

**Minutes of the Milk Sanitation Board**

Thursday, April 3, 2014

The meeting of the Milk Sanitation Board was called to order at 10:00 a.m. by Chair Roger Tedrick in the Consumer Protection Lab at the Ohio Department of Agriculture Campus. The following members were in attendance:

Mr. Chuck Ellis	Mr. Jim Stockert
Mr. Amos Miller	Mr. Dennis Sidle
Mr. Doug Longenette	Mr. Tim Shipley
Mr. Rocky Volpp	Mr. Roger Tedrick

Mr. Tedrick outlines the agenda for the meeting and indicated that other topics are open for discussion, as well as any questions.

**New Board Appointment**

Mr. Dennis Sidle of Sidle Transport was introduced as the new Board member representing milk haulers. He is replacing Mr. Chad Hollon. Mr. Tedrick reminded the Board to make sure they fill out expense forms and made sure Mr. Sidle was up to speed on filling those out.

**Approval of Minutes of the Last Meeting (December 12, 2013)**

Mr. Volpp moved to accept the minutes from the December 12, 2013 meeting. Mr. Longenette seconded. No other questions, Passed by voice vote.

**Howard Wise and Serena Dresbach-Director’s Report**

Mr. Wise pointed out that the Director sends his regrets as he could not be here. Howard discusses the natural bloom issues plaguing the state of Ohio particularly the western basin of Lake Erie and Grand Lake St. Mary’s, now the issue is here in Central Ohio reservoirs. This is a multi-faceted problem contributors are not just agriculture, raw sewage and leaky septic tanks. There are several things going on with it, one is manure transfer. Right now manure regulations are split up between DNR and ODA. We have large livestock regulations and DNR has the smaller ones. We will be taking over all regulations probably to Large livestock, nothing else changes. Local soil and water conservation will still be doing the inspection and will then bring it to our attention. This will be complaint driven program. This is part of the MBR (mid budget review), which has been split into 11 bills. It’s moving forward.

Senate bill 150 is a bill that deals with fertilizer. We would be the first state in the nation that would require farmers be certified to put fertilizer on their fields. This bill has passed the senate unanimously. The bill states that 50 acres total; we would contract with OSU extension to offer training, similar to pesticide, would add an hour to that program. Possible charge would be \$35, still needs to pass the house. Start is 3 yrs. after it goes into effect. Meaning that in 3 yrs. you must have certification we will start training sooner.

Mr. Stockert asked if it was specific to broadcast fertilizer.

Mr. Wise states that the definition of fertilizer doesn't change that some wanted to add manure.

Mr. Stockert wants to know if it affects broadcast fertilizer and row fertilizer.

Mr. B. Wise states that correspondence from Mr. Schlister states that row fertilizer is exempt, legislation itself.

Mr. H. Wise said there is another amendment dealing with acreage, but that didn't happen. Manure is exempt because there 74,000 farms in the state of Ohio and we are not prepared to go there. Instead we will transfer manure regulation to ODA, where everyone feels it belongs, including ODNR. All the other soil water erosion stays the same. We are going to need to hire people for these certification programs. The renewal period for this certification will be 3 years. There may be a training program on nutrients.

Serena Dresbach- still watching the FSMA aspect. There was a second comment period coming, where there was an absolute date and now that is going to be staggered. Whole point with preventative controls, and we are still adamant that being the where we need to be in the PMO. Congratulations to Chuck Ellis/Pearl Valley for your award winning Swiss cheese. World Cheese Contest, in Wisconsin got 1<sup>st</sup> place.

There will be an awards ceremony on April 25<sup>th</sup>.

### **Dairy Division Budget and Staffing**

Mr. Tedrick pointed out the fact that the industry fund, 4R2 is at a healthy number (total is on agenda), In addition we bring in \$90,000 in GRF. We bill \$135,000 a month to the processing industry. The haulers will be billed here in July, so this gives us an average of 136-137,000 per month.

Mr. Tedrick announced that Angie Smith is replacing Reana Jackson. Mr. Tedrick also mentioned that after a lengthy hiring process, Laura Morgan will take over Angie's duties. So, as a result of the lag time between hirings and one employee on disability, this lead to a saving of payroll dollars that left the industry fund at a healthy level.

Mr. Tedrick went on to say that as a result of these savings it afforded the Division the chance to order vehicles. The Division has plans to order 4 this fiscal year. Lab expenses as they relate to our Consumer Protection Lab, is set at \$16,000 per month. We endeavor to stay within that amount but it is getting harder to do as the lab recently raised the per test costs. Mr. Tedrick also mentioned that the more processing entities that are licensed it adds to our testing costs.

### **Processing Update**

Mr. Mengel will discuss the 2 new players, Daisy to Wooster and Meijer to Tipp City. Although, we see that as opportunity, it is competition. All we can do is make sure that they are adhering to Grade A standards.

Mr. Stockert asked what the volume of these plants will be.

Mr. Tedrick said that we did not get real good answer. Daisy will probably not take any raw milk to start. They will start more with cream based products, like sour cream and cottage cheese. The only answer Meijer gave is 22 loads per day.

Mr. Stockert asked about the location of the proposed Meijer plant? Mr. Tedrick stated Tipp City and Mr. Stockert indicated that is where their distribution center is. Mr. Tedrick anticipates that it will be about 1-2 years until start, with both plants breaking ground in 2014.

### **NCIMS-Tissue Residue Milk Sampling**

Mr. Tedrick explained that the tissue residue milk sampling project results have still not been released. It has dragged on close to 3 years and still no data has been released. FDA has 2 documents ready for public consumption when the numbers are made public. These two documents have been scrutinized by industry and the Executive Board of NCIMS. These draft documents contain 3 scenarios. 1) It is as bad as could be; 2) it is moderate and 3) not that big a deal. Regulatory, Industry and allied stakeholders have prepared thoughts relative to all scenarios. That unified message will be critical when data is released.

### **Appendix N Committee**

The Appendix N program-Drug Residue testing at each plant before milk is used to make any products. We are trying to get the testing to include compounds (sulfa and tetra) other than just beta-lactams. We came up with a 3 prong solution, which we thought was workable.

Option #1: we already do where some places run sulfa and tetra. It will be run on un-approved tests that will mandate that it gets to confirmed, certified tests before we dump any milk. This has been working well and FDA knows we are doing this.

Option #2: The California plan-if we get an initial hit we go directly to the confirmation stage. Again, this is happening, FDA knows about it.

Option #3-Some industry wants to test for compounds with unapproved tests. They are not necessarily bad test just not approved from FDA. They state they will immediately dump this milk, pay the producer (the first time) and it will never make it to marketplace. FDA said you can't do that; don't want you to do that for a few reasons. There is no solution thus far.

We are aware that this will increase processors cost, if new testing is mandated. We told FDA that their process of approving should be shortened and less costly. The Charms and Idexx's of the world are telling us that it is costing \$200,000-\$250,000 to go through approval process for FDA. FDA confirmed this #.

Mr. Sidle asked if FDA would require this testing like transfer stations. Mr. Tedrick states that yes, just as you are required just like under Appendix N. We are probably good until the 2015 conference.

## **FSMA-Food Safety & Modernization Act**

FSMA (Food Safety & Modernization Act) one of the conference calls states that milk hauling is exempt up to the receiving station, still under the PMO. So we felt that was a good indication for the entire dairy industry. Mr. Mengel states that at one point seafood was exempt, but has since been added back in.

## **State Survey Section Update**

3 pronged effort- enforcement, survey and FDA. We have to pass surveys for milk to cross state lines.

We are dealing only with Grade A milk from the IMS list. We have 2 survey officers, Jon Johns and Robert McCarthy. They survey BTU, single service, plants and transfer stations, etc. all things under Grade A program. Matt Pitts is FDA milk specialist for the state of Ohio and Michigan. We accompany him to on check ratings and this is how we become re-certified as SRO, State Rating Officers. We send him all IMS reports and audits and he funnels them through Washington. They are then put on the IMS webpage, which allows your milk to sell/cross state lines.

Mr. Johns informed the Board that in 2013 we had 188 inspections, of those 127 BTU's (59 single farms and the remainder are multiple farm units), 32 plants (5 transfer stations and 1 aseptic plant) and one blending plant and 1 whey drying plant. There are 29 single services, 21 stand-alone, stand-alone facilities are making containers, roll stock, one-time use products. 8 plants have their single service attached to their plants. State inspectors don't regulate the stand alone single service plants; state rating officers inspect these plants. State inspectors regulate single service rooms that are attached to milk plants. The stand alones must be inspected every 12 months, all other BTU's are on IMS list and require re-inspection every 24 mos.

Mr. Johns went through a power point program outlining average scores for plants and farms during the calendar year 2013. The average score for the 78 BTU's was 90.5, 11 of the BTU's failed. The average plant score was 93.7 and only 1 failed.

In Ohio, Robert, Jon and Mr. Mengel are SSO Sample Surveillance Officers. Every 3 years state inspectors both plant and farm, need to be re-evaluated. We do a side-by-side comparison and they must score 80 or higher to remain certified for the next 3 years.

In previous years Mr. Tedrick has had survey go out and do HAACP (frozen desserts) inspections; we have not been able to do that.

Mr. Johns talked about FDA Check ratings and pointed out that Mr. Pitts will call Mr. Tedrick and schedule a BTU to see, and then either of us, depending on farm, will go on inspection with Mr. Pitts. He generally only sees half of the farms in a particular BTU. As an example a 25 farm BTU, he will see 13. He is also, at this time preparing to re-standardize us. Every 3 years we need to do: 13 farms, 3 plants, one single service and SSO we have to do , 5 WST's, 1 finished product, 2 raw products at the silo and one guy pulling all the tankers at the plant.

Last year we did 16 FDA ratings that are the most the state of Ohio has ever had. Out of the 16, 8 of them were BTUs, 4 were single farms, 7 plants and 1 single service. Mr. Pitts failed 2 BTUs; his scoring is a little different than ours. Mr. Pitts may be able to answer why that is. Mr. Tedrick states that it is due to IMS history. FDA regulations state that when feds come in, they rate 85-80 level rather than 90. Some have argued that it should be the same across the board, but has been shot down at the National Conference. On BTUs Mr. Pitts plays with a score of 85%, Robert and Jon at 90% and FDA at 85% so between 80-84.4% enforcement and sanitation you get re-rated. This must be done in 60 days. At 79.4% and below you become delisted as soon as the paperwork is done. At 79.5-80.4 we have to come back and do a rating of the plant within 30 days. At 79.4 and below you are delisted. After he came through we had 3 that needed to be re-rated, 1 plant 2 BTU's. No de-listings, all re-ratings.

From 2005-2013 there were 645 BTUs done by state of Ohio 74 have failed for an 11.9% failure rate. That is below the national average.

Mr. Longenette asks if Mr. Pitts recommends staffing levels and he wonders where we stand in comparison to other states. Mr. Tedrick informs that yes, he does a state evaluation he does of our program every 3 years. He will indicate what the staffing level is at that time. We are due for a program evaluation.

Mr. Longenette then wonders how this will be affected by the 2 new plants coming to Ohio, as the rating officers struggle at times to keep up now.

Mr. Tedrick answered that the Dairy Division is aware and will need to address the increased work needs relative to not only the 2 new plants but also the numerous small operations that have become popular.

### **Plant, Hauler, WST Section Update**

Dave Mengel told the Board of a meeting held with representative from France and Holland. There are some new technologies that are cheese plants need to use and we went through USDA to get verification on these processes.

Currently have 9 applications for small cheese processors, talked to 3 more this morning.

Mr. Mengel talked about lab costs have gone up, but we did save some money with MA-98.

Vitamin samples this past year, we collected and plants were responsible for shipping them out to and having them tested and they report results. This should lead to a savings of about \$12,000.

Mr. Mengel discussed an anonymous call that we received and after an investigation determined to be accurate. This particular hauler had falsified his weight ticket and wash tag. After setting a hearing date the hauler admitted to this wrongdoing and settle without a hearing. The hauler in question accepted a revocation of his WST license and a one year probation relative to the hauler license.

Mr. Ellis asks how long WST licenses are good. Mr. Mengel says that they are lifetime with evaluations every 2 years. The plants are able to go on our website and see if an individual is properly licensed and

up to date with evaluations. Kentucky and Tennessee refuse trucks that are outside of 1 year's inspection, on the tank.

Mr. Tedrick states that 6 years ago FDA evaluated that we were low in compliance with respect to our WST licensing program. Mr. Ellis asks if the dates can be found on the website. Mr. Tedrick shows the board how to assess the information on the website. All tanker inspections are good for a year.

### **Farm Section Update**

Keith Thompson gave an update concerning the farm section. As of April we had 2124 Grade A farms. 703 manufacture farms, of that 201 were bulk shippers, 502 were can shippers. That makes for a total of 2827 total farms. We also have 22 goat/sheep milker/shippers along with that. Those numbers are currently down but should start to rise with the seasonal producers starting again.

Mr. Ellis asks what the process is to get seasonal producers back on line. Mr. Wise explained that we appreciate a call a few weeks before you start shipping. To be considered seasonal, Mr. Wise says usually over a couple of weeks. This is generally due to missing samples and this causes issues when survey checks files.

Mr. Sidle states the old rule of thumb was 6 months and are we pressing this issue with the large plants in the state.

Mr. Wise requests that he just get an email that the producer has quit shipping milk. Mr. Wise state that all field people should know that we would like immediate notification of stop /start shipping.

Mr. Sidle states that he just put 14 seasonal back on. Mr. Wise says that he has had 20 seasonal requests re-start this last month; we are looking for lab counts before the inspector goes back out.

Mr. Tedrick states that it has been a very tough winter. The state of Indiana has lost 90 loads of milk due to highways shut down.

Mr. Thompson says the robot installation continues to build steam. There are 54 units on 21 farms. We have more under contract negotiations. Mr. Tedrick asks how many companies are manufacturing these robots. Mr. Thompson states that there are 3 at this point, with 3 more in process.

Mr. Wise states that they approved 2 newer larger direct load facilities in February. Mr. Wise had an email yesterday wondering, if there is ability to do reverse osmosis on the farm to condense milk. People are asking questions trying to come up with new ideas. There is a guy in Texas that does RO milk so we are going to find out what we can from them.

Mr. Sidle asks if there are limitations to where this milk can go and be used for. Mr. Tedrick states yes, could be used for cheese or ice cream production. Mr. Johns states that the TX plant RO milk is used only for ice cream.

Mr. Sidle states that both Brewster and Holmes tried the RO milk but have both stopped doing so. He wonders why? Mr. Mengel states that they were using it more for in-house.

### **Public Comment**

Mr. Tedrick opens up the floor for any public comment. There are no comments.

He then asks guest James Patterson if there is anything in the legal realm that affects Dairy. He states that there are not any in regards to Dairy.

### **Set Next Board Meeting**

The next meeting will be Thursday July 31, 2014 at the Fair Grounds, during the Ohio State Fair.

Before releasing the Board to tour the Consumer Protection Lab, Tom Kitsmiller gave some background information. We are the central lab for the state and we test all finished products in the state. We do some raw milk testing of comingled collected at the plants. We do a few producer samples, both Grade A and Manufacture grade. We are an FDA-approved lab and are certified every 3 years. We are next due in April 2015. Currently, I am the only laboratory evaluation officer. We are in the process of getting a backup L.E.O. sometime in August. These positions are also approved for 3 years.

Mr. Tedrick asks if there are any other questions.

Mr. Ellis says that he is curious about the robots with the high price of milk right now, is it making it more attractive. Do you think if the price goes down this trend will stop. Mr. Thompson states that it has mostly been just parlors that have needed updating.

Mr. Ellis then asks if the price of the robots has decreased. Mr. Thompson states that he is not aware of this but that there have been some attractive leasing deals offered. They are more costly to fix. In a regular parlor 9-10 items can be fixed in house. That is not the case with robots. Also these robots are running 22-23 hours per day; they are down only long enough to wash 2-3 times per day. With parlor milking, you do a few hours in the morning and a few in the evening. They generally work on their own, cows' line up waiting for their turn and they also push fed.

Mr. Sidle wants to know how you inspect them. Mr. Wise states that the first inspection is unannounced and then once a year we have to test them and make sure the fail-safe valves and sensors are running accurately.

Mr. Longenette asks if there are any operations nearby that we can tour.

### **Adjourn**

Mr. Shipley moves to adjourn the meeting and Mr. Ellis seconds. Motion passed by voice vote. Meeting adjourned.

The Milk Sanitation Board then toured the Consumer Protection Lab.