



# Montana Board of Livestock Meeting Minutes

**(This Meeting was Open to the Public & By ZOOM)**

September 7, 2022

MT Department of Livestock Board Room #319  
301 N. Roberts, Helena, Montana

## Board Members Present

Gene Curry, Chairman (cattle producer)

Alan Redfield (cattle producer)

Ed Waldner (swine producer)

**(Jake Feddes attended the meeting by ZOOM)**

Greg Wichman (sheep producer)

Sue Brown (dairy & poultry)

Nina Baucus (cattle producer)

## Staff Present

Mike Honeycutt, EO

Brian Simonson, Deputy EO

Evan Waters, Centralized Services

Buddy Hanrahan, Centralized Services

Dale Haylett, Centralized Services

Tom Shultz, Centralized Services

Darcy Alm, Milk & Egg Program

Donna Wilham, Adm. Assistant to EO

Dr. Marty Zaluski, State Veterinarian

Dr. Tahnee Szymanski, Animal Health

Dr. Greg Juda, Director, MVDL

Alicia Love, Meat & Poultry Inspection

Jay Bodner, Brands Enforcement

Ty Thomas, Brands Enforcement

## Public Present

Rachel Cone, MT Farm Bureau Federation

Rachel Prevost, Montana Farmers Union

Izzie Hicks, Bozeman Daily Chronicle

Chaley Harney, Montana Beef Council

Tammy Bridges, Montana Beef Council

Al Koenig, Montana Beef Council

Craig Denney, MT A&E Division

Marina Little, MT A&E Division

Jim Ashmore, KJN Ranch, Inc.

Kim Ashmore, KJN Ranch, Inc.

Chris Bechtold, MT Bison Association

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## MEETING CALLED TO ORDER

**(3:01) 8:01 AM**

Chairman Gene Curry called the meeting to order at 8:01 AM

## CALL TO ORDER AND INTRODUCTIONS

**(3:01) 8:01 AM**

Chairman Gene Curry called for BOL member introductions and comments. All BOL members were present, with Jake Feddes attending meeting by ZOOM:

- Nina Baucus, Cattle Representative, said that they raise cattle and sheep north of Helena

- Ms. Baucus reported that it was dry and that they had a few grasshoppers, but not as many as last year. She added that they were very grateful that they got a hay crop
- A horrible grizzly situation was under control at their place, Ms. Baucus said, and that Dalin Tidwell might report on it during the Wildlife Services segment of the meeting
- Ms. Baucus said that on a road trip to Minot, North Dakota, she and her husband saw very few deer and antelope in what she said should be deer and antelope country.
  - Even with sunflowers ready for harvest in the fields, Ms. Baucus said there were maybe two dozen blackbirds they saw, even though water was available. She added that there were a total of maybe a hundred geese is all. She said that, obviously, Avian Influenza had caused a lot of problems
  - Ms. Baucus said that without birds there was not a whole lot of bug control
- Sue Brown, Dairy & Egg Representative from Belgrade, reported that they could use some rain
  - Ms. Brown reported that their first cutting of hay was okay, being better than last year's, but, their second cutting, at least so far, hadn't been fabulous
  - While in Michigan the previous week, Ms. Brown said that the Monarch situation there was a little shaky, adding that whole country was having problems with keeping insects with the heat and changes
- Ed Waldner, Swine Representative from Chester, reported that in the 40-50 years he had been in agriculture, conditions were the worst he had ever seen, without even having straw to bale
  - He said that he thought the bird flu had affected the duck and geese numbers in the Great Falls area along the river and in the park
- Greg Wichman, Sheep Representative, said that they raised sheep and cows
  - To add to Ms. Baucus' point regarding the lack of birds, Mr. Wichman said that their normal large flock of blackbirds was just a little flock this year and with the amount of grasshoppers they had this year, the birds weren't going to be able to clean them out
  - Mr. Wichman said that a hailstorm pummeled their hay this year, and so even though last year's hay crop was bad, this year's was worse, because it never recovered. They would be bringing hay in from North Dakota, because they had phenomenal rain there and he said it was cheaper than buying it locally
  - There was a certain subset of producers, Mr. Wichman said, who were selling off their lambs and ewes because they didn't want to fight with it anymore, adding that it was kind of scary for him because he was wondering where their numbers would end up after this year
  - Although their wells were "iffy" at best, Mr. Wichman said it was a good grass year, but they did need a huge soaking rain and lots of snow

- Alan Redfield, Cattle Representative, Paradise Valley, reported that the Paradise Valley was dry as could be and he said he was amazed that a lot of people still had irrigation water
  - Grass was really good in the pastures, Mr. Redfield said, and had gotten to about four feet tall, but, with the dry weather, their biggest worry now was a lightning strike and the fire danger
  - The hay crop was as good as last year, Mr. Redfield reported, probably because of the cool start to the year, but, his second hay crop was off because of the heat. But, he was hoping to have enough to sell a little of it
  - Mr. Redfield said that the calves he had moved yesterday were heavy and that they got a real, good price for them
- Gene Curry, Cattle Representative from Valier, reported that the area between his place and Ed Waldner's place was dead center of the super drought. He added that their place might be at just over four inches of precipitation for the year, with the little showers that had hit here and there during the past couple weeks
  - Mr. Curry reported that his cattle were doing really well, weight-wise, but that they had many grizzlies in with their cattle pasturing near Glacier Park, with some of their guys counting six grizzlies and two black bears in with the cows one day
  - Mr. Curry shared that in their corn field he and his wife were out getting the pivots ready to irrigate and when the pivots were turned on, a sow and three cubs came out of the corn. He said that grizzlies were everywhere in their country
  - The grass was dry in their area, Mr. Curry said, and that water was getting to be an issue
  - Although their hay crop was good, Mr. Curry reported that their grain had not been very good
- Mike Honeycutt, Executive Officer of the DOL, introduced himself and said that there was staff on ZOOM, but that so far, Rachel Prevost of the Montana Farmers Union was the only member of the public that had joined them on ZOOM

## **BOARD ADMINISTRATIVE ITEMS**

**(14:05) 8:12 AM**

### **(14:05) 8:12 AM – BOARD APPROVAL OF BOARD MEETING MINUTES**

Gene Curry entertained a motion to approve the minutes of the Montana Board of Livestock July 21, 2022 Meeting

## **MOTION/VOTE**

**(14:10) 8:12 AM Alan Redfield moved to approve the minutes from the Montana Board of Livestock July 21, 2022 Meeting. Nina Baucus seconded. The motion passed.**

## OLD BUSINESS

(14:39) 8:12 AM

### (14:42) 8:13 AM – UPDATE ON GOVERNORS OGSM STRATEGIC MANAGEMENT IN RELATIONSHIP TO BOL AND EXECUTIVE OFFICER STRATEGIC GOALS

Mike Honeycutt reported on his late-August Ops Review Meeting with the Governor:

- Mr. Honeycutt said that the next Ops meeting was scheduled for September 13, 2022, and so, he was requesting updated information from staff for that meeting's report
- A wrap-up of the year's per capita was given during the August Ops Review Meeting
  - Per capita was down 13% to 15%, Mr. Honeycutt said, both in head counts and collections, which he said was better than what it was thought it could be when the collection period started
- Mr. Honeycutt said that there was not much to report in July on the budget piece, because the report was for July only, as the fiscal year ended in June
  - One thing Mr. Honeycutt was able to report to the Governor was that the DOL did not spend what the budget was for the month and that revenue collected was greater than the expense
- Regarding DOL vacancies, Mr. Honeycutt said he reported that a lot of ground was made up on DOL vacancies
  - A new Sanitarian had been hired in the Milk & Egg Program, and even though they still had to go through training before they were completely on their own, now there was one more person to help cover the ground between Billings, Great Falls, Bozeman and Kalispell
  - Thanks to some salary increases that were acquired through some help from the Governor's Office and some negotiations with the Union, Mr. Honeycutt said he was able to report at the Ops Review Meeting that applicants, good applicants, for open positions in the Meat and Poultry Program were coming in and some were being filled
  - Although the VDL had been reported as fully staffed at the last report, Mr. Honeycutt said that had changed during the last month and there was some work to do
  - In Brands, there were still two District Investigator positions open in the northcentral part of the state
  - The two vacant Veterinarian positions had been filled
- Mr. Honeycutt said that he presented his first month of cattle movement in the state
  - There had been an upward trend in cattle movement in FY2020 and FY2021, with FY2021 being affected largely by COVID. In FY2022 the trend was impacted because of drought, with about 15% more going through the markets than in FY2021. FY2021 was 15% more than in FY 2020
  - In July 2019, the first month of FY2020, about 12,000 cattle moved through the markets. In July 2021, the first month of FY 2022, 27,000 cattle moved through the markets. In July 2022, the first month of

FY2023, there were only 11,000 cattle moved through the markets, Mr. Honeycutt suggesting that those numbers could signal a return to some normalcy

- Mr. Honeycutt reported to the Governor on the live exercise done with the DOL, the National Pork Board, DES, USDA and MSU Extension at a Colony in Teton County with swine
  - Mr. Honeycutt said the exercise actually went through a real depopulation of animals with carcass disposal and participants learning how to use the tools and equipment in case a situation arose where depopulation was needed
- Mr. Honeycutt said that the Governor reported on the doubling of meat inspection year-over-year, which got a lot of press that was good for the DOL
- Mr. Honeycutt said that although new detections of High Path Avian Influenza (HPAI) hadn't been seen in Montana in August, there were detections in North Dakota and California in recent weeks. He said that it was thought the HPAI would be done by now, but that an article he read said it was not a seasonal thing, but something that people would continually have to deal with
- Mr. Honeycutt said he did point out in his Ops Meeting that there was a feral swine concern in the Kootenai region around Lake Koocanusa near the Canadian border that needed a lot more investigation
- There was talk, Mr. Honeycutt said, about getting word out to hunters and other recreational users in that area to look for signs and make sure they knew where to report if they did see anything. Mr. Honeycutt said that Dr. Szymanski could report more fully about the situation during her segment
- Dr. Zaluski was heading up completing a DOL goal to improve interstate export perceptions on Brucellosis, getting the North Dakota Board to relax their import requirement that required official calfhood vaccination for all cattle coming into North Dakota. Mr. Honeycutt said there were also ongoing conversations with states like Kansas and Texas that had additional requirements either for the DSA or Montana in general
  - Mr. Honeycutt also reported that the DOL continued to work on the Brucellosis Canis situation in shelters, with dogs going back and forth across state lines. He said that Brucella Canis, Brucella Abortus, Brucella Ovis and Brucella Suis, even though they affect different species, were still a concern because of the human health transmission possibility
- The Governor, according to Mr. Honeycutt, had requested that the DOL continue tracking slaughter numbers. He pointed out that the month of July showed pretty strong slaughter numbers, comparing it to a typical July. He reminded the BOL that with less animals on the landscape, however, that number would have to retract
  - Mike Honeycutt pointed out that a lot of those numbers, he thought, were owed to the Colonies, as poultry had been much more of the makeup of slaughter numbers, even outdoing cattle. He added that sheep and swine slaughter numbers had stayed pretty consistent, as far as percentage of slaughter

- Mr. Honeycutt provided to the Governor a list of those things being worked on internally in the DOL to automate processes, as his mantra was that every customer-facing process in the state agencies be digital. He said that the Department of Commerce was the first agency to do that
- Brands moving away from Fort Supply to a new system that the State had a license for had been stalled as the DOL was working with a vendor to get a new system in place. That vendor would be in the state the next week to spend time with DOL staff to look at the new system and test it. Mr. Honeycutt said the switch to a new system would not happen until after Fall Run
- Mr. Honeycutt said that there was hard-wired internet at all 13 market locations
- The Archers, Mr. Honeycutt said, were harder to use than an iPad or iPhone, but, they utilized old technology and the day was coming where they wouldn't work anymore
- 99% of the CVIs were currently done electronically, Mr. Honeycutt said. And, even though a person may not be in internet service when the information was submitted, those electronic systems could work offline capturing the information. And, once a person got back into internet service, it took that information and pushed it through
  - Mr. Honeycutt said that the DOL would hit the 99% point with people utilizing other electronic applications, as there were early adopters, mid-adopters and late adopters of the technology

## **NEW BUSINESS**

**(48:28) 8:46 AM**

### **(48:28) 8:46 AM – INTRODUCTION OF MIKE SPATZ, NEW HUMAN RESOURCE OFFICER**

Mike Honeycutt introduced the DOL's new Human Resources Officers, Mike Spatz:

- Mike Spatz started with the DOL on August 15, 2022. He replaced Sheila Martin, who had taken a job with the Veteran's Administration
- Mike Spatz said that he grew up in Great Falls and had some previous State HR experience from the Public Defender's Office and from the Department of Health and Human Services. He said he also had some private-sector HR experience, but added that he had minimal livestock experience
- Mike Honeycutt said that the two top projects that he had asked Mr. Spatz to work on after establishing his own better and more efficient way to handle and document things, were to figure out a plan to roll out a remote office telework plan for the DOL and to move the DOL to a system of quarterly performance evaluation updates with employees, something the State was wanting to move to for all State employees
  - Mr. Honeycutt said that telework was based on job classification, as certain people were eligible for different levels and different numbers of days of telework, based on the type of job they did
  - Employees would also need to complete a telework agreement that set boundaries and rules, determined what equipment they would get to have

at home, what equipment would be on their own dime, how to take care of travel, and expectations of working location and working hours

- Mr. Spatz explained that a person's job classification indicated how much telework a person could receive, but that it was up to the Supervisors to know whether that number would be agreeable or not to manage their work
- To monitor whether or not a telework employee was doing their work, Mr. Spatz said would require that Supervisors enter a new world of learning on how to remote manage and that he would help them in the steps it took to do that
- Mr. Honeycutt said that 75% of the DOL staff worked remotely, even before COVID...the Livestock Crime Investigators and Meat Inspectors, who were considered "Field Staff." Some employees, such as some VDL staff who must do their work in a Lab, could not be remote workers
- One concern Mike Honeycutt raised was that he had heard from staff that one of the reasons they wanted remote work was so they didn't have to get a daycare. He said the telework agreement, however, said that dependent care was something the employee would have to arrange
- The telework agreement also required that an address be listed for what location you would be working from, Mr. Honeycutt said, and added that the DOL did not have anyone that was going to have the ability to telework five days a week
- Mr. Spatz explained that another part of the telework agreement was that people had to have a place in their telework space that was secure and that they're able to keep confidentiality and perform their work, essentially in the same manner that they did in the office
- Mr. Honeycutt cautioned those employees requesting five days of remote telework, telling them that with an employee doing five days of remote work, he could recruit someone from anywhere, even the entire state
- The quarterly performance evaluations would not be done informally, but done in a way that would be documented in the system where metrics and data were tracked
- Mr. Spatz said that instructions for the evaluations come from State HR and the Department of Administration. He said it was an individual plan where each Supervisor should be having discussion with each one of their staff regarding performance, their needs and training
- Gene Curry gave Mike Spatz a warm welcome and told him that his job was critical and he thought it would become even more critical as the environment changed in the transition from generation to generation

**(1:10:20) 9:08 AM – INTRODUCTION OF JAY BODNER, NEW BRANDS ADMINISTRATOR**

Gene Curry requested that Jay Bodner, the DOL's new Brands Administrator, introduce himself:

- Jay Bodner said that he began his job as the DOL's new Brands Division Administrator on August 29, 2022
- Mr. Bodner said that he was raised in a town east of Great Falls called Raynesford, where the family ranch was still there and operating after over 100 years. He explained that his brother was still on the ranch and that they partnered on the few yearlings
- Regarding his professional experience, Mr. Bodner said that he had served as the Executive Vice President for the Montana Stockgrowers Association for four years, but, had been with the Montana Stockgrowers Association for 20 years. He added that he not only had become very familiar with the Montana livestock industry over the years, but, it was something that was his passion
- Mr. Bodner said that there were a lot of folks who had been in the Brands Division that he had not met, but that his plan was to meet individually with each staff member and learn specifically about their day-to-day job duties and maybe be able to infuse some new tracking mechanisms and improvements, utilizing the ideas they have
- This Fall, Mr. Bodner said his plan was to work his way around the markets to make sure he knew who all of the market employees and owners were and the District Investigators
- After complimenting Mike Spatz in HR and Buddy Hanrahan in IT, helping him get grounded, Mr. Bodner said he had the opportunity to conduct interviews for District Investigator positions in Chinook and Glacier County
- Mr. Bodner expressed his excitement about the opportunity of meeting with vendors the following week who were introducing the new technology system for the Brands Division
  - Mike Honeycutt explained that the DOL's IT people were involved in building the new system and the forms in it, making it tailored to the DOL. He also said that the company supplying the system was bigger and had robust ability to provide 24/7 technical support
- Mike Honeycutt said that the DOL already had a capital replacement cycle with all equipment across the DOL, where computers, even those in the markets, got replaced, at a minimum, of every five years. In Brands, with the exception of the Archers, Mr. Honeycutt said that people were up to iPhones or an iPhone equivalent
  - Mr. Honeycutt also explained that the DOL had gone to leased vehicles for the District Investigators to keep them on a replacement cycle. Also, body armor had a time out, whether it was used or not, and then it was replaced. Even the firearms were on a timed cycle

**(1:26:15) 9:24 AM – DISCUSSION OF MONTANA BEEF COUNCIL MOU FOR 2023**

Gene Curry requested that Chaylee Harney, Director of the Montana Beef Council, introduce herself:



- Chaylee Harney introduced herself and also introduced two other Montana Beef Council staff who were with her, Tammy Bridges, Director of Collections and Compliance and Al Koenig, Field Representative
- Ms. Harney reported that the next week, a Montana Beef Council board meeting was scheduled in Billings, where they would be setting their budget and hearing from over 40 potential individuals and organizations with their ideas for beef promotion, research, education, producer communication and their ideas for how to carry those out. She said that anyone was welcome to attend that meeting
- Gene Curry reported that there was a move that would potentially come before the upcoming Legislative Session to have a referendum to propose a State checkoff. Currently, the DOL's MOU with the Montana Beef Council was for a National checkoff
  - Mike Honeycutt explained that if a State checkoff would pass, the DOL would continue to do the exact same thing they had always done, except, instead of collecting \$1 for the National checkoff, an extra dollar would be collected for the State checkoff as well
  - Chaylee Harney explained that the Montana Beef Council could not advocate for an increase or a State checkoff at all, but that they were a resource for logistics, stating that she had attended some meetings regarding a State checkoff where she helped guide things, but that she wasn't part of it now; another group had taken it
  - The State checkoff, Ms. Harney clarified, would not be in opposition to the National checkoff, which would stay in place, but, would be an additional checkoff. Currently, she said, there were 17 other states that had a State checkoff and each of them run differently with those dollars
  - The use of the State checkoff dollars, Ms. Harney said, was still on the table, so, she couldn't say for sure if they wanted the dollars to be used for Montana beef or a Montana branded program. She added though, that the Montana Beef Council could take on administering those dollars
  - If the State checkoff would pass in the upcoming Legislative Session, Chaylee Harney explained that there could be a referendum put forth at any time, because it would be on the books; it wouldn't have to be done immediately
  - The Federal and State checkoff dollars would have to stay completely separate in their bank accounts and administration
- Mike Honeycutt complimented Tammy Bridges for her efficiency in processing the Federal checkoff dollars that come into the DOL

The current MOU between the Montana Beef Council and the DOL for the Federal checkoff was discussed:

- Mike Honeycutt reported that there were no proposed changes from DOL staff or Montana Beef Council staff on the previous year's MOU, which was set to expire on September 30, 2022. He said if the BOL approved the MOU today, it would be presented to the Montana Beef Council Board the next week for their review

- Mr. Honeycutt called for any edits or changes from the BOL, but explained that even without their approval on this particular MOU, he could negotiate with the Beef Council on it and had the power to sign it

## **MOTION/VOTE**

**(1:44:34) 9:42 AM Ed Waldner moved to approve the annual contract between the Montana Beef Council and the Department of Livestock as presented. Sue Brown seconded. The motion passed.**

Nina Baucus complimented Tammy Bridges on her “wonderful” historic masonry work done at their house. Al Koenig added that she was a great asset to their team

**(1:46:02) 9:44 AM RECESS**

**(1:46:12) 10:00 AM RECONVENE**

Mike Honeycutt announced that there was an agenda item that would not be covered during this BOL meeting, because it was an item still listed from the last BOL meeting, and that was “Summer Mid-Year Organizational Meetings”

## **EXECUTIVE OFFICER UPDATES TO BOARD AND DISCUSSIONS**

**(1:46:50) 10:01 AM**

### **(1:46:50) 10:01 AM UPDATE – PROGRESS ON EXECUTIVE PLANNING PROCESS ITEMS**

Mike Honeycutt updated the BOL on what Executive Planning Process items the DOL had been working through:

- Brian Simonson uploaded the DOL’s base budget and decision packages, as approved by the BOL into the system the previous week, but, Mr. Honeycutt said that it would be a little bit until the Office of Budget and Program Planning (OBPP) would approve those, which would then become part of the Governor’s budget he would deliver to the Legislature
  - Although in talks with OBPP, Mr. Honeycutt said that they had not raised any major red flags to what the DOL requested, at least to this point. He did say though, that there would be an uphill climb to asking for more personnel, but that asking for more in Meat & Poultry Inspection had a good justification for it.
- Mr. Honeycutt said there was a deadline to submit goals and objectives, which would be going into the IBARS system
- Mr. Honeycutt reported that the Legislative concepts approved by the BOL in the Spring had been sent to OBPP and approved, but, they requested that several of them be combined, bringing those concepts down to one, rather than two or three. Livestock Loss Board did not get all of their requested concepts approved
  - The next step in the process would be to get those concepts approved for pre-introduction

**(1:49:48) 10:04 AM ECONOMIC AFFAIRS INTERIM COMMITTEE – SEPTEMBER 13**

Mike Honeycutt reported that the Economic Affairs Interim Committee, the interim committee that had oversight of the DOL in the interim, had added the DOL to their meeting agenda on September 13, 2022 from 2:15 pm – 2:45 pm:

- Mr. Honeycutt explained that the Legislative concepts had been submitted to Economic Affairs Interim Committee staff
  - Mr. Honeycutt said he had requested that George Edwards be available on that date in case the Committee had questions about the Livestock Loss Board requests
  - If approval was made by the Committee, it would put the DOL in a position to get assigned to a bill drafter in Legislative Services and the drafting process could start. Mr. Honeycutt said that the bill drafts could still be reviewed and the BOL could decide if they wanted to move them forward, and if so, a Legislator would need to be found to carry them, which wouldn't probably start until after the November elections
  - Alan Redfield said that a possibility to consider would be to request Legislators who had no opponent in their local election to carry bills
  - Mr. Redfield said that because the bill drafters had no agricultural background at all, that the BOL should pay pretty close attention to the draft when it came back to the BOL
  - Mr. Redfield suggested updating the dollar values on the penalties across the board, considering the inflation factor to get it to current
- Mr. Honeycutt said that during the Legislative Session he would be sending the BOL weekly updates on legislation, where it was at in the process, as he tracked those things
- Milk Control Board proposed legislation, according to Mike Honeycutt, appeared to be just some verbiage changes to tone down some of the old language used in the statute

**(2:03:18) 10:17 AM SECTION C INTERIM BUDGET COMMITTEE MEETING – SEPTEMBER 14**

Mike Honeycutt explained that when it came to budget appropriations, subcommittees, that the DOL was part of Section C Natural Resources, along with FWP, DEQ, DNRC, the Department of Agriculture and the Department of Transportation Natural Resources Agency:

- The last meeting of the Section C Interim Budget Committee was scheduled for September 14, and after that, some of the people on that subcommittee would be termed out, meaning they wouldn't be there in January when the DOL budget was put in front of that subcommittee
  - Alan Redfield said that at least 40% of the House would be new people
  - Mike Honeycutt said that the Section C Chair, Representative Holmlund, from Miles City, who was Chair in 2019 and 2021, was termed out, along with others, including Duane Ankney and Jim Keane, who Mr. Honeycutt said had been on the Committee every Session he had been with the DOL

- Mike Honeycutt said that he expected questions for the DOL on the new decision packages the DOL was proposing, questions on the helicopter and the Cooperative Interstate Shipment appropriation, even though none had been spent because no one had been officially designated into that program, as of yet. Mr. Honeycutt said that some of the money appropriated for Lab equipment had not been spent either, because Federal NAHLN funds were used for those purchases rather than State funds

**(2:15:48) 10:30 AM NEW VDL DESIGN AND FUNDING**

Mike Honeycutt said he would be recruiting the help of Marina Little, Architecture and Engineering Division, to give an update on the new Veterinary Diagnostic Lab design and funding:

- Mr. Honeycutt said that utilizing ARPA funds as a fund source to build the new VDL did not pass the Federal Government criteria test and so, the DOL would be utilizing the LRBP funds from HB14, which the 2021 Legislature approved for the new Lab construction if the ARPA funds didn't come through for the project
- Mr. Honeycutt reported to the BOL that the Board of Regents 2020 resolution to put a 2-year sunset date for the DOL utilizing University property at a low, no-cost lease for the new Lab would be considered for removal at their meeting on September 21-22 in Billings
  - Montana State University was also supporting removal of the 2020 resolution, as the Wool Lab had, since that time, become part of the new Lab complex that would be built
  - A new resolution was being put forward that would be more specific, listing a physical location on 19<sup>th</sup> and stating now, that there's not just a VDL, but a combined lab complex including the VDL, the Ag Analytical Lab and the MSU Extension Wool Lab. Discussion of that new resolution was on the Board of Regents September meeting agenda
- Marina Little handed out to the BOL the latest rendering of the new Lab Complex, adding that MSU was happy with the way it was laid out. She said the geotechnical investigation, the topo map and site survey had been completed and a legal description of the property was being worked on
- Ms. Little said that with the ARPA funds gone and the original LRBP funds backing the new Lab Complex project, she said they would be going to the next Legislative Session to request inflationary funds, as nearly every project that had been approved by the 2021 Session needed those funds because the cost of construction had gone up so much. It would be requested on the supplemental budgeting before anything else went through
  - Depending on how much more the construction bids come in at, Ms. Little said that some things may need to be scaled back. She said that even though the mechanical and electrical projects they were doing had bids coming in where they were estimated, the construction projects were still coming in high
- They were shooting for December, Ms. Little said, for the design development documents to be completed, and then, the project would go out the first of the year for bids with groundbreaking in the Spring

- Although construction projects were usually done by in-state contractors, Ms. Little said out-of-state contractors could do the project, but, they would have to meet certain criteria, one of which was having a certain percentage of Montana state workforce on the project
- Ms. Little said that to her knowledge, there had been no private donations offered to put into the new Lab Complex. Mike Honeycutt reported that there was a shortfall in the construction currently going on for the Historical Society's Heritage Center, and some private donations came in as opposed to having to go to the Legislature for funds to make up for that shortfall
  - Mr. Honeycutt said if we get to a place where there was a gap between the resources the State could muster to build the facility in the way we believe it needs to be built, nothing would be off the table of trying to figure out how to get that done
  - Greg Wichman said that private donations would be nice to keep from having to go to the Legislature for more money
  - Mr. Honeycutt said that in future cost projections first proposed for the new VDL, the DOL figured in 4%, but, had they had a crystal ball, they would have made it 15%
- Marina Little said that the complex would be the DOL's building, built on MSU's ground, that would be leased. She said that MSU was working with them to put together an MOU for the operation and maintenance of the HVAC and Lab equipment, but, MSU, being so short-staffed, could not manage the whole building. So, that's something still to be worked out through the DOL, who would handle the day-to-day O&M, such as groundskeeping, snow removal, repairs and custodial
  - With the DOL being the lead agency in the new complex, Ms. Little said they're working on the share each of the three agencies in the complex would pay for O&M, basing that on the percentage of square footage of each lab, plus the common space shared
  - Ms. Little said that MSU had a contract with a third-party lawn maintenance/snow removal and custodial company and they would gladly put an addendum on their contract for the new Lab Complex, so that the three entities would be able to get the MSU rate for those services
- With the footprint of the new Lab Complex in place, Ms. Little said there was no expansion capabilities at this time
- Mike Honeycutt reported to the BOL that in the resolution was a part of the lease that said if the DOL were to ever make the decision to leave the site, it would be on the hook to decommission the facility, which could mean returning the site to its previous state, which would be a very costly endeavor
  - Marsh Lab, according to Mr. Honeycutt, was owned by the University and that the space currently utilized by the VDL was leased space, and so, whenever the VDL would leave that building, the DOL would have no obligation to it
- Greg Juda said that on September 21-22, 2022, the architects were coming to town to meet with the individual Lab sections to get feedback from them

regarding, desk heights, counter heights, cabinet types, etc., which would help them finalize their drawings and get them ready to go out for bid

**(2:50:51) 11:05 AM BLM APR GRAZING DECISION APPEALS**

Mike Honeycutt gave an update on BLM's decision regarding APR grazing:

- Mr. Honeycutt reported that the State of Montana had filed an appeal of the BLM decision with regard to APR grazing. Agencies included in that appeal were all the agencies that provided comment initially in the process...DOL, FWP, the Department of Agriculture, DNRC and the Governor's Office
- Mr. Honeycutt shared some of the major points put forward in the State appeal that they felt needed more analysis and they requested a stay of the decision until those things could be analyzed
  - One question brought up in the appeal was whether the change and designation from a consumptive commercial process to a conservation non-consumptive process was even allowed under the enabling legislation to the Taylor Grazing Act
  - A concern brought up in the appeal was whether the economic analysis was done properly, because the BLM admitted that in what they put forward, they used a commercial bison study to do the economic analysis, and this was not a commercial bison operation
  - Mr. Honeycutt said, it was also pointed out in the DOL's comments that there were several areas of the economic analysis where we believe there were some significant localized economic impacts that were not looked at properly in the first stage
  - The public access and public process, Mr. Honeycutt said, were not adequate, even though they did hold several public meetings. But, those meetings were held in the afternoon, right in the middle of the busiest time of year, meaning that maybe the folks most affected in that region did not have an adequate opportunity to participate in those public processes to share their issues or hear what was going on
- There was a 45-day appeal process, and so, Mr. Honeycutt said, it would probably be another 30-35 days until some sort of first answer would come back
- Mr. Honeycutt said there were multiple appeals filed, including those from the Phillips County grazing districts, the Montana Stockgrowers Association and the Attorney General
- There were some other issues at play with this situation, Mr. Honeycutt said, involving some State land located adjacent to the APR, which DNRC managed
- Mr. Honeycutt said that the appeal that the DOL was a part of was worked on by three major attorneys, Anita Milanovich and Rachel Meredith in the Governor's Office, along with Sarah Claggett with FWP

**(2:59:10) 11:13 AM RECESS**

**(2:59:34) 11:26 AM RECONVENE**

## **PREDATOR CONTROL**

**(2:59:41) 11:26 AM**

### **(2:59:41) 11:26 AM UPDATE ON ACTIVITIES OF USDA WILDLIFE SERVICES (Presented by Dalin Tidwell, Montana State Director)**

Gene Curry requested that Dalin Tidwell, USDA State Director, introduce himself

### **(3:00:16) 11:26 AM – General Updates**

Dalin Tidwell updated the BOL on USDA Wildlife Services activities in the state:

- Mr. Tidwell reported that about two weeks previous, the DOL's new helicopter was officially finished
  - A faulty fuel gauge was found during some ground runups, Mr. Tidwell said, and another gauge was in the process of being ordered
  - A full, two-hour final test flight was scheduled for the following morning to go through every process to make sure the helicopter was good to go before any gunners were put in it to do any work
  - Being a military vehicle, Mr. Tidwell said a lot of the extra avionics were stripped out of the helicopter and some things rebuilt, and that alleviated a lot of extra weight and made it easier for the pilot and gunner to see out of the front
  - A high skid gear replaced the low skid gear, Mr. Tidwell said, at a cost of about \$20,000, but the addition would make it easier to land in sagebrush. Safety lockout kits were added, along with basic Hobbs meters, updated GPS units, ABSB units, an isolation kit on the drag pin, fasteners on the main rotor were updated and some corrosion on the fuselage was repaired along with transmission supports. He said it was ready to go
  - Mr. Tidwell reported that they hit budget on the retros that were planned, but repairs took longer than planned with the additional work of a \$25,000 transmission shaft that showed evidence of a hard landing and was replaced. So, the entire project was about \$30,000 higher than the planned \$100,000 for the retrofit of the helicopter
  - The new helicopter would be housed in Billings, Mr. Tidwell said, with two pilots who would be flying it in rotation, at least for now
- During the main flying season, Mr. Tidwell reported that they were down 200-some hours from normal, but had made up some of that time this summer, and now it was more to the tune of 180 hours less than the normal season
  - During the hunting season, Mr. Tidwell said things slowed down for flying, because they try to back off during that time for the hunters, unless there was a serious blow-up problem that needed to be addressed
- Mr. Tidwell said that it had been a fairly standard season, with the highlight of the year being grizzly bears. He added that there was still one month left in their fiscal year
  - The coyotes, by all means, were still the most injurious predator, Mr. Tidwell said, adding that their IRs were, just in calves, 120 and lambs, 718

- Grizzly Bear IRs for the year were 92; calves 36 confirmed and 26 probable; cattle 10 confirmed and 4 probable; sheep 4, with 37 more coming on top of that; beehives 7
- Mountain Lion IRs for the year were 35 total; calves 1; lambs 40; sheep 22; goats 19
- Black Bear IRs for the year were 20 total, beehives 18; calves 2; lambs 5; sheep 10; miniature donkey one
- Wolf IRs for the year were 82, 53 confirmed and 9 probable; cattle 2, lambs 2 with one probable; sheep 2 with one probable and guard dogs 4
- Mr. Tidwell said that their Federal budget remained the same, but, they did get some additional funds for a non-lethal initiative that came through Congress to fund Range Riders and electric fences. He said that Montana had staffed three Range Riders and two full-time fencing crew and a Summer seasonal worker
  - Mr. Tidwell explained that the goal of the non-lethal initiative funds was to put electric fencing around small beehives, backyard chickens, 4H pigs and those types of things where electricity was very effective against bears coming into areas
  - Mr. Tidwell went on to explain that the non-lethal initiative funds provided an initial cost-share situation for folks that Wildlife Services could come and help instruct, show how it could be done, the setup and provide the labor and cost-share on the parts
- Mr. Tidwell said that the Federal budget came in July, but, even though they received what they were used to getting, it was requested that \$146,000 be given back for IT support, and he said that had become a huge thing across the country
- The amount Wildlife Services received from the Wolf Mitigation Fund, Mr. Tidwell said, was only off by a couple hundred from last year's, showing very consistent support
- Nina Baucus said that the 37 sheep reported by Dalin Tidwell for grizzly bear were theirs. She said it took two weeks to get that bear as Wildlife Services was not able to get a kill order right away. She said to allow a situation to go on and on that causes a human threat was not acceptable
- Ms. Baucus expressed her appreciation for the work Wildlife Services had done for them through the grizzly situation
- Mr. Tidwell commended Montana and having the Squeal on Pigs campaign here. He said that there was national attention being given on how much Montana was handling the feral hog situation right, having laws set up ahead of time and having everything in place to be ready. He said that Wildlife Services got about \$20,000 per year through the National Feral Swine Program, specifically, to fly the northern border to look for signs of pigs

**(3:41:08) 12:08 PM LLB PREDATION CLAIMS REPORT AND GENERAL UPDATES**

Mike Honeycutt gave the updated Predation Claims Report, covering January through August 16, 2022, submitted by George Edwards, who was not at the meeting:

- Mr. Honeycutt said that Mr. Edwards had reported to him that claims had been coming in slower than usual for the first half of the year, but, suddenly, a lot of



claims started coming in, showing that the claims statistics do not necessarily reflect what's current

- With the report that Nina Baucus shared, Mr. Honeycutt said that the sheep claims were going to be higher the next time around

**(3:43:55) 12:10 PM LUNCH**

**(3:44:00) 12:45 PM RECONVENE**

## **BRANDS ENFORCEMENT DIVISION**

**(3:44:07) 12:45 PM**

**(3:44:38) 12:45 PM OUT-OF-STATE TRAVEL REPORT**

**(3:44:38) 12:45 PM – 2022 International Livestock Identification Association Conference (ILIA)**

Jay Bodner introduced himself and Ty Thomas, Assistant Brands Administrator, who he said would give a travel report update:

- Mr. Bodner said that Ty Thomas had given a quick update in the BOL packet of his attendance at the 2022 ILIA Conference and said that Brands was already in the process of planning the ILIA Conference that Montana would host in 2024
  - Mike Honeycutt said that when Montana hosts the ILIA in 2024, it will be held in Billings. He added that there would need to be some fundraising for it, and hopefully there would be some help from Billings in doing that
- Ty Thomas said that the 2022 ILIA Conference was held in Fort Worth, Texas in July and brought in people from New Zealand, Australia, Canada, the Oklahoma/Texas region and the Western United States, a total of 200-250 in attendance
  - A good part of the agenda, Mr. Thomas said, dealt with traceability and RFID was the hot topic of the day
  - Dr. Doug Tollson, Texas A&M, visited with Mr. Thomas after his Forensic Brand Aging presentation regarding the differences between the southern and northern US on how brands age
  - Australian enforcement of livestock crimes, Mr. Thomas said, did not really fit with what we do here in the United States, with them having a little bit more free reign on what they could do with their criminals there. But, Mr. Thomas said they did have some good ideas to share in their presentation
  - Throughout the entire conference, Mr. Thomas said, a lot of technology-driven aspects were shared to help people doing enforcement, along with the RFID and traceability information
- Mike Honeycutt shared that when he and Ty Thomas had attended ILIA in Calgary a couple years earlier, that a private company, with a rancher board, was set up to manage and assign the RFID tags and numbers in cooperation with the government. He said that in Alberta and Saskatchewan, brands provinces, that

the ID was used purely for animal health traceability, fraud movement and theft and the brands were still the Cadillac ownership piece

- Ty Thomas said that at the 2022 ILIA, alluding to what Mr. Honeycutt said, the RFID tag was utilized for traceability and a disease control measure, and not for ownership
- Mr. Thomas praised the good job that Texas did in hosting the ILIA event this year saying that they were able to spend a day down at the Old Stockyards and kept people comfortable, even in the 112-degree heat

#### **(4:00:09) 1:01 PM REPORT ON LIVESTOCK HAULER CHECK STATIONS – Summer 2022**

Jay Bodner gave a quick summary draft of Livestock Hauler Check Stations statistics from this past summer:

- The statistics were started in April 2022 and ran through the summer months of June and July 2022 and covered strategic spots, such as Terry, Lolo, Drummond, Petroleum County where Highway 87 and 244 were, the Forsyth scales, Bozeman Pass and the Dearborn
- Investigators that participated in the stops also listed any citations given, including warnings and what those citations were for, including improper brands paperwork, some who were running empty, but didn't stop
- Mr. Bodner said that generally, it was a positive experience for folks who liked the fact that the DOL was out there doing compliance checks. There was some negative feedback, but it was minimal
- Gene Curry said that Mike Hayes stats weren't included and that he had been there for a week. Mr. Bodner said that he had on the list the ones they had received stats from, and that the ones he had gave the BOL a taste of what was out there and conducted on the stops
- Mike Honeycutt said that there were a number of warnings issued because the Investigator was able then to take the opportunity to educate the folks about what they were supposed to do. He added that there needed to be clear communication to people that when they get their import certificates and that number, when you're traveling you also need the CVI
  - Ty Thomas said that some of the District Investigators would go out on their own and walked through fairs and rodeos to educate younger people
  - Gene Curry requested to put on the radar for next year, before the next fair season, the education component regarding movement of livestock and health concerns
  - Jay Bodner suggested working directly with 4H as their beginning of the year was October 1<sup>st</sup> and utilize some of their meetings to provide that education
  - Mike Honeycutt said a pre-COVID project that got put on the back burner that should start up again was to continue conversations with the State Director of Ag Education at OPI and with Ag teachers across Montana about a training and credentialing program to get young people to think about the opportunities as Local Inspectors and even develop a curriculum

that they could teach them and have the DOL do some hands-on things to receive some kind of certification from the DOL

- Since doing the truck stops, Ty Thomas said word had spread to other states, and at ILIA, Idaho came up to him and was requesting to do some joint truck stops on both sides of the border
- When a question arose about improper brand paperwork listed in the stats and whether it was a producer error or possibly DOL staff giving improper information, Gene Curry requested that more follow up be given to the BOL at the next meeting regarding who was at fault

#### **(4:17:26) 1:18 PM REQUEST TO HIRE**

#### **(4:17:26) 1:18 PM – Market Compliance Specialist**

Jay Bodner requested that the BOL approve the hire of a Market Compliance person in the Brands Enforcement Division:

- Mr. Bodner explained that the Market Compliance position opened up in mid-July and that person managed all the data and compliance of documentation associated with the 13 markets

### **MOTION/VOTE**

#### **(4:18:34) 1:19 PM**

**Sue Brown moved to approve the hiring of a Market Compliance Specialist in the Brands Enforcement Division. Alan Redfield seconded. The motion passed.**

Mike Honeycutt explained that there were already applicants for the position, as this position was important enough to push the process forward quickly. The person who was in that position was still with the DOL, but, moved to Milk Control, so she could be tapped for knowledge if needed

#### **(4:20:23) 1:21 PM DISCUSSION OF CHAIRMAN APPOINTMENTS TO BRANDS POLICY COMMITTEE**

Gene Curry said that the Discussion of Chairman Appointments to the Brands Policy Committee had been on and off the BOL agenda since the revamping of the Brands Rule and Regulations:

- The Committee would review any complaints or issues that would arise with the recording of a brand
  - Mr. Curry said his vision for the Committee was to hear the aspects of the appeals and make a recommendation to the BOL to deny or grant the appeals. The BOL would then take the Committee's recommendation and act on it unless there was some new material or something new that arose after the Committee's recommendation was made
- Mr. Curry explained that during the last Legislative Session, there was legislation proposed to streamline the brand process, but, that legislation was pulled with the caveat that the DOL would do something about it

- The Brands Policy Committee was then put together with representatives from ag organizations, including the Montana Farm Bureau, the Montana Stockgrowers Association and the Montana Farmers Union, along with, at the request of the Governor, representation from at least one Senator and one Representative, and himself. Mr. Curry said that the Brands Policy Committee met last year and was able to come up with changing some of the policies in the Brands Division
- Now, Mr. Curry said, he was going to make new appointments to that Committee to hear appeals to that new Brands Policy and he wanted representatives from the Montana Farm Bureau, Montana Stockgrowers and the Montana Farmers Union because they were the organizations that responded back to the BOL previously
- Mr. Curry said that he would Chair the Committee and welcomed any BOL member to serve on it
  - Greg Wichman and Jake Feddes would be BOL members who would serve on the Committee, along with Mr. Curry
  - Mike Honeycutt added that staff would be committed at any time to the Committee
  - Mr. Curry said that Senator Blaisdel gave him Butch Gillespie's name as a Senate representative on the Committee and that Representative Galt would be the House Representative on the Committee
- By the end of the Fall Convention season, Mr. Curry assumed he would have the names of representatives from the ag organizations that would be part of the Committee

## **ANIMAL HEALTH & FOOD SAFETY DIVISION REPORTS**

**(4:29:38) 1:31 PM**

Before starting the Animal Health & Food Safety Division segment, the BOL extended their thanks and appreciation for the work and dedication of Ty Thomas, who, for the third time, filled in as Interim Brands Administrator

**(4:31:06) 1:32 PM – VETERINARY DIAGNOSTIC LABORATORY**

Dr. Marty Zaluski requested that the agenda be changed, moving the Veterinary Diagnostic Lab presentation first in line, to accommodate Dr. Greg Juda's drive back to Bozeman:

- Chairman Curry accepted the agenda change and asked that Dr. Juda, Director of the Montana Veterinary Diagnostic Lab introduce himself

**(4:31:35) 1:32 PM – Request to Hire Replacement FTEs for Three Recent Resignations**

Dr. Greg Juda requested that the BOL would allow him to fill three vacant positions in the Veterinary Diagnostic Lab:

- Dr. Juda explained that two of the positions were very long-term employees in the front office, Michelle and Cathy. Both jobs had been posted as Shipping and Receiving Clerks

- The other position to be filled, was a Molecular Diagnostics Lab Technician, who would be leaving at the end of September

## **MOTION/VOTE**

**(4:33:07) 1:34 PM**

**Ed Waldner moved to approve filling three vacant FTEs in the Veterinary Diagnostic Lab, including two Shipping and Receiving Clerks in the Front Office and one Lab Technician in the Molecular Diagnostics Lab. Sue Brown seconded. The motion passed.**

## **(4:33:37) 1:34 PM – Out-of-State Travel Request**

Dr. Greg Juda requested that the BOL approve travel for a VDL employee to attend a USDA National Poultry Improvement Program workshop:

- Dr. Juda explained that there had been a previous request for a VDL employee to attend NPIP training, but that this workshop was specific to salmonella. He said that NPIP standards require that each state have a trained technician attend, and satisfactorily complete, service-approved laboratory workshops for plan-specific diseases every four years
- Location of this workshop would be in Gainesville, Georgia and would be held sometime in November. Dr. Juda said that the proposal was to send one of the Microbiology Lab Technicians to this workshop
- Dr. Juda explained that because Dr. Erica Schwarz would be attending the AAVLD meeting virtually, it would save about \$2,000 in travel fees that he would apply to the expenses for the NPIP workshop. With an estimated \$2,000-\$2,500 expense for the workshop, Dr. Juda said NAHLN funds would be added to make up any difference

## **MOTION/VOTE**

**(4:36:11) 1:37 PM**

**Alan Redfield moved to approve out-of-state travel for a VDL Microbiology Lab Technician to attend a USDA-NPIP Salmonella Microbiology workshop being held in Gainesville, Georgia in November, 2022. Ed Waldner seconded. The motion passed.**

## **(4:36:34) 1:37 PM – Request to Hire Temporary Lab Technician from September 12 to November 30**

Dr. Greg Juda requested permission from the BOL to hire a temporary Lab Technician during the Fall season:

- Dr. Juda explained that with losing two long-time employees in the front office at the VDL, and with the upcoming busy season of both Brucella and CWD testing, the temporary Lab Technician person would help out there
- Dr. Juda said they had identified an individual who had been an intern for MVDL in the past and was familiar with Lab operations, who could be utilized for answering phones, logging in samples, and would be available from September

12, 2022 until the end of November, when she would relocate to Arizona to take a job

- Although “crunch season” for some of the testing typically goes until the end of December, Dr. Juda said it remained to be seen whether the two office positions would be filled by the end of November
- Mike Honeycutt said that the Legislature knew that there were going to be vacant positions and were expecting 5% vacancy savings, but, the fact that there would be three openings for a while should give an ample amount of vacancy savings to fund the temporary position, especially, with this being a direct-hire situation, and there were the savings of not having to pay a temp agency as well

## **MOTION/VOTE**

**(4:40:50) 1:41 PM**

**Sue Brown moved to approve the hire of a temporary Lab Technician in the Veterinary Diagnostic Laboratory. Greg Wichman seconded. The motion was changed by a “friendly amendment.”**

Mike Honeycutt said that from his standpoint, he would like putting a time frame on the hire, and then if the time needed to be extended, the BOL could come back and do that

## **MOTION/VOTE (Amended)**

**(4:42:26) 1:41 PM**

**Sue Brown moved to approve the hire of a temporary Lab Technician from 9/12/22 to 11/30/22 in the Veterinary Diagnostic Laboratory. Greg Wichman seconded. The motion passed.**

- To answer a BOL member’s inquiry, Dr. Juda said that the primary reason the two front office staff left were because of distance traveled to work, one living in Whitehall and one living in Manhattan. The Molecular Diagnostics position was vacated because that person, who had been with the Lab about two years, decided to take a local biotech startup opportunity
- Mike Honeycutt explained that Bozeman was a tough market to move into because of the expense and was a tough environment to retain because there was so much opportunity. He added that the DOL had a hard time keeping inspection staff up there as well
- Dr. Juda explained that even for the front office staff, the complexity involved in those positions made him hesitant to hire people through a student work program

Gene Curry requested that Dr. Juda share about the VDL’s year in review as far as how the VDL did financially:

- Dr. Juda said that the VDL spent more money, operationally, than they had in the budget, but, they were able to get that money back in terms of testing fees that were brought in. He said he was pleased with the fee revenue increase
- In conversations with Dr. Zaluski, Brian Simonson and Evan Waters recently, Dr. Juda said that the homework was done to know that for CWD testing, the costs were covered, even though additional dollars were spent to do that testing,

probably around \$90,000 to \$100,000 in test kit supplies alone, along with other materials needed to do that testing

- The fee changes approved by the BOL recently were being listed in a modified User Guide and Fee Schedule that should be out in about a week, Dr. Juda said
- Having a full staff during the past year was a blessing, Dr. Juda said, as that had not been the case for several years, and, with the new vacancies just discussed, he was optimistic those would be filled. He added that the VDL had a pretty good team of people
- Dr. Juda reported that they would be doing CWD testing for the state of North Dakota this year, which, they estimated, would be around 2,000 to 3,000 additional samples. In approaching Idaho about doing their CWD testing, Dr. Juda said that they didn't seem to want to move forward with that offer. Dr. Juda said the VDL did pass on bidding on a contract for US Fish and Wildlife, but backed out of it because it might have ended up too big of a bite, especially taking on the North Dakota CWD testing
- A Public Health Fellow started in the VDL the previous week, that Dr. Juda said the additional hands would help out tremendously
- Dr. Juda said that there was a market analysis, specific to VDLs, that was now available, and that the Montana VDL may have to evaluate that analysis and address some of their positions
- Although ARPA funds would not be available now to the VDL, Dr. Juda said the VDL would remain cooperative with MSU and their Diagnostic Program, helping out wherever they could. He said, that both Dr. Smith and Dr. Schwarz were both interested in being mentors for students and that if there was something interesting to view in necropsy, the VDL would host people for that. He added that he would like to see the MSU Veterinary Program go for two years and then two more years at Washington State, and if the VDL could help make that happen, they would do it

**(4:58:02) 1:59 PM – ANIMAL HEALTH BUREAU**

Dr. Tahnee Szymanski, Montana Assistant State Veterinarian, introduced herself

**(4:58:11) 1:59 PM – Request to Hire Modified Traceability Aid**

Dr. Tahnee Szymanski requested that the BOL approve the hire of a Modified Traceability Aid:

- Dr. Szymanski explained that this position, funded through Animal Disease Traceability Cooperative Agreement funds, had been approved a couple years ago and had been vacant for about a month
- The position was a 20-hour per week position that was heavily centered around data entry, helping to keep current on entering health certificates received from out of state as well as doing test chart data entry on Brucellosis vaccination certificates

## **MOTION/VOTE**

**(4:59:02) 2:00 PM**

**Alan Redfield moved to approve the hire of a Modified Traceability Aid in the Animal Health Bureau. Ed Waldner seconded. The motion passed.**

**(4:59:26) 1:59 PM – Request to Hire Short-Term Workers (Tent.)**

Dr. Tahnee Szymanski reported that her request to hire short-term workers, actually came from the DOL's Eastern Area Supervisor:

- Dr. Szymanski explained that there were still about a dozen herds, comprising about 3,500 head, to test this Fall, associated with the Blaine County Tuberculosis investigation
- Because of turnovers on the Brand side of the house, there would not be the availability of field resources that the DOL had last year for the Tuberculosis investigation, especially since they were hoping to finish the testing in a one-month period of time. The two requested short-term workers would help during that time
- Funding for the positions would come from the Federal umbrella, which covered zoonotic disease and cattle health, Dr. Szymanski said, and they would just need basic cattle knowledge to run the chute, run a tagger and help push cows up

## **MOTION/VOTE**

**(5:01:03) 2:02 PM**

**Ed Waldner moved to approve the hire of two Short-Term Workers in the Animal Health Bureau to help accomplish necessary testing, as explained by Dr. Tahnee Szymanski. Sue Brown seconded. The motion passed.**

**(5:01:31) 2:02 PM – Adoption of Brucellosis Administrative Rule Proposed Changes**

Dr. Tahnee Szymanski explained that the BOL had already given approval for the proposed Brucellosis Administrative Rule changes to be put out for public comment and she was coming to the BOL to approve final adoption of those changes:

- Dr. Szymanski said that no comments on the proposed changes were received, but some small grammatical changes from how it had been initially presented to the BOL had been made at the request of the Secretary of State's office
- Nina Baucus questioned one segment of the rule regarding markets, expressing concern about breeding animals being found positive, but that not being known until the test results were gotten back and the animal was already sold and moved
- Dr. Szymanski said that a card blood test with the FPA on it was utilized on the day of the sale that had high enough sensitivity that there had not been problems with missing positive animals before they're moved through the yard
- Mike Honeycutt said if the animal was found positive on the card test, they needed to be held until a confirmatory test was done



## **MOTION/VOTE**

**(5:10:03) 2:11 PM**

**Alan Redfield moved to adopt the proposed changes in ARM 32.3.435-Testing Within the DSA, as presented by Dr. Tahnee Szymanski. Greg Wichman seconded. The motion passed.**

## **(5:10:24) 2:11 PM – Out-of-State Travel Request – Poultry Course**

Dr. Tahnee Szymanski said she was requesting BOL approval for Dr. Marty Zaluski to attend a poultry industry course, specific to Avian Influenza:

- Dr. Szymanski explained that the course at Texas A&M, was tailored to State Animal Health officials and was actually paid for through the course. The only expense to the DOL would be Dr. Zaluski's salary and per diem
- The course would give the DOL a good working knowledge of the industry, how eggs move, how birds move in production systems, how production systems work, so that the DOL could make informed decisions about biosecurity and other disease risk mitigation

## **MOTION/VOTE**

**(5:11:27) 2:12 PM**

**Ed Waldner moved to approve out-of-state travel for Dr. Marty Zaluski to attend a Texas A&M Poultry Course being held in College Station, Texas on September 26-30, 2022. Sue Brown seconded. The motion passed.**

## **(5:12:07) 2:13 PM – BOL Discussion on Feral Swine**

The BOL had a discussion regarding feral swine:

- Dr. Tahnee Szymanski reported that there had been a report of a pig carcass on a Forest Service road, west of Lake Koocanusa in Northwest Montana about three to four weeks ago
- The DOL was working with FWP, who went to pick up the entire carcass, that Dr. Szymanski said was fairly decomposed, and it was currently in an FWP freezer in Northwestern Montana. An ear had been cut off the carcass and sent to a USDA laboratory for genetic testing
- Dr. Szymanski said that they were not successful in locating an owner for the pig through Wildlife Services, saying that the closest known owned pigs were approximately 12 miles away
- Dr. Szymanski said that the DOL was working with the Forest Service and FWP to get the word out to bow hunters in the area to watch for potential hog activity. In the long term, Dr. Szymanski said that trail cameras would also be set up in the area after hunting season was done
- The look of the pig, Dr. Szymanski said does have a slight appearance of what could potentially be a feral swine, with longer hair. But, she said that a heritage breed of pig called Mangalitsa, also carry some of those characteristics and that there was a producer about 12 miles away that raised heritage pigs

- Dr. Szymanski said she had presented on feral swine to the Montana Invasive Species Council that morning and had also presented at PNWER a couple weeks ago on feral swine

**(5:18:46) 2:20 PM – LIVESTOCK FOOD SAFETY BUREAU**

Mike Honeycutt said that the DOL was still debating what the name would be of the next Bureau, but he did introduce, for the first time, the Bureau Chief of that Bureau, Alicia Love:

- Mr. Honeycutt said that Ms. Love had been serving the past few months as Interim Bureau Chief, but, she secured the position permanently as Bureau Chief of a new Bureau in the DOL that melded together Meat & Poultry Inspection and Milk & Egg
- Alicia Love said that she started with the DOL in 2021 and that her background was primarily in Food Safety, Retail Food Safety and that she finished her Master's degree in Public Health

**(5:22:15) 2:23 PM – Request to Hire EIAO Position**

Alicia Love said that now that she had secured the Bureau Chief position, her previous position was vacant, the Enforcement Investigation and Analysis Officer (EIAO), and so she was asking permission to fill that position:

- The EIAO was a critical role, Ms. Love said, being a person who trained all the new staff and also did the ongoing training when deficiencies were found in field performance, along with supervising the Compliance Audit group
- At a minimum, Ms. Love said they wanted someone to fill that EIAO position with good knowledge of science and that would have some good experience in related field work. She said that she would like to see a minimum of a Bachelor's degree with some practical field experience in either food inspection and slaughter, But, her wish list for the ideal candidate would be for them to have extensive training in HACCP analysis, critical control points to the HACCP system and ideally, a Master's degree
- Mike Honeycutt explained that the EIAO position had been significantly upgraded about five or six years ago after a USDA audit showed that there were some discrepancies in the person who should be doing the Food Safety assessments, and that was when Dr. Emily Kaleczyk, a Veterinarian with a Master's in Public Health, stepped into that role, but later left it to work for USDA APHIS
- Nina Baucus commented that for the EIAO position, she felt that a Master's degree in Public Health might be more appropriate than just a Veterinarian and added that she was going to put a major request in that the person have significant field experience
- Mr. Honeycutt said there were a lot of State programs where Veterinarians were involved in both their Meat and Poultry Programs and their Milk and Egg Programs, but he said if that Veterinarian had concentrated on the food in the Public Health side, it would be more of an acceptable background than one that had only been working with large animal-type work and had not been in a food environment

- Both Alicia Love and Mike Honeycutt expressed the importance of having HACCP knowledge, not only because it was the driving force of the FSA, but also to assure that plants don't set one in place and then forget it, that it should be something that was followed every day

## **MOTION/VOTE**

**(5:23:01) 2:24 PM**

**Sue Brown moved to approve filling the EIAO position in the Livestock Food Safety Bureau. Alan Redfield seconded. The motion passed.**

## **(5:30:52) 2:32 PM – Request to Travel to NASMFID Conference**

Alicia Love requested that the BOL approve travel in October for her to travel to the National Association of State Meat and Food Inspection Directors (NASMFID):

- Ms. Love said that the NASMFID Conference was generally attended by either the Bureau Chief or EIAO, and that she was requesting to go herself, because she didn't feel the new EIAO would be ready to go to a conference
- Having attended the conference last October, Ms. Love said she found it to be a great way for states to talk about their onsite audit challenges, to learn from other states' mistakes and build from their strength. With an onsite audit coming in 2023, Ms. Love was hoping to attend to know what had changed since attending the last conference
- Ms. Love said since the last audit, there would be talk about some USDA changes to directives happening at the end of the year, her mentioning specifically that there had been changes to how cooked product was cooled and cooked

## **MOTION/VOTE**

**(5:32:30) 2:33 PM**

**Greg Wichman moved to approve out-of-state travel for Alicia Love to attend the National Association of State Meat and Food Inspection Directors (NASMFID) Conference being held in Minneapolis October 10-11, 2022. Sue Brown seconded. The motion passed.**

## **(5:33:00) 2:34 PM – Update on Hiring and Vacancies**

Alicia Love said that she was happy to announce changes in their hiring and vacancies since the last time she spoke to the BOL:

- Ms. Love said that although the Summer had been "rough," she had filled five positions and was down to three vacancies
- An Inspector who had previously worked for the State as a Meat Inspector and went to Federal Inspection Services, returned to the State, Ms. Love reported. She said there also was an interview scheduled for one of the open positions at the end of the week
- Ms. Love thanked her staff for everything they had done, especially through Fair slaughter season. She announced that there was just one more week of Fair slaughter left and then things could go back to a little more normalcy. Ms. Love

also thanked Mr. Honeycutt for his efforts in securing an increase in wage for the positions, because she believed that helped turn things around significantly in the Meat & Poultry area

- Ms. Love said, regarding Fair slaughter, that there were a few last-minute cancellations by industry saying they had 20 animals for slaughter, but then 10 of them would be custom. For next year's Fair slaughter, Ms. Love hoped the staff vacancy numbers wouldn't be like they were this year and she planned to do some outreach to plants to maybe help condense the number of days for inspections needed
- Mike Honeycutt expressed that there was still a lot of education that could be done with the 4H Extension Community and Fair exhibitors regarding regulations, between now and next Fair season
- Mike Honeycutt applauded Alicia Love and others who helped in the Park County Producer Partnership to get their custom exempt license to do the Fair slaughter, covering the gap until the Federal Grant of Inspection came. He said that was just one example of the lengths that staff went to getting the 4H livestock to slaughter legally and under State regulations during fairs this summer

#### **(5:39:46) 2:41 PM – New Milk and Egg Sanitarian**

Alicia Love announced that the Milk & Egg Program Sanitarian position had been filled by Joe Greenall, who started on August 15, 2022:

- Ms. Love said that Mr. Greenall already sounded like he had some pretty extensive field times since starting at the DOL and that he would be applying for his Sanitarian and training license in the next week or so. His coverage area would be in the Billings/Bozeman area
- Mike Honeycutt shared that a couple years ago when two retirements had taken place and there were declining resources in the Milk area, the DOL constrained staff back, seeing how the program would work with just two Sanitarians for the State, one out of Great Falls and one out of Kalispell. But, because of the distance between plants, not the number of plants, there was just too much windshield time for those two Sanitarians to cover the area
- Mr. Honeycutt explained that the Governor's Office and the Office of Budget Program Planning had helped in the Meat & Poultry Inspection area of the DOL with a personnel contingency fund to cover the wage increase for Meat Inspectors until the end of the biennium. Then, that increase was also listed in the snapshot that was laid out there for the next biennium

#### **(5:45:35) 2:46 PM – New Dairy in Charlo**

Alicia Love reported that there was a new dairy, a sheep dairy, that was opening in Charlo:

- The family operation dairy had 25 to 40 sheep and was vertically integrated with Grade B Cheese Plant
- Mike Honeycutt said that there were 40 pool dairies in the state of Montana
- Sue Brown said there were five other dairies that were not in the pool and two organic dairies like hers. She said their dairy was inspected like any Grade A

facility because they milk the goats, but, where they make the cheese, it's a Grade B facility

- Mr. Honeycutt explained that in the retail environment, you have to follow the Pasteurized Milk Ordinance (PMO), which was governed by the FDA. He said that once you go across state lines with your milk, you enter the Interstate Milk Shippers Compact, designating that you have to follow the Pasteurized Milk Ordinance for fluid milk

**(5:50:02) 2:51 PM RECESS**

**(5:50:10) 3:05 PM RECONVENE**

## **CENTRALIZED SERVICES DIVISION REPORTS**

**(5:50:10) 3:05 PM**

### **(5:50:10) 3:05 PM – FISCAL BUREAU**

Brian Simonson, Central Services Division Administrator introduced himself and informed the BOL that since the last time he reported to the BOL and today's meeting, there was only a day between those financial reports and the ones he was going to report on, so, there wasn't much to highlight there:

- Mr. Simonson did announce that the Milk Control Program was fully staffed with the addition of two individuals who both have strong accounting backgrounds, Sarah Dobbins, the Program Manager and Michele Satre, who transferred over from the Brands Enforcement Division
- Regarding State procurement, Mr. Simonson announced that September 24, 2022, the State was changing the \$5,000 threshold for using your credit card without using solicitation to a \$10,000 threshold. Also, for the \$25,000 to \$50,000 threshold previously required for State buying to go out for competitive bidding, the State changed that threshold to a blanket \$100,000 threshold to do limited solicitation without having to go through State procurement. Anything over \$100,000 the State bought would need to go out for competitive bidding
- September 1, 2022 was the deadline to transfer the '25 biennium budget, so, Mr. Simonson said at the next meeting he would have a longer conversation about that

### **(5:55:06) 3:10 PM – June 30, 2022 Cash Balance Update**

Brian Simonson told the BOL that normally, the Department Cash Balance Report was done at the end of the year, but, he was choosing to present it here to help with making a recommendation on the per capita fee rate adjustment, that an increase was probably not needed this year:

- The \$11 million figure in Brands fees included Rerecord and New Brands and Transfers, \$8.4 million of which was not all accessible to the DOL at once, but becomes accessible in even amounts every month; it is unearned revenue

- Mr. Simonson explained that \$5,262,000 of the \$13,394,000 figure listed for Per Capita Fee was what was planned to be expended for the FY23 budget, and the rest was considered reserve
- Other figures listed, for Animal Health Fees, Milk & Egg, Shielded Egg and Milk Control were mostly operational funds and Mr. Simonson said they don't consider those too much as far as reserves go
- So, the total available cash listed there for current operations of the DOL of \$16.8 million, Mr. Simonson said, he would think the figure to be more in terms of \$10.5 million
- Mr. Simonson did remind the BOL that the per capita fee collection that came in this year was about \$500,000 down (about 10%) from what was anticipated. He said that the DOL would only be able to spend 1/10 of what was taken in, because those per capita funds had to cover 10 years
  - Because of the increase in rerecord fees of \$75, the DOL did take in about \$325,000 more for those brands recorded. Mr. Simonson said that for 2023, 2024 and 2025, there was revenue aplenty in the reserves
- Mr. Simonson said that from HB13, there would be a 55-cent pay increase for employees this year that would equate to another \$150,000 hit to the budget
- The \$600,000 set aside for IT purchases was still part of the \$1.3 million from the HB10 funding granted to the DOL during the 2019 Legislative Session
  - Mike Honeycutt said that a big chunk of those purchases would be for the Service Now application, the decommissioning of Fort Supply and moving to a new system in the VDL

### **(6:05:02) 3:20 PM – Per Capita Fee (PCF) Rate Change Proposal**

Brian Simonson explained that the decision on per capita fee rate changes usually happened in the September/October time frame so that the Department of Revenue could input any changes into their system and have it ready to go by January:

- Mr. Simson said that the spreadsheet handouts illustrated per capita counts from 2012 to 2022
- Horses and mules reduced in count by 22,000 head, while poultry increased 930,000 head
- Ed Waldner explained that for regular eggs to catch up with organic eggs, the numbers were up to 60,000 birds to catch up with the 30,000 organic
  - The Colonies affected by Avian Influenza that had to depopulate, Mr. Honeycutt said, were restocking already and would be back to their previous numbers
- Mr. Simonson pointed out that swine numbers increased a little bit, although there was a downward trend pretty much across the board
  - Ed Waldner explained that for pigs to be counted for per capita, they had to be three months old. Pigs had to be three weeks old to ship and that over 20,000 pigs were leaving Montana each week
- Cattle lost about 220,000 from the previous year, but, in the 10-years cycle, Mr. Simonson said they were still up 51,000. Mike Honeycutt said that most calves were born after February 1<sup>st</sup> and most of them leave the state before February

1<sup>st</sup>, and, in his opinion, that there were about 1.2 million that the DOL was not collection per capita on

- Mr. Simonson explained that according to MCA 15-24-922, a maximum that could be increased on per capita fee was 10% of the total 3-year average, which for '20, '21 and '22 would be \$582,052, which he said was not what the DOL was proposing to do
- The last time the DOL increased per capita fee, according to Mr. Honeycutt, was 2015. He said that the DOL had been managing the Brands reserves that should carry the DOL through the next 4-5 year period until the cattle numbers leveled out again, but, they would have to remain conservative. So, he said staff felt confident in recommending that they saw no need this year in increasing per capita fees

## **MOTION/VOTE**

**(6:21:57) 3:37 PM**

**Greg Wichman moved to approve no changes in the per capita fee rates for the next fiscal year. Sue Brown seconded. The motion passed.**

## **(6:23:19) 3:39 PM – Comments from the Public Regarding Per Capita Rates on Bison**

Gene Curry reported that there were some guests in the audience that requested to address per capita fees:

- Chris Bechtold from the Montana Bison Association said that he was requesting that the BOL entertain the idea of decreasing per capita fees on bison that he said were a fair amount higher than cattle, \$6.38/head for bison compared to \$2.28/head for cattle. He added that a lot of bison producers dealt with selling grass-finished animals and sold direct to somebody when the animal was an average of 2 ½ years old, and so, per capita was being paid twice on that animal, whereas Fall calves could slip under the wire on that
- Mr. Bechtold explained that bison producers were livestock producers, just like cattle producers and went through a lot of the same things as cattle producers
- Mike Honeycutt said that bison covered approximately 1% to 2% of the total per capita fee collection, around 13,000 head for a total of \$83,419
- When the bison per capita fee was set, Mr. Honeycutt said there may have been just one domestic bison producer in the state of any size, but, that number had steadily increased
  - Gene Curry said that his recollection was that 15-20 years ago, bison were quite valuable, and he thought that was when the per capita figure for them was established
  - Because value of animals goes up and down, Nina Baucus didn't feel that per capita fee rates should be based on value of the animal
- Mike Honeycutt said that services provided to the bison producers in the state from the DOL were largely on the animal health side...disease surveillance, import/export
- Gene Curry said that bison producers don't register a brand like cattle producers, and that every time he moved his cows to the reservation and back again, he had

to pay a dollar/head. He said he wanted the BOL to understand the ramifications of any decision they made on this, and that even though he didn't want to stab anybody in the livestock industry, he didn't think that part of the industry should subsidize other parts of the industry

- Mr. Curry said that even in the dairy industry, Mr. Waldner paid for inspections of their plants, their cattle and brand rerecord. Mr. Waldner said, they had to pay a brand inspection fee, even though they didn't brand
- Mike Honeycutt reported that the vast majority of bison leaving the state were leaving off the Turner ranches and going to Gainesville, Georgia. But, for most of the state's bison producers, for the large part, the majority of their stock was staying in Montana
- Mr. Bechtold said that he thought a lot of producers were utilizing custom exempt facilities for processing their bison. He said they worked with a mobile kill facility out of South Dakota that had been processing their bulls. He said that the value of a grass-finished bison was about \$2,200
- Sue Brown said that because bison were worth about twice that of cows, perhaps doubling it would be more fair
- Mike Honeycutt explained that the \$26/head ungulate fee was actually a voluntary issue that came forward when the DOL took over regulatory oversight of captive cervids from FWP
- Greg Wichman expressed that he was not willing to change any rates right now and wanted instead to look a few things over before a decision was made
- Dr. Marty Zaluski said that the likelihood of testing out for Tuberculosis in bison was really practically 0. He said that although the requirements for traceability for domestic bison were going to be identical for cattle, he would expect it to be easier because you don't run animals through the traditional slaughter channels, making identifying the trail of where the animal had gone would not be as difficult

#### **(7:04:52) 4:19 PM – June 30, 2022 State Special Revenue Report**

Brian Simonson reported on the end-of-year State Special Revenue Report for the DOL:

- Mr. Simonson pointed out a typo under New Brands and Transfers, the 2022 numbers. He said the number did read \$730,322, but should read \$895,515
- There was a \$211,000 increase from June 29th in the Rerecorded Brands section, nothing abnormal, because Evan Waters calculated all of the direct expenses for rerecord, such as printings and advertisements and rolled it into the money generated from rerecord. This was a one-time event
- Mr. Simonson explained that the total bill for the year was \$4,850,000 for Per Capita Fee, but showed \$5,026,000 because the DOL collected per capita revenue all year long
- Animal Health sold one of their pickup trucks increasing revenues by \$7,000

#### **(7:09:17) 4:24 PM – End of Fiscal Year Budget Comparison Report**

Brian Simonson reported that he had just three things to point out on this report:

- On budget authority changes, Mr. Simonson said, the net result was a \$3,000 change



- Mr. Simonson pointed out excess authority in Milk Control numbers, that showed \$116,000 on June 29<sup>th</sup> and now shows \$10,874. He said they used that authority to mitigate other State Special Revenue authorities because extra authority in Milk Control wasn't needed
- There was still \$710,000, 5% of the total budget, that was still excess authority, Mr. Simonson said
- The negative \$441,000 under benefits, Mr. Simonson explained, was because the DOL spent less money this year than last year. Mr. Honeycutt explained that more was taken out of the healthcare benefits account than was needed so there was a two-month insurance holiday given
- Mr. Simonson said that right now, the DOL was at a break even point in income, with the cost of inspection service versus the fewer number of dairies to inspect, but, an adjustment would have to be made if employment in that area increased
  - Ed Waldner said that milk production had actually increased in Montana
  - Sue Brown said that nobody paid what dairy paid for fees, even with cattle people paying a dollar here and a dollar there
  - Mike Honeycutt said that inspection costs for the dairy industry he thought, at one time, came out of general fund, and the dairy industry asked that it be paid for with fees because they didn't like that the general fund was getting constrained and were limited on being able to hire inspectors when that general fund pot kept shrinking

## **COMMENTS FROM THE PUBLIC ON NON-AGENDA ITEMS/COMMENTS FROM PRODUCER ORGANIZATIONS**

**(7:19:33) 4:34 PM**

Gene Curry requested that Jim and Kim Ashmore of KNJ Ranch/Sheep Mountain Creamery introduce themselves:

- Jim Ashmore said they wanted to bring a personnel issue before the BOL, a State Inspector they felt was not doing their job
- Mr. Ashmore said that for five years they had been unsuccessful in working with another creamery to get a Grade A dairy license to produce sheep milk for production, and that the Inspector gave another reason or justification or request to that creamery to change something whenever she had come out to inspect them
- Mr. Ashmore explained that the reason they wanted this creamery up and running was because they had consigned some of their animals to the owner of this creamery, making an agreement with him that the creamery provide the milk and they would produce the product. But, with that creamery not getting licensed, they had to go out of state to get milk to use to produce their product and that they may go out of business next year because of the cost to keep in business
- Although they already have their breeding license for sheep, production of sheep milk, Mr. Ashmore explained they didn't have the manpower to run both the dairy and the production side of the creamery

- Jim Ashmore said that the reason the creamery owner was not here was because they had not talked to him about coming to the BOL meeting; they didn't see a need about him coming to the meeting
- Mike Honeycutt said that the creamery needed to submit for a final inspection, which had not been done
- When Ms. Ashmore said that the State Inspector cancelled and that she had emails where the Inspector had cancelled and cancelled, Mr. Honeycutt said that they were not going to discuss personnel issues in a public meeting, that it was not the proper forum for that
- Ms. Ashmore explained that she had 15 stores in the state of Montana, a bakery, a catering truck and nine more that were supposed to come online with her sheep milk and sheep cheese next year. She said they would not be able to do it unless a dairy that milks sheep could get that milk to them locally
- They were going on seven years in business, Ms. Ashmore said, and, the last four, they have had to go out of state to get milk. And her issue was, why it was taking so long
- Mr. Honeycutt said that it was difficult when you were dealing with someone who had about a 4-hour window a week of time to be available for the Inspector who was also trying to serve other businesses and dairy producers. He said that the creamery owner needed a re-inspection for final approval, that there were outstanding issues that had not been checked off and that contact from that individual had to be made to schedule that final inspection
- Dr. Zaluski said that he had communicated with the creamery owner on August 25, 2022 and requested that he contact Rosemary, one of the Sanitarians, or staff for an inspection, but, as of today, no Sanitarian had been contacted for that inspection, and that was why an inspection hadn't been done, because the licensee hadn't contacted the DOL
  - Kim Ashmore said that their ewes were now all dried up because of the heat and smoke
- Since beginning their business, Mr. Ashmore said that they had grown four times the size of when they started, that you can't believe how much the demand for sheep milk was increasing. He said it was one of the few milks babies could drink safely and not have upset stomachs
- Mr. Ashmore said that if someone wanted to start a dairy or any business in the agricultural community there should be a startup package for them with a checklist of what needed to be done to get your license
- Sue Brown shared it took close to two years to get their facility up to where it was okayed and it wasn't easy
- Mike Honeycutt explained that not all of the issues to get licensed were State regulations. Some were County requirements, and he didn't feel it was the right thing for the DOL to do, as a regulatory agency, to give a checklist
- Gene Curry expressed his sympathy to the Ashmores and said it wasn't the BOL's intention to impede commerce. But, they were required by State law to make sure all the boxes were checked, all the Ts crossed and Is were dotted, because when the stamp was put on a facility, it must be safe for the population consuming the product. He said that, hopefully, they would communicate with

their friend that he needed to get back to Dr. Zaluski and schedule that final inspection

- Sue Brown added to make sure whatever was asked for, that in the next inspection, to make sure it was done before the inspection happened, or they would have to come back again
- Kim Ashmore told the BOL that she had called Oregon, Washington, California, Colorado, Utah, South Dakota and Nebraska and all of the sheep dairies had shut down because, number one, the economy and the feed, that they couldn't afford it. She said she did find one sheep dairy in Wisconsin and that she's milking 2,000 head. Although the milk was excellent, Ms. Ashmore said she didn't want to raise the price of the milk to compensate for the price to buy it

## **SET DATE FOR THE NEXT BOARD MEETING**

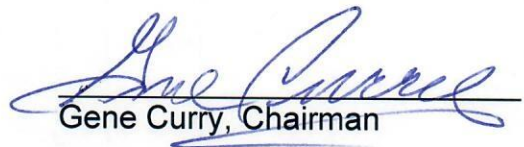
**(7:46:19) 5:01 PM**

Gene Curry said that the next order of business was to set the date for the next BOL meeting:

- Mike Honeycutt reminded the BOL that the next meeting needed to meet before November 1, 2022 in case any last-minute changes needed to be made on the per capita, but that they wanted to do it where there would actually be some financials to report for the current fiscal year. He suggested the week of October 24th
- Greg Wichman said he was gone the week before that
- Alan Redfield said he's selling his calves the week before that
- Gene Curry said that that the buyer of his cows didn't take delivery on cows on Wednesday
- The next BOL meeting was scheduled for Wednesday, October 26, 2022

## **MEETING ADJOURNED**

**(7:48:54) 5:03 PM**

  
Gene Curry, Chairman