Minutes
December 6, 2011

Board Members Present:
Alan Perazzo, Chairman
Paul Anderson
Dean Baker
Charlie Frey
Grady Jones
Paul Noe
Jim Snyder
Boyd Spratling
Dave Stix, Jr.
Hank Vogler

Board Members Absent:
Ramona Morrison

Staff Members Present:
Jim Barbee
Bryan Stockton
Mark Jensen
Jay Ludlow
Joann Mothershead, Elko
Jodi Protopappas

Guests:
Don Alt, NLSA
Jerry Lentz
John M. Wildlife
Trish Swain, Trail Safe
Joey Hastings, Governor's Office
Audry Spratling
Doug Busselman, NV Farm Bureau
Don Molde
Billy Howard, Trail Safe

1. Call to order by Chairman Perazzo

A. Pledge of Allegiance
B. Introduction of Board members, staff and guests
C. Approval of August 30, 2011 Board meeting minutes (not available at this time)
D. Approval of October 4, 2011 Special Board meeting minutes (not available at this time)
E. Public Comment (none at this time)

2. Director's Report

Director Barbee presents overview of last 3 months and hit topics we are working on.

*IFC meeting John Mccuin and himself no major issues continuing to align accounts and complete fund maps relative to the new budget that came out. Work is pretty close to completion. Start in near future evaluating the cost allocation process and evaluating best way to do this. Look at any benefits to having a transaction count that effects the cost allocation. The cost allocation is the amount that each one of the divisions is forwarding to the administration to support that divisions activities. The administrative division is run thru a cost allocation. Dept. of Ag over last 10 years has tried to figure out the best system for a cost allocation that works best to benefit the divisions and allow enough funds for the administrative division to operate.

*Ride along with W & M

*September 7, 2011 - met w/dept of personnel Jeff Mullencamp Director last legislative session we lost our personnel officer as part of cuts. That function was to be transferred to the administrative division suppose to happen in Feb. close of session made it effective July 2011. We had no personnel support between July 1, to Feb 1. Personnel helped out by hiring a former personnel office with the state to come back as a contractor. Connie spends 20 hours a week at dept. of ag setting up personnel files and in January will be transferred to personnel in Carson city when they take over that function. Connie has been outstanding in the time she has been here and has been instrumental in us getting a lot of our positions advertised and hired in last 3 months. We hate to see Feb. come when we will lose Connie Valley. Personnel support will be in Carson city, we will maintain an office here for dept of personnel.

*September 9, 2011- had brand inspection training meeting. Started implementing brand inspection policies that were approved by the Board. Found issues and that’s why we called emergency meeting of Board to request oprportunity to go to workshop and hearing to fix nac language to bring the nac in compliance with the way the agency has previously operated. You will see this on the agenda for approval later today. We have also adjusted brands operating policy to reflect this change if approved today by the Board.

*September 12, 2011- Meeting with Southern NV Water Authority. They gave an overview of their operation in Eastern NV and the amount of ground that they farm and keep into agriculture and how that ties into them. Informed them that Board went on the record that they were opposed to pipeline project.

*NV State FFA officers toured agency in Sept.
*September 14-17, 2011 - went to National Association of State Directors of Agriculture meeting in Salt Lake City. USDA provided information about realities of upcoming cuts and what their predictions are. Significant cuts in the future in regards to USDA flow-thru money.

*September 22, 2011 - met with petroleum and plant staff regarding transfer of the antifreeze program into the petroleum division. Currently program is in Plant division. By statute it should be under petroleum. Looking at beefing up petroleum lab so eventually they will be able to do all of the work. Identified regulations that we should be doing oil testing which I believe has not been done for some time. The equipment we currently have is out of date so looking at new equipment.

Brief description of different types of oil lubricating and motor oil. Used in statute interchangeably. Evaluating how this would effect industry in terms of taxes that levied on oil that comes into the State thru DMV then transferred to Agri for testing. Will have more info after we have evaluated. Dave Jones should have a report on the progress.

Comment by Paul Anderson – Our industry supports what Agri is doing. Other states that just started doing testing they are finding high number of inferior products that are being sold as one thing that is truly something else. Thank you to Director for work on this.

*October 3, 2011 - cabinet meeting was largely focused on performance based budgeting. Gov has identified core areas of operations of Government and we fit into 3 or 4 of those areas. 1 is B & I, 2. is Natural Resouces, 3 is Health & services. We fit into it because of public safety and our commissioned officers in both plan and animal side. Being worked on since early November probably thru early of next year which will tie back to performance based budgeting system that is going to come out of the budget. Identifying what the 3 primary objectives are goals and how we are meeting those goals and it will be data driven. We are utilizing data that we had previously but we are reevaluating that to make sure it is most useful data that will actually affect performance so we can report to the Board or public or legislature. We will be prepping for the next Leg session starting in February..

*October 4, 2011 - conference call meeting with Board to go to workshop. Met with Dept. of corrections and worked thru Gov office dealing with VR Horse issues. Horses up for sale at the Stewart Correctional facility we are giving the horse advocacy groups an opportunity at the horse we have collected first come first serve, identified cost to Agriculture to collect horses in traps take horses to prison, feed, processing, branding on left hip if they do not buy horses today then horses will be transported to Fallon on Wednesday can’t afford to hold and feed horses with the budget restraints we are in. We will continue to keep horses off the roadway for public safety. We continue to have horses hit on the highway. Don Alt shared that along 95 route looking at completing fence line by dept. of transporation. Word from DOT putting in a horse underpass past moundhouse around stagecoach area that will hopefully help with the horses coming across the roadway.
October 13, 2011 - met with Amy Lueder, USDA re: V. Range issues felt there is a connection between the pincnut herd and the Lohontan herd areas. They are adamate there is no genetic connection between those horses and Carson river keeps horses from moving back and forth. I have walked across the Carson river when things are pretty dry, Director questions that stand. They are willing to support us with equipment, traps but they believe they have no responsibility or liability with the horses that are on the Virginia Range.

Dave Sticks Jr. comment: - for the record can you tell everyone where the funding is coming for for state personnel to do this?
Barbee answers: Animal identification which is fee based thru Brands, and registrations, certificates, trip permits is the fee source.

Advertised price for this mornings sale is 90.00 per head.

Charlie Frey comment, question: for the record: - Have you had meetings with Governor re: the slaughter of horses, how is public conception being changed?
Jim Barbee: Briefly talked about it. Have not seen it as huge impact relative to VR horses immediately.
Charlie Frey : Thought if we could create demand it would take some of the responsibility off this dept. and open up a market place. I think it is something for the general public to consider in view that overseas some of that meat is real good delicacy. Jim Barbee: response: We are continuing based on motion you guys passed 2 meetings ago to look at other opportunities to the dept of Ag managing the VR horses, working with AG's office regarding statutes and what option we have there and continuing to work with Gov office on ideas and ways we could more appropriately transfer that authority to a better place.

Dean Baker for the record: Put on agenda to say ability to slaughter horses because we are agriculture and it is an important thing to do. It would cause up controversy and problems there are many putting that out. I am not pushing this just putting idea out.
Jim Barbee: As I understand it with the uplifting of the band it is anywhere that you have a slaughter house it is legal now.
Dean Baker: But if we supported it, legislators couldn't do anything in legislation about wild horses like the water thing, they got hammered in the ground. We would not get hammered the same way it would be a subject we could put out.

Boyd Spratlin: Financial strategy on getting slaughter house going because that is when the river is going to meet the road is when they slaughter the first horse. Think looking at putting facilities on Indian reservations which takes legislature and everybody out of the equation.

Dean Baker: I would hope it might some help to some of the legislators if the Board of Agriculture would take a clear position. Just throwing it out.

Dave Styx Jr: I think we should trust that the private sector will handle this eventually if slaughters increase, need to talk with Gov office have to be careful where this Board goes with that because it may take care of itself, however brings up issue you need to be prepared as well as the Governor that prior to today there has only been 1 buyer at the sale yards purchasing horses and that is why market is so bad. This could increase more buyers at the sale like 10 years ago. If we take VR horses to the sale we need to be prepared for that. Right now with 1 buyer everyone knows where those horses are going.
Jim Barbee: I think you are right about how it will play out in private industry but one would assume that it would affect that issue and we have to make justifications one way or another.

October 11, 2011 – Met with Department of Wildlife re: issues on permit process thru Wildlife Services. Largely focused on the mountain lion and going thru a more defined communications process with Wildlife Services, Dept. of Ag and NV Dept. of Wildlife. All were receptive to that more timely information as we move forward identified they were looking for notice of approval for taking mountain lion and taking bear. Later on met on that some more and agreed that would be fine for bear we only took 4 last year and 2 were accidental, we took 33 mountain lion. That would be more difficult on the livestock producers to have to get approval from the Dept. of wildlife before we could deal with the predator mountain lion issue specifically. In that negotiation we were able to give that to a 24 hour notice which could be done. We want Wildlife Services to be responsive to the livestock industry when we do have predator issue if that be on sheep or cattle or any livestock. We feel comfortable where it sits currently. 24 hour notice not approval. Gov office helped with that agreement and we appreciate it.

*October 15, 2011 - Attended Centennial Farm and Ranch Award dinner in Fallon, the Cattleman's Executive Meeting in Winnemucca and all were very positive.

*October 19th and 21st LCB auditor and budget analyst come into agency, we are trying to educate them regarding what our programs do. Plant division put together posters on the wall and gave them overview of plant area and why those funds are important and how those funds interact with general public and industry so when we get into the budget development process and legislative process.

*October 24, 2011 - Met with Washoe Animal Control. Looking at defining a memorandum of understanding when we have a call on an injured horse in Washoe County area they would have ability to handle that call if they had to euthanize the horse in exchange we would work with highway patrol to provide backup support if it is a more public setting and issue. Keeping communications open. ***JODI*** action Memorandum of Understanding.

*November 1, 2011 - Met with Dept. of Administration Director, Doit Director looks like we have agreement for DoIT to handle IT support for Dept. of Ag here, LV, Elko. Consolidate servers.

Working with Doit to build new web page that would mirror the new state webpage. More interactive website. Bartering what we have is office space. Waiting on approval thru budget and create interagency agreement to make it work. Get us thru to next Leg session and then we can address IT issues and personnel issues as we move into next budgeting process.

September 28, 2011 - Met with Marty Owens with USDA stats office re: office space with an agreement they will help us put together more useful stats for Ag advocacy, why we need dept. of Ag.

November 9, 2011 - *State weed meeting in Sparks

*November 10, 2011 - Mike Skaggs with Economic Devel. Authority. Core growth discussions and Ag was not identified as a core industry the rationale behind that is that we don't generate a lot of jobs. We have tremendous amount of economic impact relative to the cash flow we have in the state. Will work closely with them.
November 14, 2011 - Met with Joey at Gov office a few times over the past 3 months mostly dealing with Wildlife Services or the horse issues.

November 15, 2011 - Attended NV Wool Growers and Cattlemans Convention and those of you that are members I appreciate you allowing for me to participate and Farm Bureau as well. Hoping to start contacting you guys to identify folks in your associations that we can create small committees to start the evaluation process on all of our programs sometime in January to identify things to improve efficiency. Brand districts policy now farm bureau is in favor of making brand districts borders of the state. We need to evaluate, this is an example of what these committees that will evaluate the programs will come back with recommendations that I would consolidate and bring back to you relative to any NAC or regulatory changes that we would need. Need new regs that would be more supportive of the industry, do we eliminate some that are considered burdensome and duplicative, we are doing some of that now with the Gov office. Do we need to change regs with the new realities of changes in the industry.

Been to LV office couple of times 1 time to Elko office

December 2011 - Conducting hearings biggest responses we have had yesterday were relative to Garlic & Onion changes and the organic changes.

Any questions?
Comments: Baker regarding Southern Nevada Water Authority during hearings spoke in favor of the pipeline. I feel it will hurt LV and the whole state of Nevada. Long comments on disapproval of pipeline.

Comments: Jim Snyder – Webpage not unhappy with it as is. Likes options on front page due to slow web connection as many people in rural Nevada do. Fewer layers to get to something the better. Please take that into consideration.

Jim Barbee: Noted, good point.

Division of Administration Report - Update by John McCuin ASOIII

*Budget account 4537 Gas Pollution Standards

*BA 4540 – Strictly appropriations – small in nature, sees no problem with this BA.

*BA 4545 – Agriculture Registration Enforcement all from grants and grants are

reimbursable.

*BA 4546 – Discussed this last meeting. With fee increases looking better than it did 3 months ago.

*BA 4550- Veterinary Medical Services – Has partial appropriations and then some

grants . Does not look like any problems but these grants are coming in less than what the

budget accounts are. Next few months analyzing those figures. End of last fiscal year we

had negative cashflow we had to go to IFC. Don’t see that problem coming about.

*BA 4551 – W & M – Looks real healthy in work programs in process section 45k$ there

will go to IFC in February to purchase additional equipment to aid in weight inspection.

Jim Barbee interjects that will insure that we are meeting statutory requirements which identifies an annual inspection meeting every year. This will interact with the Gipsa requirements. Overall we have not currently been meeting statutory requirement of

annual inspection and this will allow us to do that. We are doing this in urban and rural

areas.

John: purchase of this equipment excess reserve is set aside to do this.
*BA 4552- Almost entirely funded by grants which means you make your expenditure and then seek reimbursement on the grant works well for seasonal staff. A few permanent positions in this budget account which are paid salary thru whole year whether they are working on grants or not which creates a negative cash flow, not unusual.

*BA 4554 – Administrative, don’t see any problems with this budget account at this time. *BA 4556 – entirely funded thru grants however there are no personnel positions directly assigned to this account.

Question by Frey – 4554 regarding the High School Rodeo Association, $20,000?

Jim Barbee response: As I understand it recommendation during last budget process cut both those funds and cut NJLS funds. When it came out of Governor’s office the 20K was restored for HS Rodeo Association and went thru Legislative process in tack. It is a flow thru use it for travel.

*BA 4600 Predatory Animal – cash flow problems at end of last year. In reviewing how budget

Jim Barbee – Is everyone good with how we are presenting this and the visual you are getting from this?

Response – very good.

John – By January I should have all the wrinkles out of the system and have these reports prepared monthly.

Charlie Frey – Would like to compliment John, we have never really received this before. Very important information and we get a feeling of what our current status is.

Jim Snyder – Compliment John, likes the information. In the past department fell way behind on invoicing is it current?

John – Believes we are.

Jim Barbee – Aware of this area. New rules thru last legislative session. We are evaluating to make sure we meet that requirement. Accounting fully staffed now and staff focused on alignment of accounts with IFC, cost allocation review will put more work on them.

4. Plant Industry - Update by Dawn Rafferty, Division Administrator

Dawn commends Peggy McGee and Steve Marty on the time and effort they spent on the regulatory changes. This process was a challenge and a growth opportunity for both of them and they rose to occasion admirably and professionalism.

A. *ASK FOR PERMISSION TO ADOPT CHANGE TO THE NURSERY FEE

NAC 555.1098.

Jim Barbee – Bringing these to you today because those accounts are in a financial scrape. This is an emergency situation so fee increase or if not elected to increase will have to make management decisions, can’t operate at a loss. Today insure budgets in place today, fees today not covering expenses.

David Styx Jr. – Clarification – do we have justified in the budget need for increase?

Jim Barbee – John identified that we were having shortfalls in those accounts.
This is due to loss in general fund over last session and adjusting to operate not at a loss. David Styx Jr. – About 15 years ago legislature imposed a business impact study. Where do we fall into that category? Jim Barbee - Those were done for all the LCB files, we can get those for you. This is an emergency situation, need Board to take action for programs to continue on otherwise I will have to freeze the program. There is a business impact due to increase in fees, we have tried to be forward leaning and involved them thru workshop and hearing. All business impact documents sent to LCB and came back with modification in addition all info was shared with Governor’s office.

Paul Noe – this actually doesn’t bring us to what the dept. has been running on. This is just enough to cover inspector. We actually need more to have a second inspector.

Dave Styx Jr. – We had this discussion a meeting ago regarding to brands.

A. Paul Noe makes a motion to accept these changes to 555.1098. Seconded by Grady.

Point of procedure by Bryan Stockton – Legislature Open meeting law interpreted that the motion has to be on the floor before the public comments so public knows what they are commenting on.

No public comment. No further discussion.

Motion Passed.

Dawn presents changes to NAC 587.340 increase of inspection fee of certain agricultural products in the field.

B. Motion by Dave Styx, Jr. to accept changes to NAC 587.340. Seconded by Jim Snyder.

Public Comment: Doug Busselman NV Farm Bureau. In support of changes to ensure dept. can maintain program.

Motion passes.

Dawn proposes changes to NAC 587.254 increase of field crop application fee. Industry was supportive.

C. Paul Anderson makes motion to accept changes to NAC 587.254. Paul Noe seconded.

Public Comment: Doug Busselman in support of changes.

Motion passes.
D. Grady Jones makes motion to accept changes to NAC 587.905. Paul Noe seconded.
Discussion: Boyd Spratling clarification on fee increase. Jim Barbee clarification we went to organic advisory board submitted this to you as their recommended changes. Discussed USDA guidelines for inspections. This use to be general funded with the intent that it would become fee based. Now it is fee based.
Charley Frey questions re travel time and mileage.
Jim Barbee: Travel in addition to mileage. This went thru LCB and this is their suggested language. Only adjustments were dollar amounts.

Bryan Stockton – Even though this has gone thru LCB you as the Board can change language and submit to LCB again. If LCB disagrees the regulation would not go into affect.

Public Comment: None

Motion Passes.

E. Dawn Rafferty Division Administrator for Plant Industry requests permission of Board to adopt changes to NAC 587.220, increase of analysis and testing of seed fees. Discussion Jim Snyder moves to adopt increase. Boyd seconded. Chairman Perazzo asks for public comment. Doug Busselman comments that industry is in support of increase.

Motion Passes.

F. Dawn Rafferty Division Administrator for Plant Industry requests permission of Board to adopt changes to NAC 554.906-910 to create fee structure for allium inspection; repealing quarantine. Discussion and Paul Anderson asks what was industry input? Jim Barbee clarifies. Paul Noe makes motion to accept as amended. Grady Jones seconds motion. Comments from public, Doug Busselman suggests that the vetting at the hearing is a good example of industry being directly involved.

Motion Passes

G. Dawn Rafferty Division Administrator for Plant Industry requests permission from the Board to move to workshop and hearing to increase general inspection fee for Plant Industry. Review of current fee and suggested new fee would be conducted with industry involvement. Jim Snyder makes a motion to approve. Dean Baker seconds motion.
Motion Passes

H. Scott Marsh with Noxious Weed Program. Presents Noxious Weed Law Policy Statement to the Board. Much discussion and concern with Board and public. Doug Busselman suggests this policy statement fits how law should operate. He feels that the public should have opportunity to review this policy and voice their opinion. Jim Barbee explains this is a first draft proposal and welcome feedback. Director Barbee also suggests putting committee together to further investigate. Dave Styx makes motion to return the Noxious Weed Law Policy Statement back to staff for further research. Paul Noe seconds the motion.

Motion Passes to return to staff for further investigation.

5. Brand Inspection Division

A. Joann Mothershead Division Administrator for Brands Division request approval of the Board adopt adot changesto NAC 565.230 to reduce fees charged when staff is administering inspections. Boyd Spratling makes motion to adopt and Charley Frey seconds motion.

Motion Passes

B. Joann gives a Brands Division update. Closes out fiscal year $158,207.15 collected for head tax. 6038 notices mailed out in May, and in June another 2968 second notices sent out. 858 third notices sent out in July. 2000 demand letters were sent out in September. Still have 1400 people who have not responded. Continue to go back thru list to check addresses. Total expenses to mail out notices $6578.10 does not include office personnel cost. Some late fees have been collected and now will send out the notices earlier and giving a time line of 60 days. After 60 days will be considered delinquent and collection actions will be taken. Brand renewals sent out, received back about 1900 renewal notices. Any brands not renewed by December 31, 2012 to pick up brand before it is considered lost to record.

378,653 cattle inspected in the country from July 1, 2010 to June 30, 2011. Currently have 3 theft investigations turned over to DA’s in Elko and Eureka Counties.

Boyd Spratling asks if the sale yards are include in the count. Joann responds they are not included in the total.

C. Report by Jim Barbee regarding update policy approved at last meeting, now updated to reflect the NAC previously approved for Brands. Will pay
time and travel if 24 hours is not given. Motion to approve changes to inspection policy made by Boyd Spratling and seconded by Dean Baker.

Motion passes.


   A. For information update on NRS 567, Noxious and Predatory animal committee. This committee has never met in the last seven years. The committee consists of 5 members and would like to make the Board aware that it has been advised to form this committee.

   B. Requesting the Board to take action on NRS 567.030 to select member to create the State Predatory Animal and Rodent Committee. Mark would request the Board select one more person to sit on this committee as the other seats are taken per NRS. Alan Perazzo states that Hank Vogler by statute would be the member that represents sheep that would sit on this committee. Hank Vogler for the record states that the obvious other choice would be someone that represents livestock and maybe should consider Mr. Jones. Questions and discussion regarding the committee. Jim Barbee reads the definition of the committee, which would be responsible for setting up the agreement with USDA for the control of predator animals, property destroying birds and rodents. Would work on a cooperative agreement between the state and Board of Wildlife. Mark is asking for nominations or volunteers to serve on committee. Boyd Spratling would like to throw his hat in. Motion made by Grady Jones and seconded by Dean Baker to nominate Boyd Spratling to sit on the State Predatory Animal and Rodent Committee.

   Public comment by Don Molde who is interested in this issue. Will the meetings be open to public. Jim Barbee explains that it is a statutory committee so it would be under the open meeting law. More discussion and reading the statutory requirements, the committee shall select its own chair, the Director of Agriculture will serve as the secretary of that. Doug Busselman asks who is responsible for the actual formation of the committee. Director Barbee states the Board of Agriculture is responsible.

   C. Mark Jensen asking for a review and possible action on draft changes to NAC 503, a regulation relating to wildlife; establishes provisions pertaining to trapping in a residential area of Washoe or Clark Co., Mark would recommend that he works with Director Barbee to draft a letter to put out to Dept. of Wildlife formally requesting the exemptions for state and federal employees acting in an official capacity and exemptions relating to the pest control industry. Grady gives a little background on this issue. Motion to submit letter from Dept. of Agriculture for exemptions for Governmental agencies and state license entities. Hank Vogler questions not giving exemptions to private trappers. Dave Styx
responds if private trapper is licensed by the state they would be exempt. On going discussion with cross talk can’t identify speakers. Discussion to clarify proposed language changes. Motion still on floor by Grady Jones to work with Director to draft a letter stating that the Board is requesting exemptions for governmental agencies, and state licensed bodies. Paul Noe seconds motion.

Public comment by Trish Swain of Trail Safe Nevada regarding permits and licenses and need to be very careful about language. Ms. Swain has question for Grady regarding permit vs. license. Grady explains that for pest control he is licensed through the Department of Agriculture for trapping, it is a permit from NDOW. Ms. Swain says she did not know that and thank you. Ms. Swain has concerns regarding the safety of traps in recreational areas where there are no firearms. Discussion continues relating to trapping, private property, safety. Jim Barbee suggests language for property could be agriculture land or that intent. Alan Perazzo states that the Board needs to vote on the amendment, Jim Barbee states adding private property to the main motion to the list of requested exemptions in the letter drafted by the Board of Agriculture to the Wildlife Commission stating that exemptions would be given to government agencies, state licensed bodies. Suggestion from Board member (unable to determine who) would like instead of private property language should be agriculturally zoned private property. Dave Styx seconds motion. Alan Perazzo clarifies that this vote is only for the amendment.

Motion Passes

D. Mark Jensen reviews Budget Status Report by the US Dept. of Agriculture as required and Nevada State Report as per NRS 567.140.

7. Jim Barbee asks for the Board to approve the transfer of the Wool Growers head tax. Motion made by Jim Snyder and seconded by Dean Baker.

Motion Passes

Public Comment

Jerald Lent discussion on wolves and the impact they could potentially have on agriculture.

Don Alt expressed his concerns regarding water. He says this is the biggest problem and that Agriculture should conduct a study on how much water is being used.

Dr. Phil LaRussa answers questions from the Board regarding cattle coming into the state and problems with vaccinations. Dr. LaRussa expressed that the drought in Texas is causing issues for us here. He is having problems with non-compliance, and
brand inspectors not providing information to Agriculture. Nevada had five animals coming and were not in compliance. They were removed and sent to another state.

No more public comment. Meeting adjourned at