

Board of Agriculture Meeting  
August 25, 2006  
Elko, Nevada

Board Members Present:

Marta Agee  
Harvey Barnes  
George Botta  
Dave Cassinelli  
Dan Hetrick  
Jim Johnson  
Alan Perazzo  
Susan Ray  
Benny Romero  
Deloyd Satterthwaite  
Lawrence Waugh

Board Members Absent:

None

Chairman Romero opened the meeting, welcomed guests and members of the public. Chairman Romero said changes were made in the order of the agenda to accommodate comments from the public.

Chairman Romero asked Board members to introduce themselves as well as members of the audience which included Department employees and representatives from the industry and general public.

**1. Board Business**

**A. Approval of minutes**

**Dave Cassinelli made a motion to accept the minutes as written. Harvey Barnes seconded the motion. Motion carried.**

**B. Review and discussion of adopted Board goals and objectives.**

Don Henderson advised the Board that Goals and Objectives was noted as an “action” item for this meeting instead of an “informational” item as it usually is. He explained that the Board’s last meeting of the year usually takes place in December and it is at that time that the Board reviews the short term objectives and long term goals and makes any needed changes. He said he was bringing this information to the Board’s attention as they may wish to form a subcommittee now to work on the goals and objectives before the Board meeting in December.

**Dave Cassinelli made a motion that the Board continue with the ad hoc volunteer committee members that served last year.**

Those committee members were: Susan Ray, Marta Agee, George Botta, Deloyd Satterthwaite, Alan Perazzo, Dave Cassinelli and Benny Romero.

**Harvey Barnes requested that be made in the form of a motion. Dan Hettrick seconded the motion. Motion carried.**

Susan Ray agreed to coordinate the meeting and will advise the Board members.

### **C. Update on activities and priorities of the Nevada Cattlemen's Association.**

Boyd Spratling, President of the Nevada Cattlemen's Association, said because of the recent brush fires, he has been busy dealing responses to the media and dealing with the Bureau of Land Management (BLM) at both the Incident Command level and the District BLM office.

Boyd said what is happening right now is individual ranches and individual families are being wiped out. The fire took upwards of 80% to 100% of their allotment. In those situations, it will be difficult to recover. He said Nevada had massive fires this year in areas where there weren't fires before. We lost approximately 25,000 animal unit months (AUMS) in the Elko District last year during the 2005 fire season. We anticipate this year that with the number of acres burned, we will get into the 35,000 – 40,000 AUMS range that will be suspended and that on top of what is still suspended from 2004. And that is just the Elko District. The Winnemucca District and Battle Mountain will also have grazing losses due to fire, but not on the scale of the Elko District. However, they will experience the same impact.

Boyd continued by saying that the Nevada Cattlemen's Association (NCA) is pushing to divert money from suppression to prevention. That will be a major goal this fall. He said he would like to spend money on ways to prevent the type of fuel load build up we had over the last two or three years. Two of the largest fires this season took out 80,000 acres. Most of the land was family ranches. Two of those situations were not grazed last year, not because of BLM regulations, but because of economic reasons especially on the low mountain areas north of Deeth. That contributes to the holocaust-like fires we've had this year that burns for miles and miles in short periods of time with temperatures so high that it sterilizes the soil.

Boyd said that situation supports fuel loads and ungrazed areas are counter productive to habitat. If you are concerned about wildlife or grazing, you'll agree that these massive fires are not a good thing. We need to burn 5% of our range land in the spring and fall during the cooler seasons to create a better habitat. We need to seed; there has always been a resistance to using non-native species of grasses. Cheatgrass is not the cause of the fires, it is the symptom of the problem we have.

Boyd said there will be a Nevada Cattlemen's Association (NCA) convention in Elko in November and he extended an invitation to all Board members to attend.

Deloyd Satterthwaite asked Boyd if the Cattlemen's Association has an opinion on upcoming legislation pertaining to the slaughtering of wild horses. Boyd responded by saying he thought it was one of the most detrimental pieces of legislation for the welfare of horses that has come along. The rule of unintended consequences happens when there is no good alternative for the disposal of horses that are aged or infirmed and cannot go to slaughter. The same people who cannot afford to feed a horse on a monthly basis are not going to pay \$100 to have the horse euthanized and additional \$100 to have the horse disposed of in a landfill or have a backhoe contractor come out and bury the horse. You will see horses that will starve and horses that are "turned out" by the owners. That type of consequence is not being addressed. We are certainly in favor of animal welfare and well-being, but this legislation does not address that. This is strictly an emotional thing to keep people from eating horses and using for human consumption. The NCA is fighting very hard to oppose this legislation.

**D. Board to discuss and coordinate the upcoming annual evaluation of the Director.**

Chairman Romero advised the Board that the evaluation for the Director will be coming up during the December Board meeting. Each Board member will receive a form to complete and send to Chairman Romero for compilation by November 15, 2006. The evaluation packets will be sent to the Board members by October 1, 2006.

**2. Director's Report**

**A. Summary and overview of Department activities.**

Director Henderson said he recently reviewed his notes from his original interview with the Board. He said many of the commitments he made to the Board at that time have been completed within the last three years. He said some of those commitments he will review today and others will be put in my evaluation. There have been some significant advancements and the Elko office is one of those advancements. The Director commended Jim Connelley for getting the Elko office completed within a short time frame. The Animal Disease Lab is still under construction and projected to be completed by November, 2006. Don said the staff is to be commended for the role they played in the design of the lab.

Governor Guinn dedicated the new Elko office building on August 3, 2006. Board members Harvey Barnes and Deloyd Satterthwaite were in attendance. A certificate of appreciation was given to two Elko employees, Joanne Mothershead and Bille Brazeal. The location of the new office building was the idea of both Joanne and Billie. The location and accessibility of the originally proposed new building was not ideal so Joanne and Billie scouted the area and found the building for the new office and convinced Jim Connelley that the building was a good investment for the Department and for the State.

The Governor recognized that these actions saved the State about \$2 million and gave them a certificate of appreciation for their efforts.

The Director said one of the commitments he made to the Board when he took this job was to revisit and revamp the evaluation process of the Department's administrative staff. The policy of the state is to have performance standards and an employee is evaluated on those standards. The Director said he has always been interested in results, not performance. Performance relates to results, but not always. I am interested in getting things done and the outcomes. Under the process developed, administrators are going to basically sign a contract with the Director identifying the actions they expect to complete over the coming calendar year. Priority will be given to short-term objectives of the Board and then any additional outcomes or activities that the administrator or Director might have.

The Director said the administrator and I will sit down together at the beginning of the year and come to an agreement as to what they expect to accomplish and then sign off on the agreement. At the end of the year, we will examine the deliverables and what has been accomplished and talk about what was not delivered and why. Based upon that information, the administrator will be evaluated. On page 24 of the packet is the form that will be used in the evaluation process. Sixty percent of their score will be based upon completion of the objectives as identified in the annual agreement with the Director. The remaining two job elements is 20% of their score; demonstrated effective communication skills and professionalism while dealing with agency constituents, employees and administration. Another 20% will be predicated on demonstrated initiative in resolving problems and implement solutions to improve the Division and Department.

Henderson said the last two job elements were included because there may be an administrator who can get the job done, but does not have the communication skills and professionalism that is needed for the job or is not a team player. He said as you follow through the mathematic gyrations of this process, if an administrator can't get all their jobs done as identified with the Director and unless he is performing strongly in these other areas, they could get a less than satisfactory evaluation. On July 1<sup>st</sup>, Henderson asked the administrators to provide their deliverables for the remainder of the calendar year. He said we are going to give this process a dry run for the latter part of this year to see if anything needs to be added and revise accordingly. When the Board sets the objectives in December, we'll start the process of in a formal manner and see how it works.

Director Henderson directed Board members to page 27 in the Board packet which is a policy statement that has been signed and approved for a \$1,000 host fund that the Board of Agriculture now has at their disposal. This fund can be used only for refreshments at Board meetings. Expenditures have to be approved in advance of the expenditure by the Director or Deputy Director.

Director Henderson brought the Board's attention to a letter to Senator John Ensign. This is an example of the constant communication coming from the Department at the request of the Congressional delegation. Henderson said this letter went out to all delegation members. Senator Ensign is the only member of the congressional delegation that responded.

Director Henderson asked Gary McCuin to give an update on Natural Resource programs. Gary said one of the most time intensive activities over the last two years has been the Forest Service on the Santa Rosa District, which is north of Winnemucca. That is the first Environmental Impact Statement (EIS) of the district grazing permit renewals. Gary said the Department and Cooperative Extension, UNR developed and put forward an alternative for consideration in this EIS. The Nevada Rangeland Resources Commission provided funding to help in this effort. The Forest Service accepted it and it went through final EIS. Gary said he believed it significantly impacted the record of decision which has now been completed.

Gary said the Department has been involved in a multi-agency effort to implement cooperative monitoring in Nevada. He said we have held several cooperative monitoring schools in conjunction with Cooperative Extension and UNR. Gary said that although he has not completed the resolution, he would like to present to the Board a resolution for consideration at their December meeting.

Gary said the Department has assisted in developing and teaching a rangeland and management school. He said we have been doing that for about a year and have had a good turnout for the school and will continue throughout next year.

Gary said the Department has taken a leadership role in updating the Nevada Rangeland Monitoring Handbook. He said it is out for review and hopefully by the end of the year, we will have a new manual which focuses primarily on resource objectives versus utilization monitoring.

Gary said the Department has been involved with the Nevada and National Riparian Cadre. He said this cadre is interagency and interdisciplinary group to help communities in working with collaborative processes to resolve riparian issues. We also work with Forest Service, Fish and Wildlife Service, and permittees in the Martin Basin.

The Department has been involved in the Ely District Bureau of Land Management (BLM ) Resource Management Team (RMP) and the Winnemucca RMP. The Department will continue to be involved in the Martin Basin, Jarbridge and Bridgeport EIS.

The Department in conjunction with Nevada Division of Forestry (NDF), United States

Forest Service (USFS) and Resource Concepts, Inc. (RCI) has initiated and been involved in fire fuels reduction programs involving use of sheep on the Reno and Carson City urban/wildland interface.

Director Henderson advised the Board that Ed Monnig had been appointed Forest Supervisor for the Humboldt-Toiyabe National Forest. Don said the Department views this appointment as very positive. Mr. Monnig has the ability to bring leadership that we need in the Forest Service to address many issues; one being the grazing management program.

Director Henderson commended Gary McCuin for his hard work and dedication to the Department. Chairman Romero asked the Director to send a letter to the new Forest Supervisor, Ed Monnig from the Department welcoming him to his new position.

Director Henderson said the Rangeland Monitoring Handbook relates to Board of Agriculture's objective 9. Don said this Board kicked this effort off through Gary to get the Rangeland Monitoring Handbook updated. He said there have been several of us who have worked in public land grazing issues for a long time knew that the handbook needed to be revised, but it wasn't until Gary came on board that it got done. The Director told the Board they should congratulate themselves for this effort. Board member Barnes is the person who originally brought this issue up.

Director Henderson said another project that the Department has been involved with from a multiagency perspective is the establishment of an Natural Resources Conservation Service Plant Material Center in Fallon. Senator Reid, Congressman Gibbons and several other politicians were in attendance at the dedication a couple of weeks ago. Henderson received a letter of thanks from Arthur E. Mallory, Churchill County District Attorney, for the Department's role in this new federal program.

Approximately four to five years ago, Director Henderson said he visited a Plant Material Center in Pocatello, Idaho (there is also a Plant Material Center in Tuscon, Arizona) and neither addressed Nevada's plant material needs either from a native or introduced species perspective for dealing with some of our arid rangeland conditions. The intent was to get a Plant Material Center located in Nevada to address the dryer end of the Great Basin and the northern end of the Mohave Desert. Senator Reid got the money for the center. So we now have a plant material center that will be focusing on what the limitations are to manage our lands in the arid environment to restore them to a functioning and productive condition in a situation where we have fire, cheatgrass, and other challenges.

He said the Department maintains seed certification for the state and there is a natural tie for us to work closely with this plant material center on seed registration and testing issues. Gary Cross has been very involved in the process of establishing this plant research center and tries to maximize the two functions in a facilitated manner.

## **2. Presentation and Board consideration for adopting a letter to the UNR President recognizing the importance of the current direction, administration and resources of UNR College of Agriculture, Biotechnology and Natural Resources.**

Director Henderson turned to Board's attention to Item 2.B – a letter to UNR. Director Henderson distributed a University of Nevada packet to Board members. Included in the packet is a draft letter to President Glick for Board consideration. The Director advised the Board there are many informational items in the packet, but the most important one as it relates to this letter is the Master Plan document. Henderson said we've had the Dean of Agriculture come before the Board a couple of times talking about events taking place under the previous administration and some of the challenges he was facing.

Henderson said the previous President had set the course for the college to sell the resources of the College of Agriculture and the Nevada Agriculture Experiment Station to fund campus expansion and growth. There was opposition to that plan. Dean Thawley, Dean of the College of Agriculture, put together a strategic plan to talk about the importance of the Nevada Agricultural Experimental Station properties and what the college does. He formed a task group and asked volunteers from his advisory council to look at his strategy and their perspective on it. Doug Busselman was the lead person for the task group. Other participants included Don Henderson, John O'Brien, Benny Romero and Deloyd Satterthwaite. The task group completed their work and the results were incorporated into the document that was distributed to the Board.

Henderson said the University of Nevada – Reno now has a new President that has just begun. The new President is viewed as an opportunity to reverse the previous course of action which was to sell the Main Station to finance campus growth. With this new President, the emphasis is for agricultural interests to approach this President to urge him to change the previous course. The Director said he drafted a letter to the new President for the Board's consideration.

### **C. Public recognition of Department employees.**

The Director said staff recognition has been a priority for this Board. Director Henderson said we often hear about the bad things that have happened, but he wants to put more emphasis on when staff is being congratulated. He has asked each administrator to put congratulatory letters in their respective section of the Board packet and to bring to it up when they meet with the Board.

The Director directed the Board's attention to page 31 in the packet. This is another initiative the Department is involved with; the Centennial Ranch and Farm Award that has been going on for two years successfully. He said this new recognition program originated in the State Historic Preservation Office. We are trying to recognize those ranches that have been under single ownership or family ownership for 100 years or more. There have been approximately 20 family ranches that have been recognized. This article is a press release from the Sparks Tribune recognizing the Capurro brothers

of Sparks and the Duvall family in Elko. On page 32 of the packet, you will see a statement made by Ed Foster. Ed Foster is the Department's Northern Nevada Regional Manager for Plant Industry and also serves as the agency's public affairs person. The Department depends upon Ed Foster to provide that function to the Department as we do not have a designated public affairs position.

The Director directed the Board to a second letter on page 33 of the packet. It is a letter to Jennifer Bartlett relative to the Medical Marijuana Program. The Director said this is the first letter the Board has seen regarding that program. The letter thanks Jennifer for her assistance.

The Director said he wished to update the Department on the Medical Marijuana Program. George Botta brought to the attention of the Director that an organization called the Marijuana Policy Project made an announcement that they are willing to offer some financial assistance for low-income individuals that are involved in the Nevada Medical Marijuana Program. This organization is the same organization that has been pushing through petitions and initiatives to legalize marijuana in the state and has not been that successful over the last couple elections. He said the Department views this as positive.

Registration fees for the program is \$50.00 for the first application. The Department attached a \$50.00 fee to the application to ensure people would follow-through with the application fee. Initially, when the program started, the Department received application requests from people who were not serious about the program and did not submit their application after requesting one. There is an additional \$150.00 registration fee for a year and then by statute, the license has to be renewed each year. A person beginning the program has to pay \$200.00 to participate in the program and then an annual cost of \$150.00. This program is designed for people who are sick, many of them terminally sick. Their prescription drug costs exceeds the registration fees for the program.

The director said this assistance program will be totally separate from the Department's program.

Chairman Romero brought the Board's attention back to Item 2.B; presentation and Board consideration for adopting a letter to the UNR President recognizing the importance of the current direction, administration and resources of UNR College of Agriculture, Biotechnology and Natural Resources. Chairman Romero asked the Board if they have any changes to the letter; otherwise he would entertain a motion to accept. A few changes/edits were discussed; both grammatical and punctuation.

**Harvey Barnes made the motion to accept the letter with corrections. George Botta seconded the motion. Motion carried.**

### **3. Division of Administration**

#### **A. Review and summarization of Department audit by the Legislative Counsel Bureau (LCB) and plan of correction action submitted by the Department.**

Director Henderson said he would make the presentation for Rick Gimlin, Deputy Director, who was unable to attend. Due to the resignation of the Administrative Officer III in June, Rick had to assume the responsibility of getting the Department's budget prepared for the new biennium and to meet the assigned deadline. His present workload would not permit his attendance here today.

Director Henderson directed the Board's attention to Tab 3A; the findings of the recent LCB audit of which there were 14 audit findings. He said they were all minor and there is nothing in the audit that indicates the Department is not doing their job. There is always room for improvement when it comes to the financial reporting side of any State agency. LCB did a very thorough job in identifying areas needed for improvement. Point number one; establish policies and procedures for implementing head tax collection. Henderson said we are aggressively doing discovery on this issue.

Another point in the audit was unlicensed landscapers. LCB went to the telephone book and counted the number of people advertising as landscapers and then wondered why they weren't in the nursery licensing program. Jim Johnson asked Don if the auditors ask any questions about that particular aspect; how many businesses were exempt under the provisions of licensing. Don said they formed their opinions, talked to staff while forming their opinions and then we sat down with them where we had the opportunity to bring up different points.

Director Henderson brought the Board's attention to page 39 in the packet. The Department's Plan of Corrective Action which has been deemed sufficient to meet the audit's findings.

George Botta brought the Director's attention to the Audit Highlights under Status of Recommendation; the 60-day plan due May 23, 2006. George asked were we basically told all these findings in March of this year? Henderson responded yes. George Botta said a majority of these findings he did not know about. Henderson said he could not release the audit findings until accepted by the Legislative Committee.

Deloyd Satterthwaite referred to a newspaper article wherein it says the Department of Agriculture missed collecting \$200,000 in fees. How do you do damage control on this kind of article especially when an explanation on how this happened is given? Henderson response was "having a public affairs officer deal with it" which we don't have.

Henderson said this is part of State government. He said there will always be audits. We are held accountable for what we do and watched very closely. There will always be audit findings. The Department viewed these as audit findings similar to what you saw in

the past (last audit 1999). He said we have a small staff and because of that, the separation of accounting duties can't always be done. The Department complies whenever possible with available staff. The Director said he didn't find the audit committee's findings as particularly significant; just things we, as an agency, can improve upon.

**B. Status report on development and submittal of Department biennium budget for FY2007-2009.**

Don Henderson advised the Board the final stages of the budget are being put together. He brought their attention to page 46 in the Board packet; the Department's budget priorities. The priorities remain (1) construction for new Department headquarters and laboratory complex, (2) establish a Department information technology position, (3) enhanced operational funding for agricultural enforcement unit, (4) increase operational funding for Virginia Range Estray Horse program, (5) establish a full-time public information officer position for the Department. The priorities were well received by the Governor and staff when presented.

**C. Update on personnel changes within the Division of Administration.**

Three weeks ago, the Department hired a new Administrative Services Office (ASO) III. Her name is Maureen Groach who previously worked for the State Controller's Office. Presently, Rick and Maureen are working on the budget to ensure the deadline is met and then Maureen will assume the other numerous duties associated with her position.

The Director referred to the former Administrative Service Officer, Doug Perry, that most of the Board was familiar with. Don advised the Board that Rick had to assume the duties of Doug's position after he resigned.

Jim Johnson asked the Director if the Medical Marijuana Program was fee-based. The Director responded yes. Jim asked who is supervising that program? The Director responded that he oversees the program and Jennifer Bartlett manages the program. Jim asked the Director if had plans to place that program under the Division of Administration? Henderson replied that he oversees the Division of Administration with assistance from the Deputy Director, Rick Gimlin as the Administrator. Jim Johnson suggested wouldn't it be better to put the program under the Administrator? Henderson said he had given thought previously as where the program should be placed. Henderson said he started with program when it was initiated. He also noted that this employee managed more than just the medical marijuana program, but was also involved with the Range Commission and an USDA Agricultural Mediation Program. Henderson said there may be an opportunity to relocate these programs in the Division of Plant Industry. The person we might place these programs under is our Northern Nevada Plant Industry Coordinator, but he is already filling a second position as the agency's Public Affairs Officer. Henderson said if he got a Public Affairs Officer, that might open up an opportunity there. He further told the Board, that perhaps with the new ASO, Rick

Gimlin might be able supervise the position. Because of the shortage of personnel, Don said he didn't want to burden someone else with these supervisory responsibilities.

## **5. Division of Animal Industry**

### **J. Update on Trichomonosis proposed changes to NAC 571.**

**(LCB File No. R135- 06)**

*A regulation relating to cattle; providing identification, testing and quarantine procedures for cattle to help control and eradicate trichomonosis; revising provisions governing the entry of cattle into this State; and providing other matters properly relating thereto.*

Dr. Poulos began his presentation to the Board saying that trichomonosis is a venereal disease of cattle and is infectious; bulls are primary carriers. He said there has been a lot of work recently that indicates cows can possibly be carriers. He said it is not proposed to deal with cows in this particular set of regulations other than if they test positive, then they will end up being a trigger just like the bull. About 3,400 bulls were tested in the Animal Disease Laboratory (ADL) last year and 80 tested positive.

Based on those 80 positive bulls from last year, that would translate to roughly a \$200,000 loss in bull value and extrapolated out, potentially lost calf crop of from 25 – 50 % which would represent a potential loss of \$600,000 to \$800,000. These estimates are based on the 3,400 bulls tested in the State. If these rates were further extrapolated out across the State for the 12,000 bulls that run in Nevada, potential losses from this disease would approach between 1.2 million dollars in lost bulls and 3 million dollars in lost calf crop.

This regulation is something that was requested by industry; not the Department of Agriculture. They asked for assistance from the Department. The Nevada Cattlemen's Association and the Nevada Farm Bureau approached the Department. It was Dr. Thain's (former State Veterinarian) wish to have industry come to the Department; he wanted to ensure there was industry support before this issue was approached.

Dr. Thain sent out a survey with the Cattlemen's update as they traveled around the State in January of this year. Eighty percent of the respondents to the survey wanted some kind of help with the problem. At this time, Nevada does not have trich regulations. Although all the states that surround Nevada, with the exception of Arizona, have some sort of trich regulation in place.

Dr. Poulos said the Department took the workshops and hearings around the State. He said we went to Fallon on the 11<sup>th</sup> of July, Winnemucca on the 18<sup>th</sup>, Tonopah on the July, 25<sup>th</sup>, Ely and Elko on August 2<sup>nd</sup> & 3<sup>rd</sup>. We had sign-up sheets at the meetings and asked everyone to sign in. Dr. Poulos estimated there were 50 producers at the meetings. He said he handed out a survey; breaking down the regulation based upon individual

segments of the regulation so people could give their opinion on what they thought about each segment of the regulation. Dr. Poulos said the overall response was very positive at all the meetings.

Dan Hetrick asked Dr. Poulos about the response on tribal lands; are they going to be under the regulation? Dr. Poulos replied that we do not have jurisdiction over the tribal lands; they are considered an independent entity or nation. If someone tests on tribal lands and the test comes back positive, everyone on that land, not just that ranch, the entire tribal area will be considered infected. If they happen to be a neighbor and are exposed, even though the neighbor is on the other side of the reservation, they are considered a unit and exposed. We have no jurisdiction, so we will quarantine the whole area and control animal export out of the reservation.

Fred Garret, a member of the public audience, said he wasn't sure everyone was in favor of trich testing. He suggested that a sunset clause be considered for the regulation so that the regulation can be reviewed in five years.

Jeff Gardner, a member of the public audience, said the Constitution guarantees everyone three unalienable rights; life, liberty and property. He said if someone came onto his ranch and stole 30% of my calves, that person would be criminally prosecuted if they were caught. He said I have a neighbor that runs about 50 bulls, which is a pretty good sized operation, and he has had trich in his herd for approximately 15 years. Mr. Gardner said he tests his bulls every year. But everyone knows that unless trich is cleared up, it's only a matter of time till we get it. He said he thought it was criminal that his neighbor is allowed to pass trich across the fence. If and when I incur a loss from my neighbor's trich, is some willing to make up that loss?

Mr. Gardner said if he got trich this year, it would put him out of business. The last two years have been good, but the five years before that he said he was running from 20 – 50% short on feed. Similar to most other ranchers across the state, Mr. Gardner said he is just barely coming out of trying to survive five dry years. He said he didn't think he should be subject to an operator who doesn't want to clean anything up and be subject to be put out of business by someone like that. Mr. Gardner said he supports the regulation and feels the Board has an obligation to adopt these regulations.

Rita Stitzel from the Palisade Ranch spoke to the group. She told them that after the fires, she was unable to have her grazing permit reinstated. She had to lease from a gentleman who put some of his cattle in with hers. When she took her cattle home that fall, we discovered we had three dirty bulls. She said she has been on top of the trich issue; being very careful and having her bulls tested regularly and tagging their cows since 1990. She said it is a constant battle. She read from her prepared notes: we were asked to attend a meeting by the Department of Agriculture to give our opinions on trichomonosis. I have attended numerous meetings and worked diligently to eradicate trich from my herd and have read everything I received. If motivated, we should be able to educate ourselves through the many sources available to us, including the internet. She went on to say that with good management, trich can be controlled. She said she felt a

stringent intervention by a government entity is inappropriate. She said quarantining a person's herd is not fair – not right, because of the effect is directly related to that person. She said she does agree that those for sale, whether coming from inside Nevada or from another area, should test negative. She expressed that the Cattlemen's Association, the Department of Agriculture, the Cooperative Extension, the Farm Bureau, or any other participants should continue to provide us with information, support and encourage us, and not dictate to the ranchers what should be done.

Doug Busselman, Nevada Farm Bureau, addressed the Board. He said he wanted to share his organization's policy position which stimulated our actions. He read, "the Nevada Farm Bureau shall work with the Board of Agriculture and the Nevada Cattlemen's Association developing a workable trichomonis program with appropriate testing and control measures implemented to address the challenges of this disease." Doug said that policy position was toned down considerably to get us in a responsible mode, because we were far more aggressive prior to this policy, even looking at a legislative solution to this problem. Busselman said we were struggling with where do we go and who do we work with to bring about a solution that we can't solve otherwise? That is what drove our members to identify this as an issue. We have what this policy has told us to do; working with the Board of Agriculture, the vets, and Cattlemen's. I think we have come up with a very responsible and workable program for addressing this issue. It is not a mandatory testing program. It is very specific to working in identified problem areas. He said he understood the frustrations and concerns of those who are concerned about government intervention. We traditionally do not like government intervention either, but we are looking at how do we solve this problem. He said if we don't get this kind of program adopted, then where do we go to solve this problem? This has been as close to a consensus as we have ever been able to get within the Nevada livestock industry to come up with a workable solution.

Doug said regarding the proposal for a sunset clause, he didn't think there would be a problem for a sunset clause. He said he thought it should be further down the road than five years and they need something in relationship to what's been accomplished in terms of a percentage of infections so it would be more performance oriented rather than time oriented. Doug said when you are trying to do the best you can and someone who you have no control over comes in and does more damage to you, what other solution do you have than turn to government for solution? Doug said the Farm Bureau is very pleased having worked with the regulation process. He said the Department has done a very good job getting the word out. He encouraged the Board to adopt the regulation and recognize that the industry has asked them to do this.

Dave Cassinelli stated that the Department is a fee-based organization. He asked Doug Busselman how his organization felt about imposing a fee to fund the implementation of this regulation. Dave said we have to have fees to regulate. Doug Busselman responded by saying they would want to know what the fees are based on what actually took place, and not speculation. In other words, if you were to go through the program for a couple of years and establish what the costs are and then assign a fee, we would probably be very supportive of that.

Dave Cassinelli said he was concerned about the costs related to enforcement. He said the one who has the authority to enforce is the Brands Division. So how do you dove-tail all this in. Dr. Poulos advised Dave that the Department has the authority to level a fine up to \$1,000. Director Henderson said that money would be given to the school fund, not to the Department. Director Henderson said the question is if we implement this program, what are the added costs to the Division and what provisions do we have to cover the added costs. Dr. Poulos said it is difficult at this time to know the costs because we do not know the level at which we need to enforce the regulation. Will a warning be enough, will we have to hire people to enforce the regulation?

Director Henderson said there is a lab fee that we collect that offsets costs for laboratory testing. At this point, in terms of enforcement, the plan is to utilize the existing staff and work with Jim Connelley, to the extent possible, to enforce this regulation. We hope to do this with existing staff, therefore there would be no added costs.

J. J. Goicoechea, representing Goicoechea Ranches, wanted to go on record as being in favor of this regulation. He said he wanted to address the quarantine issue. He said when the working group was put together (the Nevada Cattlemen's Association and the Farm Bureau), they were very careful on the wording of the proposed regulation. We did not want to halt commerce or halt income. He said that we can get caught up in the word quarantine. He said producers can still ship calves, heifers, steers, slaughter cows and bulls to sale. You can still ship everything as you already do. You can still send your bulls. You will be under quarantine until the three tests are done, but you can continue to sell. A producer has 12 months to come into compliance. We do not want to make this a burden upon the industry. We are just trying to help producers that have asked for help.

This is a targeted program. Dr. Goicoechea said he fought hard in the past to prevent mandatory trich testing. What we are doing is epidemiologically sound. We are saying we have a known infection and we are dealing with surrounding herds in that known infection area. He said that would be a legitimate approach for the State Veterinarian.

Dr. Rink told the group that for those that are waiting for an alternative to the regulation, they may be disappointed. There will not be a vaccine in the foreseeable future to address this. Totally based upon the nature of the disease, and that the disease itself doesn't even produce an immunity, there is no way with the current technology (probably two decades) before anything can be developed that can deliver antigen to the immune system of the bull or the cow to effectively give them an immunity to prevent infection. The trich vaccine that we are using right now prevents disease, it does not prevent infection. The immunity you get after the disease itself does not prevent infection. The natural occurring disease does not give enough natural immunity to prevent a further infection, there will never be a vaccine that can top that. Dr. Rink said there will not be a bull vaccination because of the difference in anatomy and physiology of the bull, it is not conceivable that there will be a vaccine to protect bulls from infection. She said there will not be a medical intervention to help in the near future.

Karla McKay, member of the public audience, said she was in favor of the regulation. She requested that she be brought through a scenario; who is taking control and who is going to enforce it? She asked to be taken through the process if you have positive bulls.

Dr. Mike Poulos responded. He said the first indication would be the veterinarian's report to the State Veterinarian's office; the results of a positive test. Then he or his office staff would go out to the producer and place the animals under quarantine. Dr. Poulos or his staff will talk with the producer to discover who the producer runs in common with? Who do you share an allotment with? Who are your neighbors? Who has fence line contact? Then, Dr. Poulos or his staff will contact the fence line contact. He will notify them that trich has been found next door and that he is now placed under hold order.

While Dr. Poulos's staff does the epidemiology study, your veterinarian will test three times, seven days apart. At the end of the third test, the producer will have pulled all of the positive bulls and the producer will be off quarantine. As soon as a bull is diagnosed positive, he will get a tail head brand as an indicator that he tests positive for trich. There will be a paper trail to make sure these bulls end up in slaughter and don't come back out. Karla questioned Dr. Poulos about funds and staff to do testing. He assured her that at this time, he has both. The Director of the Department of Agriculture has the authority to quarantine and impose fines.

Board member Cassinelli said at some point in time there will be a charge depending upon how big this gets. Dr. Poulos said 3,400 bulls were tested last year. Cassinelli said this will get bigger and he felt this needs to be looked at from a financial point. He said he is in favor of trich testing, however, we have to recognize as an industry, we are a fee based operation and have to operate that way. Karla McKay questioned the enforcement side of this issue. How do we enforce? We need to completely define how this is going to be enforced; who is going to do it; and who is responsible.

Don Henderson told the group that if this Board adopts regulations, it is the Department's job to apply those regulations uniformly and without bias throughout the industry. He said we have four veterinarians on staff and as Dr. Poulos explained, if we get a positive test, we are going to sit down with the owner of the source herd and work with that rancher, identify who may be exposed and that requires staff veterinarian time. So if it becomes a question, do we need to hire another veterinarian to support this program and enforce it fairly and effectively; that's the question. Right now, Dr. Poulos and I think we can do it with existing staff. We may find ourselves in a situation where we have six or seven hot spots that involve ten or twelve producers each and it may take a full time veterinarian. Our veterinarians have other duties besides these trich regulations. So if we get to a point where we have several quarantines underway and working with people to get them out of it, it is conceivable we may have to fund another veterinarian. Our veterinarians are funded through the general fund. We collect fees that usually offset our laboratory costs. We would have to go to legislature to get an increase in general funds to hire another veterinarian or we would charge fees. The Director was not certain if we would have the authority to charge fees for trichomonias.

Director Henderson asked Dr. Poulos how will the Department demonstrate the performance of this program in that it does not have a mandatory testing requirement? Dr. Poulos responded by saying this disease will not go away and will never be at zero percent. We will get together with industry and come up with a number.

Henderson asked Dr. Poulos, if we are not sampling all the bulls, how do we know what percentage of infection we are at? Dr. Poulos responded that it is pure extrapolation. Of the 3,400 bulls tested last year, 80 were positive. Census shows 12,000 bulls, three percent or two one-half percent of 12,000 bulls. That's what we would guess of the number of infected bulls. Henderson recommended that because the percentage used is an extrapolation, and not an absolute number and cannot be contested, we should base the sunset clause strictly on time. When the time comes for the sunset, it will be up to our staff to bring forward the data to show whether the regulation is working or not and convince the Board whether it's justified to renew the regulation.

Deloyd Satterthwaite advised the Board there were other issues that needed to be decided before the December Board meeting regarding this regulation. Deloyd said in the Elko meeting, the question came up, "what constitutes a herd". If you have two separate ranches with the same owner and you never mingle, you still have to test both ranches. Another issue that came up during the meeting was the age of bulls that should be tested. The other issue was eartags and how that will done on a year by year basis.

Chairman Romero thanked all participants for their input and ideas.

**A. Memorandum of Understanding between the Department of Wildlife and Nevada Department of Agriculture for the management of interaction between Bighorn sheep and domestic sheep or goats.**

Dr. Poulos advised the Board that about two months ago the Nevada Department of Wildlife (NDOW) and Department of Agriculture signed a Memorandum of Understanding regarding how they are going to handle the Bighorn Sheep - Domestic Sheep interaction (if it occurs) on government ground or BLM leases. The NDOW will remove the Bighorn Sheep found in association with domestic sheep or goats on private land or permitted public land grazing allotments at the earliest opportunity. There has been concern that one species is causing a detriment to the other species.

NDOW will notify the owners of the land or allotment when the Bighorn Sheep are to be removed. If co-mingling occurred outside the private land or grazing allotment, the domestic sheep/goats will be removed instead of removing the Bighorn. They will remove the sheep/goats only if the following conditions have been met:

1. The offending livestock are deemed to be a health risk to the Bighorn Sheep,
2. A reasonable but unsuccessful attempt has been made to identify and inform the owner of the offending livestock so the he/she can remove them, or

3. The owner of the offending livestock is identified, declines to remove the offending livestock; and
4. Reasonable attempts have been made to notify the office of the Nevada State Veterinarian that a removal action will be undertaken if the owner of the livestock cannot be identified or if the owner agrees that NDOW personnel should proceed with the removal action.

NDOW promises to educate the public and the agricultural community about the relative disease risks posed by the immediate association of Bighorn sheep and domestic sheep.

NDOW agrees to cooperate with the owners of the offending livestock to file a tort claim with the State of Nevada to obtain financial compensation for the offending animals if they could not be identified at the time of removal and the owner presents himself to NDOW and the appropriate federal land management agency within 10 business days.

NDOW will transport carcasses of the offending livestock or Bighorn sheep to the pathology labs of the Department of Agriculture for examination.

NDOW will make public the results of pathological examinations of offending livestock or Bighorn sheep in a timely manner.

The Nevada Department of Agriculture (NDOA) agrees to cooperate with NDOW in personnel actions to remove offending livestock or Bighorn sheep, provided the following conditions have been met:

1. A reasonable but unsuccessful attempt has been made to identify and inform the owner of the offending livestock so he/she can remove them, or
2. The owner of the offending livestock is identified, declines to remove the offending livestock, and agrees that NDOW field personnel can remove the offending livestock; and
3. Reasonable attempts have been made to notify the office of the State Veterinarian that removal action will be undertaken if the owner of the livestock cannot be identified or if the owner agrees that NDOW personnel should proceed.
4. The office of the State Veterinarian has been informed that a removal action will be undertaken if the owner of the offending livestock cannot be identified or if the owner agrees that NDOW personnel should proceed with the removal.

NDOA will conduct pathology examinations of the offending Bighorn sheep and livestock taken in management actions.

NDOA will provide the results of the pathology examinations for coordinate public distribution by both Departments.

Board member Satterthwaite said this would not be ratified until the convention and Woolgrower's Association see this. Don Henderson said this Memorandum of Understanding was taken to the Woolgrower's Association for their approval before it was actually signed. Henderson clarified that the Memorandum of Understanding is in effect from the date of signing (May 23, 2006).

### **B. Animal Disease Laboratory (ADL) national certification for Scrapie Genotyping.**

Dr. Rink advised the Board that the lab has been working on developing a test for Scrapie genotyping. Dr. Rink gave the Board a handout showing what the test looks like. She said this test allows us to read all three of the loci that are involved in the Scrapie susceptibility.

The route to get this USDA certified was to basically come up with a test. We are currently one of eight labs certified to run this test. We were required to pass a proficiency test and then have our lab inspected to observe what we do in terms of quality assurance and quality control. We were then required to pass a second proficiency test and passed. We were then certified to run samples.

To date, we have sampled 1,200 sheep in Nevada. We have the ability to compete in a federal program to do this on a large scale, but because we don't have the space or personnel to deal with a large number of samples, we are theoretically ineligible to compete for these contracts. We will be testing samples only from Nevada producers.

### **C. Highly Pathogenic Avian Influenza (HPAI) testing numbers and agreement.**

Nevada started surveillance two months ago. Right now we have results in for 177 live birds. Of those 177 birds, 71 were mallards and twenty-one mallards tested positive for Avian Influenza. Nevada has been a little more active than some of the other states. The reason we are finding a higher prevalence of the viruses is because the plan we drew up included a lot of juvenile birds. If you test juvenile birds, you are much more likely to find the virus. Other states go for mostly adult birds. But with the type of testing that we do, which is not serology, but virus detection, we focus on the most highly susceptible group. So that is why we have a high incidence which concerns a lot of people who are involved in Avian Influenza virus surveillance. We were expecting to find and did find avian influenzas. So far we have identified three different avian influenza viruses. One of them was a H5. The H5, after ten months of intensive propaganda, is perceived by a lot of people particularly H5N1 to be really dreadful, but that is not the case. There are a lot of H5's out there and there is a H5N1 which is a North American strain. Our H5's were H5N2 which is probably the same strain that was identified in Canada last year. The only H5N1 result that has been published in the United States are two swans out of Michigan and that was the North American strain of H5N1 which has not caused

morbidity or mortality in wild bird species. In domestic poultry, it is a low pathogenic strain

#### **D. Arbovirus testing update and maps.**

Dr. Rink said this is the third year of testing. We have tested 2, 200 samples for West Nile Virus, Western Equine Encephalitis and St. Louis Encephalitis which are the three different arboviruses here in Nevada. She said this is just a breakdown for you to see how many individual mosquitoes that have been tested in batches of 50 females from different locations. You can see the counties that are actually very infected by West Nile right now, like Churchill County and Lyon County are leading the pack in terms of submissions. The mosquito abatement districts are very active and have really tried to stay on top of the situation. They are submitting a lot of samples. Of the samples that we received, about 7 % tested positive this year. So there is a vast abundance of mosquitoes we are getting even though we are not finding huge numbers of positives, this is a record year in terms of human infections. As of Monday, 62 infected humans confirmed. Humboldt County with 13 patients leading the pack. Elko, Lyon and Douglas counties with 10 patients each. For the first time, this year we are seeing a relatively large number of neuro invasive disease in people under 50 years of age which doesn't necessarily have anything to do with the virus becoming more adapted to humans or the virus mutating.

Overall we have a very small number of human patients to look at. Dr. Rink said it's just now that we getting the numbers together and getting a better feel for what the true representation in a population can be in terms of disease manifestation and severity. Just for your information, we haven't done that before; the general statistics of lab testing over the last two years has significantly increased the amount of samples that we are testing. Between 2003 – 2005, our number of accessions went up from 3,800 to 5, 900. The number of specimens that we have processed per year went up from 18,000 to almost 27,000.

#### **E. General statistics of laboratory testing.**

Dr. Rink said the number of necropsies, although individually that is not a large number, has gone from 87 to 157; averaging 3 – 4 necropsies per week. She said although, the necropsy procedure doesn't take a lot of time, but the diagnostic workup is relatively time consuming.

Rabies is one of our probably highest rated programs in terms of public health importance and the number of specimens that we receive varies year by year. You can see that it has nothing to do with our promoting submissions. It really has to do with the number of vets that are out there, because a lot of our submissions are from vets involving dog and cat fights with bites and scratches. A lot of the dog and cat fights with the scratches end up with the animal being euthanized and in our lab for testing.

Last year was a very intensive year in comparison to what we have seen before in terms of bat rabies. We haven't found a positive pet or companion animal in a long time, so all

of the positive tests that we have are usually in bats. Nevada has 24 different rabies species, eight of which are Myotis species. We have a species that is very abundant and some are on the brink of endangerment. In large areas of the state, we have very healthy and large bat population. Since human encroachment on the habitat is increasing, they are well adapted now to urban living, and the amount of interaction will increase over the next several years.

#### **F. Congressional testimony on the listing of the Sierra Nevada Bighorn Sheep population and disease transmission issues.**

On July 13, Dr. Rink was asked to testify before the Committee on Resources in the House of Representatives. This was in connection with the Sierra Nevada Bighorn Sheep Recovery Plan and its implications for sheep grazing in the Eastern Sierra. She said her heartburn about that plan has always been that the genetic basis for actually declaring the species, either a sub-species or a meta population which is defined as a population that does not have any contact with surrounding populations. I haven't been able to get any more samples in the mean time. The reason I was asked to testify was to explain to the committee why the data that was used for the listing is not adequate. The reason why is the dirty word "cytonuclear genomic dissociation". That is something that a lot of people that actually make the decisions on this really aren't familiar with. Right now we are in a particular stage of genetic science. We are always going in 10 – 15 year increments from lumping to splitting, lumping to splitting. Right now we are in the splitting phase again where a lot of biologists have a tendency to focus on the difference between individual animals and populations rather than see the commonality of the bigger picture.

The important part of cytonuclear genomic dissociation means the following: you have two genomes in every cell; you have the nuclear genome of which you have one copy per cell and you have the mitochondrial genome cell of which you have several thousand copies per cell. The mitochondrial genome is inherited only from your mother; the nuclear genome, 50% you inherit from your mother and 50% you inherit from your father. And they are inherited in a different way because the mitochondrial genome only comes through your maternal line and doesn't code what you are. So the term mitochondrial or cytonuclear genomic dissociation means the following: let's look at how the cytonuclear genome and the mitochondrial genome react over time. The pink one is the Sierra Nevada Bighorn Sheep genome and yellow one is the foreign genome or in this particular case, the Nevada Desert Bighorn Sheep. The average population or generation time of a Bighorn sheep is four and one-half years (for simplicity, Dr. Rink used 5-yr increments). The first generation of an introduction of a ram into a stationary population of breeding females would result in 50% of the replacement of the nuclear genome which is entirely responsible for the pheno type, or for the physical appearance of the animal. Nothing happens to the mitochondrial genome because you only inherit that from your mother.

Dr. Rink's power point illustrated what happens after 3, 4, 5, 6, 7 generations. After seven generations, you have completely replaced the Sierra Nevada Bighorn sheep genome by a foreign genome. If you use the mitochondrial genome to study the

uniqueness of that population, you're looking at the part of the genome that tells you nothing. It shows you a historical remnant; it does not tell you what you have right now. This is not a theoretical consideration. If you look at this (blue box in the power point), this is the Sierra Nevada Bighorn Sheep ram from the one sample Dr. Rink was able to get compared against a variety of better Bighorn Sheep rams from Nevada. You can see it is very closely related to them and the FE840001 is actually a Lincoln County Bighorn Sheep ram that was harvested in 2003 which is the closest relative of this ram. The way this came about most likely is in 1998; in Esmeralda County in 1968, there was a Bighorn Sheep transplant from that same population in Lincoln County. So the Sierra Nevada Bighorn Sheep has had intimate genetic contact in terms of loving male Nevada Bighorn Sheep seeking out girls in California as part of the Sierra Nevada Bighorn Sheep population. So this does not qualify as a meta population because it's impossible for this population to be genetically isolated and this is a good indication. The fact that there is close resemblance to this current population in Lincoln County makes it easy to establish the timeline of when that genetic material was transplanted and if that first ram migrated there in 1968. They basically had time over forty years to completely replace, if there ever was a Sierra Nevada Bighorn Sheep population, to completely replace the nuclear genome and replace it with a Nevada Desert Bighorn Sheep.

Right now, Ed Monnig, (Forest Supervisor for the Humboldt-Toiyabe Forest) is involved in trying to get genome data. Dr. Rink has applied for a permit to get more samples, but they are forthcoming. She has offered to share all the genotype data that she has if they in turn make their genome data available to us which would mean no additional costs. If she received biological samples, there would be additional costs involved. She hopes that this year or next year, they will be able to do some data comparison between the Sierra Nevada Bighorn Sheep population and Nevada Bighorn Sheep. The sample that was given to Dr. Rink which constituted a typical Sierra Nevada Bighorn Sheep is actually genetically a Desert Bighorn Sheep.

### **G. Select Agent Program**

Dr. Rink said we were recertified for Anthrax until August, 2009. We had isolation of two other select agents this year; (1) bubonic plague, (2) the other was Tularemia, the causative agent for bubonic plague in Washoe County in June, 2006 and Francisella tularensis in Elko County in July this year.

The storage requirement and the management requirements for keeping these stocks around are very stringent which means access to certain rooms where these agents are stored is very limited. And because we cannot sacrifice another room, because the storage conditions for anthranx are different than the other two bacteria so we basically had to destroy the isolates. The reason why we keep anthranx around and the reason why it would make a lot of sense for us to keep the other two agents around is that there is no data on which one of these select agents are actually indigenous where in the United States. So it really behooves every state to make sure that they have a reference strain. If you ever have an uncommon outbreak, how do we know what we had in the past and how does that genetically relate to what we have now. So if we don't have the ability to keep

those agents around no one will do it for us. An investigation at the time of an unusual outbreak of any of these diseases would greatly benefit from having these agents around. In the new lab, we have planned a select agent lab which is going to be a small room with very restricted access. Anyone entering these rooms will have to sign in and out each time. Right now we had to destroy these samples, but Dr. Rink said she is confident that over the next couple of years we will see that again.

Animal Disease Laboratory (ADL) short term goals: Dr. Rink advised the Board that ADL employee Sharon Gard left for family reasons; she returned to California. She said we are trying to hire a new Microbiologist III which is turning out to be impossible because of the labor force in the Reno area and competition from Washoe County Medical Center, University of Nevada and Charles River Laboratories.

Dr. Rink said in 2006 – 2007, we are trying to get certification for additional foreign animal diseases like being able to be certified for foot and mouth disease testing, vesicular stomatitis, and swine fever even though we do not have swine industry here. The concept of the National Animal Health Laboratory Network (NAHLN) lab system is that if there is disease outbreak anywhere in the United States you have enough overflow capacity in other states that they can help process samples in an adequate time frame.

She said next year we would like to complete the tuberculosis genotyping, genetic fingerprinting, pastuerella genetic fingerprinting and the sheep genotyping. We would like to improve the current assays for reverse transcription PCR for Western Equine Encephalitis and put that on a real time assay platform. We are working on a PCR trich test for “strangles” and a PCR test for Johne’s Disease both in Reno and Elko. In Reno, we are working on increasing the necropsies capabilities by enhancing the facilities.

The medium and long term goals are to develop a high throughput capability for Scrapie testing which involves both additional personnel and additional equipment. We are still evaluating the feasibility of offering additional tests that are based on the platform of genetic testing. The accreditation according to ISO 17025 is something that is going to be a very long drawn out process because we don’t have the personnel power right now to actually work on all the different issues that need to be addressed with that kind of accreditation, but that doesn’t mean we are dropping the idea. It’s just not going to happen in the next two or three years.

And I mentioned before we are still looking for a niche for a lab our size in molecular diagnostics.

#### **H. Nevada Veterinary Medical Association’s Animal Response Team**

Dr. Poulos told the group that one of the things that Animal Industry is working on is Emergency Preparedness Disaster Training. In early June, Dr. Forbes and myself attended a meeting at the Office of Emergency Services in Reno. The sponsor was the Institute for Food Safety that came to Reno from Sacramento to do the training. Dr. Forbes has taken the lead on this and has been working with the Nevada Veterinary

Medical Association. We received a grant from AMA Medical Association to conduct seminars. Keith held one in Las Vegas on 17<sup>th</sup> and the next day conducted a seminar on the UNR- Reno campus. One of the advantages of attending these training sessions is the people you get to meet. We are starting to build partnerships with private enterprise, academia, state and federal representatives and we have a very good working relationship with USDA.

Dr. Poulos said attendance at Dr. Forbes seminars was very outstanding. Those in attendance included private practitioners, veterinary technicians, representative from state, federal and local emergency personnel, animal control, police officers, Humane Society. The consensus of lot of the people attending the seminars was that more of this type of seminars/training should be conducted. We will continue to get together with these different agencies and plan additional training.

## **I. National Animal Identification System**

Holly Pecetti gave handouts to the Board members. She said as of August, 2006, they had validated 1,052 premises which is just about 10% of our goal.

Holly said we are participating in various fairs. We are attempting to reach everyone and tell them about animal health issues and premise ID even if they have a few animals.

Holly accompanied Dr. Poulos in the trichomonis testing workshops and gave presentations at each workshop and did receive more applications.

Holly said the Nevada Livestock Marketing is going to be opening another auction which was formerly Gallagher's in Fallon. Dr. Poulos, Dr. Rink and Holly met with the manager, John Hangar, about animal health issues and premise registration and animal identification. Holly said he was very supportive of us being there. We are going to have someone there weekly. The auction will be on Wednesdays and the anticipated start date is the middle of September.

Holly said last week we participated in a conference call with USDA. As of that time there were 297,000 premises registered nationwide. The registrations are running about 4,000 a week in the way of processed applications. They are including a goal of approximately 1.5 million by 2009.

Holly included a DVD in her handouts. It specifically refers to the health issues of the cattle industry. Holly said she has given the DVD's to several 4-H leaders to use.

Holly said everyone always asks what are we going to do with BLM and the Forest Service allotments. The last information Holly has, which is of this week, from Dr. John Weimer's office is that the USDA has received the database from the Forest Service, but nothing has been done with it and haven't made any decisions on what they plan to do with it. Negotiations with BLM has not started yet. Holly said she was going to the USDA health meeting in October and may get more information at that time.

Holly said we received an extension on our contract through USDA and we are going to start implanting chips in horses and starting the ID program. We have about 100 chips and will be putting them in the horses as we gather them (Virginia Range horses) so we will have a tracking base. If someone takes one of these animals, they can get a premise ID and their animal will be chipped.

## **6. Division of Measurement Standards**

### **A. Division activity report.**

Steve Grabski advised the Board that Weights and Measures has put out their annual license fee billings. They have collected about two thirds of the money billed. We had problems with about ten percent of the billings mainly due to business changing names and not getting updates on address changes.

Inspections in general for the Weights and Measures program is on schedule. We are not seeing any problems with the renewed frequency of tests. We still have the consumer confidence that is necessary.

We have a vacancy in the Reno office for an inspector. Les Smith from Las Vegas is going to move into that position and his position in Las Vegas will open.

All the equipment that we purchased last year is on the road except the big heavy scale testing rig and that was delayed because we were buying the hoist for it from an overseas company and they were behind schedule. The whole truck should be assembled and on the road by mid September.

On the petroleum side, Arturo Melkessetian in the Las Vegas office is retiring. We will be looking for a petroleum chemist in the Las Vegas area to fill that vacancy.

Steve said he had just received a new Varian instrument. It is an instrument to test petroleum products and gives us the added capability to do E85 and bio diesel that falls within our scope of work. This instrument will also be able to test alternative fuels as they become available.

### **B. Update and possible final report of the Desert Research Institute (DRI) volatility study.**

The DRI fuel volatility report is not complete yet. Vernon Miller is the lead on the project and advised Steve the draft has been produced and discussion and information gathering is still going on. Hopefully, at the next Board meeting the report will be completed and in the Board packet for Board members to review and prepare to take action.

Lawrence Waugh commented that if Board members got the finished report, it may be too soon for the Board to take action at the December meeting. The report will be

involved and members will need time to read the information thoroughly and ask questions before it becomes an action item. Lawrence said until the report comes out, it will be difficult to determine who should appear before the Board. No validated complaints or problems have been issued yet.

Henderson said he asked staff to be ready to report at the December Board meeting in December. We are at the same place we were last legislative session and the Department of Agriculture is vulnerable because of this issue. The parties that involved in the industry are still undecided. Henderson said he recommends the Board revisit this regulation at the December meeting. He said he has asked staff to have their reports ready in time for the Board to review and move ahead and make a decision to keep what we have and what is at risk. We were hopeful that the Desert Research Institute (DRI) study would provide some answers. Henderson said there is a BDR out there right now sponsored by Senator Townsend to revise fuel quality and testing responsibilities in the State. Henderson said we need to have an official hearing and take testimony for this Board to make a decision.

#### **C. Update on Measurement Standards License and Payment (MSLP) program.**

Grabski went on to state that legislature funded us monies for a new computer program which is called the MSLP, Measurement Standards License and Payment program. We expended monies for servers, hardware and tablet PCs for the inspectors in the field. The tablet PCs for the inspectors in the field will enable them to do their report and calculations and print out a report. They will bring the PCs back to the office and will migrate the data back and forth to keep the database current. The accounting system that is built into this system is better than what the State can provide.

#### **D. Update of the Sparks Headquarters Capitol Improvement Project (CIP).**

Steve Grabski referred to the information given by the Director in his report and asked if there were any questions. There were no questions from the Board.

### **7. Division of Resource Protection**

#### **A. Division Report**

Mark Jensen began his presentation by introducing Shane Huseby, our pilot stationed in Elko.

Mark said he wanted to update the Board on the Resource Protection projects; projects that we do with Nevada Department of Wildlife (NDOW) and then briefly review his Federal budgets.

The USDA Wildlife Services enters into cooperative agreements every year with NDOW to do various predation management projects to protect natural resources such as mule

deer and bighorn sheep. Mark said he met with the Wildlife Commission on August 4<sup>th</sup> and 5<sup>th</sup>. All of our ongoing projects that we have with NDOW were approved as requested; approximately \$330,000 worth of work over the coming year. We also have an additional project that was requested and approved regarding the fires that we are having here and in Elko. Mark explained that big fires such as we have experienced, fires go through and leave small isolated islands or pockets of habitat which concentrates the predators that prey on those small areas. Also in the surrounding areas around the burn, you will have high concentrations of what is left of prey species and predator species. Mark said in order to try to help these animals, NDOW requested USDA-APHIS to fly these pockets of habitat and fly the edges of the fire as well. We are trying to reduce the number of coyotes in order to give the prey species that are still there a chance. Mark said obviously we have had a reduction of habitat. When fires concentrate both predator and prey, that situation compounds the problems that result from big fires like we have had. There have been concentrations of wild horses near water. Horses can have an impact on the wildlife, because the horses vigorously defend the water resource and exclude deer from the water.

Mark continued with information regarding federal budgets. At this time, we have a House version and a Senate version of the Federal budget with obvious differences in the two. Mark said the House version of the budget has about a 1.2 million dollar increase for wildlife services. The Senate version has a 5 million dollar redirect for disease monitoring. The budget contains line items; sometimes the line items are funded and other times they are not. If the budget says the work will be done, but does not give you any new money, then the program has to find money in other areas to do the work. The subcommittee that will be formed from the House and Senate is not going to be formed until after the election. Mark said he is looking at a March or April federal budget which makes things very difficult.

Mark said with the 15 million redirect, he has been asked to provide leadership with the scenario of a 15% cut in our federal budget and what is going to happen if this budget goes forward the way it is written right now. Mark said his budget is about 1.2 million dollars and 15% of that is approximately \$190,000 and will have a significant impact on his budget. Mark said there is a message in all of this that he has been hearing from the roots that support Wildlife Services and the message is if the President and the Congress wants Wildlife Services to do disease monitoring, they should fund it. Money shouldn't be taken away from our budget and hamper our ability to protect livestock and to protect agriculture in order to do disease monitoring.

## **8. Division of Plant Industry**

### **A. Request permission to adopt as permanent, proposed changes to NAC 587. (LCB File No. R032-06)**

*Regulation changes to the organic gross income sales fee; change to the on-site hourly fee; change to the late fee; change to the hour of inspection fee and mileage reimbursement.*

John O'Brien advised the Board that this proposal is a change in fees. The main reason to increase fees is to pay for a required USDA audit that costs \$5,000 and occurs every four years. Staff time is not currently charged to the program and should be.

During the workshops and hearings, producers requested that the number of categories be increased from the original six categories to sixteen categories and we did.

**Deloyd Satterthwait made a motion that changes to NAC 587 be adopted. Jim Johnson seconded the motion. Motion carried.**

**B. Request permission to adopt as permanent, proposed changes to NAC 561. (LCB File No. R130-06).**

*A regulation relating to agriculture; designating planting and harvesting seasons for this State for purposes relating to an exemption from certain federal regulations for drivers transporting certain agricultural commodities or farm supplies for agricultural purposes; and providing other matters properly relating thereto.*

John O'Brien explained that this proposed change is to adopt planting and harvest schedules to enable an implementation of an agricultural exemption for hauling agriculture commodities. The language in the proposed changes is tailored to fit with the National Highway Act.

**Dan Hetrick made a motion to adopt the proposed changes to NAC 561. Marta Agee seconded the motion to adopt. Motion carried.**

**C. Nursery Program Update**

John O'Brien said is a summary of nursery program activities in terms of inspections.

**D. News article from the Klamath Falls, Oregon Herald and News about "Going Organic". Peggy McKie, Program Inspector for Nevada Department of Agriculture, explained the process.**

John O'Brien said this is a news item from Klamath Falls, Oregon that relates to the Organic Program. The article mentions Peggy McKie who works in that program.

**E. EPA 2006 second and third quarter reports.**

Board member Jim Johnson asked John who in southern Nevada is responsible for checking to see if people are paying their nursery fees. John O'Brien replied that Xenia Duranovic is doing most of the tracking in that area. Marvin Verson assists as well as George Stipes.

## **4. Division of Livestock Identification**

### **A. Program updates:**

#### **1. Report on new building and move.**

Jim Connelley told the group that the new building had been discussed already in today's meeting. He said the phone company had been that day to clear up electronic communications problems.

#### **2. Implementation of new brand inspection fees.**

Jim said the fees went into place on July 1<sup>st</sup>. We are starting to collect some fees now. Jim talked about the effects of the fires relative to the workload this fall. He said he could only assume that it will increase, with a larger number of inspections and larger number of livestock moving this year. Next year, we will probably have a very low year. The Bureau of Land Management and the Forest Service requires two years off as in the past. We are likely to have significantly less livestock in the state and very little pasture cattle, because our Nevada producers will be using other means just to keep the herds intact.

#### **3. Discussion of moving district line in Eureka area.**

In July, the Cattlemen's Association had a meeting in Eureka. There was some interest in adjusting some of the old district brand lines which Jim was asked to look into. Jim said as soon as he is able to finish the building project, he will look into that. Jim said any regulations that come out will be only temporary because this is a legislative year. Jim said some of the old lines have been in place since the '30's and a lot of the agricultural areas in the State have developed since then

### **B. Agriculture Enforcement statistics.**

Jim gave Board members statistics for livestock ID and AG enforcement.

Jim said we have a problem in the northeast corner of the state. We have had an inordinate number of missing livestock the last few years. We have instituted a cooperative effort between our state, Idaho, and Utah. As of yesterday (8-24-06), three states sealed the borders in the northern tier. All highways and dirt roads have been shut off for 24 hours and will continue until tomorrow (8-26-06). We have a much larger enforcement presence in the northeast corner of the state on the back roads since June.

He said he is working with the PBR and NFR to ensure things go more smoothly than last year for the upcoming season in Las Vegas.

Jim said there was a reference made earlier in the meeting about horses being dumped out on the range and he said we are picking them up already. We have picked up several

## **9. Public Comments**

There were none.

## **10. Travel Claims and Salary**

There were none.

## **11. Date of Next Meeting**

**Motion to have the next meeting on December 4 and 5, 2006 in Las Vegas was seconded by Dan Hetrick. Motion carried.**

Meeting adjourned.

These proceedings were recorded. Anyone wishing to listen to them in their entirety should contact the Department of Agriculture, 350 Capitol Hill Avenue, Reno, Nevada

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Don Henderson, Director