenberg expressed admiration of CAC having put forward information and a discussion to be able to determine the best outcome for the feed industry.

CALIFORNIA GRAIN AND FEED ASSOCIATION / ALMOND ALLIANCE UPDATE

Elaine Trevino, President of Almond Alliance, stated that discussions are moving forward to bring back sample analysis on almond hull standards issues. The sample analysis continues to be an agenda. Almond Alliance met two months ago to share sampling results which is a step closer to a resolution on the almond hull standards issue.

PUBLIC COMMENT

No public comments were made.

AGENDA ITEMS FOR FUTURE MEETINGS

Chair Arana asked the board for agenda items for the next meeting. Tad Bell suggested the hemp products research project with UCD become a regular update on future meetings to ensure that the Feed program and board are on track to determine whether hemp be an approved ingredient on feed.

Bell stated that since the exotic new castle disease impact on southern California, companies such as Star Milling went through a lot of transition and change to address the disease. Bell advised that the Feed program invite Dr. Annette Jones, Director of the

Animal Health and Food Safety Services Division and State Veterinarian, at the next FIAB meeting to present the California Secure Food Supply to determine what outreach the Feed program can provide to help prepare for a potential outbreak in the Central Valley.

Leal stated Bell's suggestion is a great idea. Leal stated that the UCD hemp research study has been put on hold during COVID-19 but the Feed program continues to move forward through the contract process which will be presented at the next FIAB meeting.

NEXT MEETING

Leal proposed that the next FIAB meeting be held at the end of July or first week of August, prior to the fall budget meeting. Members will be polled to select a date.

ADJOURN

The meeting was adjourned at 10:49 a.m. by Chair Arana.

MOTION: Michael Koewler moved to adjourn the meeting; Paul Parreira seconded. The motion passed unanimously with a vote by all board members present of 7 - 0.

Respectfully Submitted By

ORIGINAL SIGNED BY JENNA LEAL

5/21/2020
Date

Jenna Leal, Feed Program Manager
Feed, Fertilizer, and Livestock Drugs Regulatory Services