

CALL TO ORDER 10:00 A.M. TUESDAY, FEBRUARY 7, 2017

ROLL CALL:

Donald Martinez	Loren Horton
Kevin Elfering	David Kincaid
Effie Walker	Bob Frost
Bebo Lee	Chairman Bill Sauble

NMLB STAFF PRESENT:

P. Robert Alexander, Interim Executive Director	Shawn Davis, Area 1 Supervisor
Ray E. Baca, Deputy Director	Julie Gauman, IT
Allison Hedgecock, Legal Counsel	Dr. Ralph Zimmerman, State Veterinarian
Gary Mora, Area 3 Supervisor	April Riggs, Area 2 Supervisor
Troy Patterson, Area 4 Supervisor	Andrew Silva, CFO
Priscilla Pena-Johnson, HR Manager/Administrator	

VISITORS:

No Visitors

APPROVAL OF AGENDA:

Mr. Elfering moves to approve the agenda. Mr. Horton seconds the motion. All in favor. Motion passes.

APPROVAL OF MINUTES:

Minutes from the December 1, 2017 Board meeting presented. Ms. Walker moves to approve the minutes as presented. Mr. Lee seconds the motion. All in favor. Motion passes.

GENERAL PUBLIC COMMENT:

No public comments.

FINANCIAL UPDATE:

Chief Financial Officer (CFO), Andrew Silva, presented. Legal Counsel and our CFO are questioning the legality of reverting NMLB funds via the Fiscal Year 16 Special Session sweeps bill. Requested a review by Department of Finance and Administration (DFA) Budget and the Governor's Office Legal Counsel. The Attorney General's Office provided a legal opinion in 2009 stating that the funds could not revert from that fund to the state's general fund. Ms. Hedgecock advised DFA of this in a letter. DFA has advised that the transfer will happen. Mr. Silva has not reverted the funds yet and wants direction from the Board. The funds are collected from the Livestock Industry. The industry has voiced concern at the legislature this year. The group with the best standing to take the case to court would be industry. According to Chairman Sauble, the NMLB is taking a 60% reduction in general funds anyway. In the event of an outbreak, the NMLB does have access to emergency funds. However, it is a cumbersome process. Our fund balance gives us direct accessibility. The board agreed that the funds should be reverted by the agency. New sweeps bill for FY17 sweeping \$1 million from our funds. The sweeps bill

has already been signed by the Governor. At end of this fiscal year our fund balance will be reduced to \$2.1 million. At the end of next fiscal year, it will be reduced to \$952,000. Brand re-record will bring in about \$1 million in our third year of cycle. The rerecord funds, unearned revenue, for the three years are not part of the fund balance. We have run a lean, efficient agency. Last outbreak cost the agency about \$100k.

LEGISLATIVE UPDATE:

Legal Counsel Allison Hedgecock presented. Working with legislation first proposed by the NM Cattle Growers Association. Wild Horse Observers Association (WHOA) case litigated in 2014 changed the application of our statutes. Did not define what 'domesticated' means. District Court would have to make the determination each time. This session, a bill was introduced that attempts to amend the definition of livestock by removing domesticated language. Have not seen the final amended draft but the NMLB is submitting our position and review of the bill.

Senate Bill 284 will redefine the disposition of horses on private land. The estray process in our statute would basically be followed but would allow the first right of refusal to horse rescues. The NMLB would be allowed to sell the horse if the rescues declined.

Chairman Sauble discussed two bills in draft that will be introduced this week. A bill was introduced in 2015 but did not go anywhere. This bill would repeal Chapter 77-14, livestock running at large. Chapter 77-14-35 is aimed specifically at municipalities. The other bill is from Animal Protection of NM and relates to the disposition of horses by the Livestock Board. After the end of 5 days, if no owner is found, the horse would be transferred to a registered horse rescue for adoption instead of the current process of putting the horse up for auction. The Livestock Board would be reimbursed up to \$100 per head to cover the cost. If the rescues decline, the horse is euthanized by a licensed veterinarian.

STATE VETERINARIAN'S REPORT:

State Veterinarian Dr. Zimmerman presented. In the midst of TB testing with the Feds. At Farm #2 today. There will be 6700 head tested. 5 necropsies scheduled for next week to be done at the location. 4200 on the first heard. About 10,000 total head. Actively seeking a second field veterinarian. Desperately needed. One opened brucellosis trace. Two Foreign Animal Disease (FAD) investigations. No agents were detected. The office attended a training in January by the FBI on agro-terrorism. Primarily attended by New Mexico and Arizona. The FBI believes it is not a matter of if, but a matter of when we have foot and mouth introduced in the country. It doesn't necessarily mean it will come in at the ports but the ports will be an ideal place to spread it. It could wipe out our beef industry. The faster you find it the easier it is to deal with it. NMLB funds being cut is concerning for this reason. We need to have the funds to respond. Scrapie surveillance is going well. Dr. Eckhoff is ahead on that. We are down on Trich and definitely moving in the right direction. Animal health/handling course went really well. Good feedback from Inspectors. Memorandum of Understanding (MOU) with Arizona has been completed and reviewed by Arizona's legal counsel. We are waiting for our legal review to implement. Ms. Hedgecock stated she is in the process of reviewing and checking cross references.

The NMLB was approached at United States Animal Health Association (USAHA) to demonstrate a traceability pilot project at the port with electronic ID. Looking at Columbus but we are having difficulty finding a producer on the Mexican side. A producer at Santa Teresa is willing to use his own cattle. The feds are looking at finding the funding for the pilot of \$5,000. Equipment is being provided. Animal and Plant Health Inspection Service (APHIS) has called a conference call on the 23rd of February to discuss this issue. New auction house at the port. Requiring them to send them out with a health certificate with appropriate information. Other port not doing that. Working with Ray on this and the other port. Ultra-High Frequency (UHF) tags would be a great way to do that. As a last resort if the Feds can't come up with it, we will look at providing the \$5000.

Mr. Kincaid made a motion to approve the expenditure of \$5000 for the pilot project if the Feds can't come up with it. Mr. Horton seconds the motion. All in favor. Motion passes. Make sure to work with CFO to stay within the procurement code.

What is the status of the Equine passport? Waiting to see where the funding needs will be. Agree in theory but trying to figure out who would be in with what cost.

CLOSED EXECUTIVE SESSION:

Chairman Sauble moves to go into closed executive session pursuant to NMSA 1978 10-15-1(H) (7) for an update on potential litigation. Mr. Lee seconds the motion.

ROLL CALL VOTE:

Bob Frost – Y	Effie Walker - Y
David Kincaid – Y	Kevin Elfering - Y
Loren Horton – Y	Donald Martinez - Y
Bebo Lee – Y	

The NM Livestock Board goes into closed executive session at approximately 11:26 a.m.

RETURN FROM EXECUTIVE SESSION:

Chairman Sauble moves to return to open session. Mr. Kincaid seconds the motion.

ROLL CALL VOTE:

Donald Martinez - Y	Loren Horton - Y
Kevin Elfering - Y	David Kincaid - Y
Effie Walker - Y	Bob Frost - Y
Bebo Lee - Y	

The NM Livestock Board returned to open session at approximately 12:36 p.m. Chairman Sauble noted that nothing was discussed in Executive Session except what was listed on the motion to close and that no action was taken.

EXECUTIVE DIRECTOR'S REPORT:

Mr. Alexander has explored the Livestock Board. The industry in New Mexico is outstanding. The staff is great but any time you have the staff spread out in different locations it's not an easy job to administer and keep educated while also keeping everyone else educated. Mr. Alexander is keeping a focus on communication and building trust in the industry with the agency and from within the agency. Mr. Alexander has high expectations and the staff has a great attitude. He doesn't have all the solutions to all the problems. We are working on the team building. We want to have the energy, the enthusiasm and the ideas from the entire staff throughout the state contributing to the winning team situation. Everybody needs to feel like champions. Looking for additional communication with the board members to bring their ideas into the fold. Plenty of challenges but so far so good.

BOARD CONCERNS:

Mr. Martinez asked what the status of the district lines issue is. When will the meetings be put together in the districts? This will be done after the legislative session. Meetings will be scheduled in that area to give input on those district lines. We will schedule at least three meetings in those three districts after the legislative session. The discussion will also be not just eliminating or combining all three districts but also adjusting or moving district lines if that is what the industry wants to do.

ADJOURNMENT:

Ms. Walker moves to adjourn. Mr. Horton seconds the motion. Meeting adjourned at approximately 12:44 pm.

APPROVAL:

Bill Lamb