



# Montana Board of Livestock Meeting Minutes

August 30, 2017

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

## Board Members Present

John Lehfeldt, Chairman (sheep producer)

John Scully, Vice-chair (cattle producer)

Lila Taylor (cattle producer)

Ed Waldner (swine producer)

Nina Baucus (cattle producer)

Sue Brown (dairy and poultry)

Brett DeBruycker (cattle producer)

## Staff Present

Mike Honeycutt, EO

Gary Hamel, Meat & Poultry Bureau

George Edwards, Livestock Loss Board

Evan Waters, Centralized Services

Leslie Doely, Brands Enforcement Division

Dr. Marty Zaluski, Animal Health

Donna Wilham, Adm. Asst. to EO

Dr. Tahnee Szymanski, Animal Health

Dr. Eric Liska, Animal Health

Dr. Bill Layton, Diagnostic Laboratory

Dan Turcotte, Milk & Egg Bureau

## Public Present

John Steuber, USDA Wildlife Services

Eric Sommer, USDA NASS

Jay Bodner, MSGA

Susan Ostler

Mike Hollenbeck, Arrow Livestock

Brian Anderson, Copper Spring Ranch

Chris Young, American Assn. Meat Proc.

Rep. Vince Ricci, HD 55

Rep. Alan Redfield, HD 61

Ty Yost

Donald Bjornstad, Barney's Mt. Processing

Rob Stutz, Legal Services Division

Quentin Kujala, MT FWP

Emily Olmberg, MT FWP

Ryan Sankey, MT Pro Rodeo Assn.

Brian Engle, Pioneer Meats

Shane Flowers, S&T Project Meats

Tanya Flowers, S&T Project Meats.

Jeremy Plummer, MT Meat Processors

Janell Plummer, Lower Valley Meat Pr.

Judd Jensen, BKBH

James Beerman, Beerman Butcher Shp

Andrew Lorenz, WRFS

Nikki McFerran, B&L Scales

John McFerran, B&L Scales

Matt Elvbakken, Tizer Meats

Jed Pugsley, Professional Rodeo Cowboys Assn.

## **MEETING CALLED TO ORDER**

**7:57 AM**

Chairman John Lehfeltdt called the meeting to order at 7:57 AM

## **APPROVAL OF BOL MEETING MINUTES**

**8:00 AM**

### **MOTION/VOTE**

**8:00 AM**

Nina Baucus moved that the June 13-14, 2017, the June 20, 2017 and the July 27, 2017 minutes be approved as presented. Sue Brown seconded. The motion passed.

## **OLD BUSINESS**

**8:03 AM**

### **8:03 AM - Meat Inspection Appeals Discussion**

John Scully requested that the BOL review and proceed forward with the three appeals (Recall Appeal, Retention Appeal, Withholding Appeal) from S&T Project Meats and the one appeal (Withholding Appeal) from Pioneer Meats vs holding a public hearing

- The businesses have the right, before the BOL, to challenge the issues and decisions before them
- Responses from individuals or groups of individuals regarding personal issues would be considered outside the scope of what the BOL was considering to do during the review
- Rob Stutz added that in order to provide due process, the day's review was not a time for new arguments or new facts, but for the BOL to look at the same information provided at the other levels of the appeal

### **S&T Project Meats**

- John Scully read some of the declarations by Michelle Cox the program auditor made on April 10, 2017, regarding her findings during an audit of S&T Project Meats
- The report says as a result of these findings, FSA advises the State to retain all jerky product thereby initiating a Class one recall of all products back to an appropriate time frame in production
- Some of the findings by Michele Cox included the following:
  - The firm does not use a chart recorder to monitor the temperatures and the HACCP plan does not identify direct observation of the monitoring verification of procedures
  - The establishment has not performed direct observation of the monitor as required by, and it sets up 9cfr417 and is incorporated by ARM 32.62

- The establishment does not have documentation to support monitoring or frequency...a violation of 9cfr417
  - The establishment cannot demonstrate the calibration process monitoring of the instrument being used...a violation of ARM 132.6.712
- Shane Flowers, S&T Project Meats, explained to the BOL events that resulted in the jerky recall by the DOL at his business and subsequent events following the recall
  - Mr. Flowers said they still have not today seen anything that the Feds said the state had to recall this product
  - Mr. Flowers said there has still been no documentation stating that the Feds were going to shut down the Montana meat inspection program if they did not recall their product
  - Shane Flowers said there was no written documentation, no written violation for that recall at all
- Andrew Lorenz, We R Food Safety (WRFS), spoke as an advocate on behalf of S&T Project Meats, commenting they were not given the opportunity to read the appeal notes that revealed findings presented at this meeting regarding S&T Project Meats
  - Rob Stutz, legal counsel for the DOL, said the findings directly at issue aren't the findings in the federal audit but of our Meat & Poultry Inspection program made specific to S&T Project Meats and the action specific to them that reflected in part what was included in the audit and those findings were all made available to S&T Project Meats and are reflected in the documentation that MPI gave to S&T Project Meats. It may not have included every detail in the Federal audit of our agency, but it reflected our agency's findings with regard to S&T Project Meats
- Mr. Stutz clarified to the BOL that the question before them was whether the decision that Mike Honeycutt made on his appeal review should be overturned or not
- Judd Jensen, counsel for S&T Project Meats had the following comments and questions for the BOL regarding S&T Project Meats
  - A request for documentation S&T Project Meats received a written violation from the DOL regarding their jerky production
  - Mr. Jensen said he strongly urges the BOL to overturn what has happened so far and allow, not only S&T Project Meats to see the written violation they are accused of and give them a chance to challenge it before we shut down an entire industry or recall a year's worth of product based on what might not even be a food safety issue
- Chris Young, American Association of Meat Processors, said that under Appendix A, the way a closed damper system is monitored is you put it into your SSOPs and have regular maintenance to be sure the dampers are functioning
- Mr. Young said he thinks that Gary Hamel received misinformation from the Feds regarding how a closed damper system should be monitored in producing jerky

## **MOTION/VOTE**

**9:10 AM**

**John Scully moved to deny all three appeals for S&T Project Meats. Lila Taylor seconded. Sue Brown voted nay. The motion passed.**

### **Pioneer Meats**

John Scully addressed the withholding appeal from Pioneer Meats:

- Mr. Scully said a copy of the violations from the Federal review was given to Brian Engle on April 11, 2017. DOL asked Pioneer Meats to stop production of his jerky until a new HACCP plan was approved
- Brian Engle, Pioneer Meats, said he is not appealing the other violations listed, but only the industry-wide withholding action
- Mr. Engle said that he does have written record of when the damper is closed during his cooking and cooling methods in making jerky
- Mr. Engle said he is here because of improper procedures by the Meat & Poultry Inspection Bureau, including communication to businesses, also to comment on what he considers a heavy-handed approach of the DOL with businesses

## **MOTION/VOTE**

**9:28 AM**

**Brett DeBruycker moved to deny the withholding appeal by Pioneer Meats. John Scully seconded. Sue Brown voted nay. The motion passed.**

Rob Stutz requested that the BOL go to a closed session to discuss litigation strategy on an additional appeal discussion issue, which was approved by Chairman Lehfeldt

## **EXECUTIVE SESSION**

**9:32 AM**

## **RECONVENE**

**10:14 AM**

## **MOTION/VOTE**

**10:14 AM**

**Lila Taylor moved to return to a public session. Sue Brown seconded. The motion passed.**

## **OLD BUSINESS CONTINUED:**

**10:14 AM**

## **Meat and Poultry Bureau Process Improvement Plan**

John Scully discussed his ideas for improvements in the Meat and Poultry Bureau meat inspection process:

- More training should be given to inspectors
- Review the process of the audit and its impact on producers including communication improvements
- Personnel matters have to stay in the jurisdiction of the State Employee Plan

Rob Stutz discussed the importance of the DOL to review Montana statute 81.9.235 to determine if changes are necessary to meet the “at least equal to” Federal requirement:

- If Montana doesn't meet the “at least equal to” federal program it jeopardizes the DOL's ability to run a State program
- If the BOL decides to follow the State statute regarding suspensions, it could potentially jeopardize the DOL's ability to have an independent State meat inspection program

## **MOTION/VOTE**

**10:14 AM**

**John Scully moved that the BOL authorize the Chairman to establish a committee of the industry, in the event they're willing to do so, we have expressed that they are, of union representatives, members of the BOL and meat association managers, to review for the process of improvement, the rules, regulations, education, communication, training necessities and any other pertinent items that they feel should come before the board to improve the processes of the inspections of meat in the State of Montana and do so in coordination with FSIS rules and regulations. Nina Baucus seconded. The motion passed.**

John Lehfeltdt made a request for volunteers to be part of the committee to review the process of improvement for the meat inspection program for the State of Montana:

- Jeremy Plummer, representing the Montana Meat Processors Association, volunteered himself, Brian Engle of Pioneer Meats and Shane Flowers from S&T Project Meats to be part of the review committee representing the meat industry
- Union representatives will be sought to be part of the review committee
- From the BOL, Lila Taylor volunteered to be Committee Chairman. Sue Brown and John Scully also will be participating

John Scully expressed concerns about the differences in Federal and State laws regarding suspensions:

- Although his inclination is to follow State law, he was concerned about not following Federal law 9 CFR 500.3 regarding FSIS suspension notifications
- FSIS guidelines state the State MAY have a hearing, MT State statute says there MUST be a hearing

Rob Stutz explained differences in Federal and State law regarding the suspension:

- The policy of the State of Montana reflected in State statute is to have a State meat inspection program
- Federal law preempts State law as long as the State of Montana has a meat inspection program

- If Federal law does not preempt State law, 81.9.235 subsection 2 comes into effect opening a real potential for a challenge to Montana being “at least equal to or better” being raised by FSIS
- If a suspension is done and followed by a later hearing, it violates state law, but the Federal rule says that suspension can be done even without prior notification

## **MOTION/VOTE**

**10:32 AM**

**John Scully moved that 500.3 supercedes the Montana state statute, as a matter of policy, until instructed otherwise by legal counsel. Brett DeBruycker seconded. The motion passed.**

## **10:43 AM – Animal Health Proposed Rule Changes**

### **Executive Officer Performance Review**

Dr. Tahnee Szymanski requested the BOL take action on proposed changes to alternative livestock rules and proposed rules regarding bringing M-Branded cattle into the state of Montana:

- A public hearing on both issues was held on August 16, 2017 at BLS in Billings
  - For the proposed rule changes regarding alternative livestock, three responses were in favor of the changes and zero against the changes

## **MOTION/VOTE**

**10:45 AM**

**Nina Baucus moved that the BOL accept the proposed changes to the alternative livestock rules 32.4.201 and 32.4.1302. Lila Taylor seconded. John Scully voted nay. The motion passed.**

- For the proposed rule changes regarding bringing M-branded cattle into the state of Montana, four responses were in favor of the amendment and 62 against passing the amendment

Brett DeBruycker asked industry people in the audience what they were doing to preempt any potential risk because of bringing M-branded cattle into the state:

- Mike Hollenbeck, Arrow Livestock, said there is a double TB test and a 60-day rule for cattle coming into Montana
  - Health certificates are written every time the cattle cross the state line
  - Inspections are done every time the cattle cross the county line
  - Mr. Hollenbeck also shared his concerns about lost revenue to commerce in Montana due to loss of National Finals rodeos, high school, junior high, little britches and college rodeos if M-branded cattle aren't allowed
- Ryan Sankey, Montana Pro Rodeo Association, said that the US and Mexico integrated a successful plan to get rid of Bovine TB
  - Ms. Sankey said that 80% of the M-branded cattle coming into the US come from Matt Sanchez and that 100% of his sporting breed cattle are

from the Mexican State of Chihuahua, which has been recognized as achieving eradication status by the USDA

- Jed Pugsley, Professional Rodeo Cowboys Association says there is a TB test done in Mexico and then one done 60 days prior to the cattle being imported into Montana

Nina Baucus asked what would be done if there was a TB case found in Montana cattle and insurance coverage of producers:

- Dr. Szymanski said there is a quarantine of the herd, followed by several more tests, depending on the rate of infection
- Adjacent herds to the affected herd are monitored for movement
- Jed Pugsley, Professional Rodeo Cowboys Association said that because of risk factor and such a small number of policies to underwrite, to his knowledge, there is no livestock disease insurance policies available

## **MOTION/VOTE**

**10:47 AM**

**Lila Taylor moved to not adopt amendment of ARM 32.3.212 additional requirements for cattle and 32.3.212B importation of cattle from Mexico as presented by Dr. Tahnee Szymanski. John Scully seconded. The motion passed.**

## **10:48 AM – Audit Update**

Mike Honeycutt reported on the current status of the Legislative Audits:

### **Lab Performance Audit Update**

- Mike Honeycutt reported that the final report regarding the Lab Performance Audit is due back to the auditors on September 18, 2017
- The USA Herds/VADDS interface is still having issues
  - After Mr. Honeycutt made a direct request of the company to give us functionality or return our money, a company representative came in to help with the situation
- The Legislative Lab Study Committee had their first meeting this week
  - Structural issues at the Lab were discussed
  - The finance issue at the Lab was also discussed, including cost analysis and fee structure

### **Brucellosis Audit Update**

- Mike Honeycutt said there was no full report on the Brucellosis Audit as of yet
- Dr. Eric Liska met with local deputy stock inspectors regarding movement of animals in and out of the DSA
  - A measure has been put into place that those inspectors must report all movements out of the DSA to the State Veterinarian's office ASAP – this is the closest to the request in the audit of real time documentation that the DOL can do at this present time

- Dr. Zaluski gave a report, along with FWP, at the end of June to the Department of Environmental Quality (DEQ) regarding the audit
  - Conversation took place at that meeting that the audit would require statutory changes, possibly at the 2019 Legislative Session, for Brands personnel regarding their stopping movements that are not in compliance with the DSA regulations

### **Financial Audit Update**

Mike Honeycutt said that the DOL is in the process of a new financial audit

- Legislative auditors have already been in the Department and have done some preliminary work, receiving some paperwork from Evan Waters
- Auditors should be back in January or February 2018 to do the full ARM audit process
- BOL Chair and Vice chair can expect an exit conference on the financial audit for this biennium around March 2018

### **Enforcement Issues in the Taylor Fork Area**

- Mike Honeycutt, Nina Baucus, Emily Kaleczyc and Bridger Cunningham viewed the Taylor Fork area to assess the best process for enforcement of bison movements
- Eminent threat of brucellosis transmission of bison to cattle is not existent there because the drainage currently is home to horses rather than cattle
- DOL went on record at an IBMP meeting and at the public meeting at the Taylor Fork that with no brucellosis disease threat in the area, the lead agency regarding issues in the Taylor Fork is FWP not DOL
- If bison do take residence in the Taylor Fork drainage, however, it would require more resources on the part of the DOL due to the rugged terrain

### **11:13 AM – Personnel Update**

Mike Honeycutt reported on the personnel status at the DOL:

- The Personnel Committee has not had a chance to discuss the opening of the Deputy EO position
- Leslie Doely will report on the personnel situation in the Brands Enforcement Division with the upcoming Fall Run during her segment
- John Scully commented that the Personnel Committee could discuss a possible switch up of the Meat and Poultry Bureau and the VDL from being under the State Veterinarian to the Deputy EO

### **11:15 AM – Brand Conflict Research Update**

Lila Taylor reported on the findings of she and Nina Baucus' research of archived BOL minutes to find an answer for a Montana rancher who submitted a brand conflict petition to the DOL this past year:

- With some archived minutes left to go through, a concrete answer to the rancher's petition has still not been found

- Lila Taylor said she would remain in contact with the rancher regarding the DOL's findings
- A current State statute requires brands to be indistinguishable from each other, but the BOL may need to add a rule that will establish a policy

## **CENTRALIZED SERVICES DIVISION REPORTS:**

**11:26 AM**

### **11:26 AM – Livestock Loss Board**

#### **Grizzly Bear Deterrence Guidelines**

George Edwards reported, per Brett DeBruycker's request, on the Grizzly Bear Deterrence Guidelines issued by the US Fish and Wildlife Service:

- Some of the deterrence guidelines were written by Hillary Cooley, Bear Coordinator for the Fish and Wildlife Service
  - Using a vehicle to chase a bear away from buildings, without touching them, is now allowed as well as spraying the bear with water from a hose, dogs on a leash, yelling, clapping, banging pots, air horns, sirens or vehicle horns can also be used as deterrents for bears

#### **General Updates**

George Edwards reported on other general updates for the Livestock Loss Board:

- Cutoff date for the LLB grants is today
- Comparing year-to-date numbers of livestock predations, 2016's numbers are higher, but skewed by a 40-head loss of sheep in the Valier/Conrad area in 2016 at this same time last year
- Mr. Edwards discussed what LLB is doing to prepare the public for the new law passed in the 2017 Legislature allowing mountain lion predation payments starting October 1, 2017
  - Mr. Edwards will be a guest on the Voices of Montana radio program to discuss and answer any questions regarding the new law
  - Mr. Edwards will be issuing a press release soon regarding the law
  - The LLB is working to correct an amendment to that law that was put in incorrectly
  - A holdover fund will allow the LLB to pay mountain lion claims through the entire first year of the program
  - Claims starting in the second year of the program may need to be held until wolf and grizzly bear claims are paid

Delisting of grizzly bears in the GYA that became effective July 30, 2017 was discussed:

- George Edwards said he would speak with Quentin Kujala, Montana Fish, Wildlife and Parks, for a definitive answer on which areas the delisting actually covers in the PCA
- No lawsuits regarding the delisting have occurred as of yet

### **11:42 AM – Predator Control**

John Steuber gave general updates for USDA-APHIS Wildlife Services (WS):

- Mr. Steuber said that he would be contacting Hillary Cooley regarding the Grizzly Bear Deterrent info George Edwards just reported on and have her change the listed contact info to report livestock depredation by grizzlies to Wildlife Services directly
- Madison County is the number one area right now for grizzly bear allotments this summer
- The statewide mandatory training workshop for WS was held last week covering, First Aid, CPR, CE for Pesticide Applicator's License, CE for Chemical Mobilization, Annual Firearms Safety and Proficiency Exercise Training and Crew Member Training
- The Federal budget came through giving WS another \$46,000 cut in spending
- WS is down two full-time helicopter pilots because they are fighting fires for the National Guard
- WS has been hosting the National Wild Dog Management facilitator from Australia the past couple of weeks to find out his perspective on records for damage management
- It has been a busy summer with sheep depredations with coyotes – coyotes are the number one predator for sheep in Montana, especially eastern Montana
- A request was made for John Steuber to present to the BOL a review on how the funding mechanisms work for the county petitions

### **LUNCH**

**11:59 AM**

### **RECONVENE**

**12:51 PM**

### **12:52 PM – Fiscal Bureau Reports**

#### **FY 2017 Ending Budgets**

Evan Waters reported on how he arrived at numbers for the new budget::

- Utilized a few BCDS
  - The 80% market increase for salaries was added in
  - 2015 carryforwards and 2016 carryforwards were added in
  - \$47,000 in general fund was returned to the State
  - \$37,000 of those monies were moved from DSA dollars to the Meat Inspection program
  - A year-end budget adjustment allowed the DOL to transfer funds back and forth between programs if needed
- \$146,000 in milk inspection fees were replaced with general fund dollars and then in the main Lab general fund dollars were replaced with per capita fee

Mike Honeycutt expressed his appreciation of staff and their management of expenses because the DOL was able to close out the year with a small number of movements and amounts

### **FY 2017 Year-End Expense Report (Budget Status Report)**

Reports were given by Evan Waters and Mike Honeycutt on the Meat and Poultry Inspection Bureau budget status:

- Evan Waters reported that the Meat & Poultry Inspection Bureau budget would have come up \$32,000 short had it been figured on a standard budget. It ended up being \$91,000 over due to a 2016 budget carryover and the \$37,000 transfer from the DSA monies
- Mike Honeycutt reported that the Meat and Poultry Inspection Bureau did not have funds to return to the Feds at fiscal year end because all funds were spent
- There has been a slight bit of incongruence between what monies the Feds are giving and what the general fund complement is coming from the Legislature
- The Meat & Poultry Inspection Bureau is trying to get in a better position to receive “equal to” support from FSIS
- Evan Waters reported that the FSIS year-end is September 30th and so the Meat & Poultry Inspection Bureau budget numbers may not have matching FSIS funds added in until after the first quarter when those funds are received

### **FY 2017 Year-End Revenues**

- Evan Waters pointed out that the reason the rerecord brands revenue balance shows twice as much this year as last year is because 2016 is the year the DOL corrected the unearned revenue balance
- Mike Honeycutt said the reason there was \$500,000 projected for Milk Inspection assessment revenue is because it is budgeted revenue that was tagged back to a previous fiscal year of what the budgeted revenue was for that fiscal year

### **FY 2017 State Special Revenue Ending Cash Balance**

Evan Waters reported on the DOL’s State Special Revenue Ending Cash Balance as of the fiscal year ending June 30, 2017:

- Only \$1.1 million of the unearned revenue in the Brands Enforcement Division can be used, but the expectation is that there will be about \$3 million in revenues to bring that number back up this fiscal year
- There was concern that the ending cash balance of \$8.7 million could be deceiving to the general public because it isn’t a true cash balance. \$4.8 million is what has been collected for the next tax year that the DOL is set to spend

Mike Honeycutt cautioned the BOL that if a bill is put forward for a funding mechanism for a new VDL building in the 2019 Legislative session, the DOL may be requested to add a sizeable amount to get it funded

### **Predator Control – Wildlife Services**

Evan Waters requested action from the BOL to reimburse Predator Control funds to the

three counties who do not participate in the Wildlife Services predation program (Carter, Richland and Powder River) and pay the helicopter insurance for the DOL helicopter and funding for USDA-APHIS Wildlife Services predator funding:

- Monies are calculated from each county's per capita fees
- Out of the \$420,000 per capita collected in those counties, \$27,000 will be divided accordingly between the counties, nearly \$96,000 will go to Wildlife Services and the rest will go to insurance for the DOL helicopter

## **MOTION/VOTE**

**1:15 PM**

**Nina Baucus moved to pay the three counties, Powder River, Carter and Richland their allotted amount of predator funds and that we transfer to Wildlife Services the funds that are due them. Ed Waldner seconded. The motion passed.**

### **Per Capita Fee Rate Setting**

Evan Waters discussed current per capita fee rates and requested direction from the BOL on whether or not to change them:

- Mr. Waters said that if per capita fees are raised, the increase could bring in about \$300,000 in extra revenue
- Mr. Honeycutt told the BOL he was not compelled that they make a decision today regarding changing per capita fee rates, but hoped the BOL would talk to other producers first and think about whether or not leaving them at the status quo would meet the Department's reserve needs
- Mr. Waters based his per capita projections on \$1.8 million, the amount of per capita fees that have been paid so far this year
- For FY 2019, the projection goes down to \$1.6 million due to the drought and fire conditions Montana is currently experiencing and a reduction in herd sizes
- Mr. Honeycutt said that he believes the culprit for some of the DOL's past financial troubles lie in how the revenues from new brands and transfers were handled and he believes they have a good plan for that

### **Federal Grants Accountant Position**

Mike Honeycutt reported that he and Evan Waters rewrote the job description for the Federal Grants Accountant position that was just vacated by Alisa Odell:

- The position, whose main task was handling the Federal cooperative agreements, is one full FTE, but it was assessed that task did not take a full-time effort
- The rewritten job description would call for an Accountant that would assist Evan Waters, particularly in procurement
- The job description lists the salary at \$5-\$6/hour or \$10,000-\$12,000 more per year than Alisa Odell was earning as a Federal Grants Accountant

## **MOTION/VOTE**

**1:32 PM**

**John Scully moved to authorize Mike Honeycutt and the team to go forward to replace the retired FTEs in Centralized Services, Animal Health and the Brands Enforcement Division. Brett DeBruycker seconded. Mr. Scully withdrew his motion at 1:34 PM**

It was decided by the BOL to postpone action on hiring the position until a job description can be written that will financially stay in the bounds of what was allocated by the Legislature for that particular FTE or consider a budget amendment because the way the rewrite is currently written, it is a different type of job

## **ANIMAL HEALTH & FOOD SAFETY DIVISION REPORTS: 1:43 PM**

### **1:43 PM – Brucellosis Management in Elk**

Quentin Kujala and Emily Olmberg of Montana FWP reported on Montana FWP's efforts in management of brucellosis in elk:

- There is an annual DOL budget of around \$240,000 for the targeted elk surveillance project with monies for the project coming from APHIS and FWP

Emily Olmberg said the project began in 2011 and listed its five objectives:

- To delineate the geographic distribution of brucellosis in elk
  - Ms. Olmberg said that has been accomplished
- Evaluate the risk of sero-positive elk shedding brucella
  - There is a longitudinal study where FWP is tracking animals over a five-year period recapturing them and checking them
- Identify potential pathogen exchange through elk movement
- Evaluate brucellosis management efficacies
  - Tools used to manage brucellosis risk include collars, tazers and track logs
- Evaluate transmission risk to cattle

Ms. Olmberg discussed some of the brucella-risk areas in Montana:

- Mill Creek is the highest problem population
- Red Lodge elk are listed in the 21-40% range of having brucella
- A lot of revisiting to previously monitored sites has not been done to note changes in the elk population as the FWP has concentrated on new areas of uncertainty instead
- Marty Zaluski said that the DOL is thinking of returning to the Sage Creek area because of the possibility of infected elk crossing the interstate

Rep. Alan Redfield questioned how, especially in the area near Red Lodge, does FWP reduce a risk herd when not many cow tags are allowed

- Rep. Redfield said that the Mill Creek elk population has a higher prevalence of brucella than even those next to YNP because they are never hunted and one bunch of them stays at the river bottom
- Rep. Redfield asked how much over population of elk is in the state

- Quentin Kujala said that concentrated late elk hunts went away because the effectiveness of hunter harvest samples either of people collecting the samples or not collecting the samples were of poor quality without staff to help that along

Quentin Kujala spoke regarding landowner cooperation regarding elk:

- Landowner cooperation is not always there when capturing elk to follow up on dropped collars
- FWP has found in collaborative discussions with DOL, high priority areas to check and landowner cooperation in those areas.

Dr. Zaluski said that DOL policy does not have a blanket statement saying that an area of brucellosis should decrease population. He feels the DOL responsibility regarding livestock health and bison exiting YNP is to work within the existing processes with the Wildlife Commission and in public comment

### **2:26 PM – Milk and Egg Bureau**

Dan Turcotte reported on general updates at the Milk and Egg Bureau:

- Everyone scored well on the state ratings in Bozeman for plant and producer groups
- The regional milk safety specialist will be in the state next month and conduct a check rating in the Great Falls area and a statewide review of the State program
- Mr. Turcotte reported on the new egg plant and egg plant employees in Great Falls
- A USDA A&S regional supervisor for poultry and egg is in Great Falls doing a recertification on the new egg plant, recertifying egg graders for the shielded egg and shell egg program and recertifying Roy Hall for the United Egg Producers and Animal Welfare program
- The new egg plant is doing a test run today and until the bugs are worked out of the new plant equipment, both plants will be running, switching back and forth as needed
- There have been no positives reported in the tetracycline milk residue pilot program that has been going for the last month

Mike Honeycutt said that the BOL's been invited to an open house at Wilcox Eggs on September 11, 2017

### **2:32 PM – Animal Health Division**

#### **Request to Hire Bison Manager**

Dr. Zaluski requested that the BOL approve the opening of the Bison Manager position that was vacated by Rob Tierney on December 31, 2016:

Jeff Mount was appointed as temporary Bison Manager until that position is filled

Dr. Zaluski said that the position will only be posted internally

### **MOTION/VOTE**

**2:32 PM**

**Brett DeBruycker moved to hire a Bison Manager in the Animal Health Bureau. Sue Brown seconded. The motion passed.**

### **Request to Hire a Staff Veterinarian for the Animal Health Bureau**

Dr. Zaluski gave reasons for his request to hire another staff veterinarian for the Animal Health Bureau:

- Although there are three positions in the bison management area, Dr. Zaluski feels that there is a need for only two, one in Livingston and one in West Yellowstone
  - The salary of that 3<sup>rd</sup> FTE would be very close to the salary of the proposed new veterinarian
- Duties have decreased for the bison staff since the Governor's executive order from two years ago, eliminating the need for an annual hazeback of bison back to YNP in the spring and drones will be used for some bison surveillance
- The proposed new veterinarian would help the DOL coordinate with other agencies and counties in regards to emergency preparedness, especially in the case of an animal disease outbreak
- The new veterinarian would work with the Meat and Poultry Inspection Bureau to help validate HACCP plans and provide some additional veterinary involvement

Mike Honeycutt said that the job description that has been written up for the proposed veterinarian would require a DVM and in this particular case, if the BOL approves to hire, the job would need to be open internally and externally to follow the appropriate process of the MOM because there is just one DVM in the DOL at this time

- The BOL requested that they receive copies of the job description and that the issue be revisited at the next meeting

### **Request to Hire Administrative Specialist Replacement**

Tahnee Szymanski asked that the BOL approve the opening of Evaleen Starkel's vacated position in Animal Health. She was an Administrative Specialist who supervised the import staff, assisted Dr. Zaluski and administered the alternative livestock program:

## **MOTION/VOTE**

**3:02 PM**

**John Scully moved to hire an Administrative Specialist in the Animal Health and Food Safety Division to replace Evaleen Starkel, who is retiring. Nina seconded. The motion passed.**

### **Out-of-State Travel Requests**

Tahnee Szymanski requested that the BOL approve travel for four Animal Health veterinarians to attend the USAHA annual meeting being held this year in San Diego on October 12-18, 2017:

- Committee sessions are stacked, requiring the attendance of more DOL staff to assure that each of the pertinent subject matter be covered

- Dr. Zaluski and Dr. Liska spend a majority of their time at the committee meetings covering brucellosis presentations
- Dr. Szymanski and Emily Kaleczyk would then split up the remaining committee meetings, attending as many as possible
- Some VDL pathologists will be in attendance covering Laboratory committee meetings, but those are not included on this travel request

Dr. Zaluski made a last-minute request that Gary Hamel also be included in the request to attend this meeting as there are sessions on meat inspection as well

## **MOTION/VOTE**

**3:08 PM**

**Brett DeBruycker moved to authorize travel for five individuals from the Animal Health and Food Safety Division to attend the United States Animal Health Association Meeting in San Diego, CA on October 12-18, 2017. Ed Waldner seconded. John Scully voted nay. The motion passed.**

Tahnee Szymanski requested that the BOL approve travel for herself and Dr. Zaluski to attend the National Institute for Animal Agriculture and USAHA joint strategy forum on Livestock Traceability in Denver, CO on September 26-27, 2017:

- Dr. Zaluski has been asked to sit on a panel at the forum to talk about the role of brands and traceability
- Dr. Szymanski has been asked to attend because of her role in traceability at the DOL
- The travel and meeting would be covered by Federal Cooperative Traceability Dollars
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## **MOTION/VOTE**

**3:10 PM**

**Sue Brown moved to authorize travel for Dr. Zaluski and Dr. Szymanski to attend the National Institute for Animal Agriculture and USAHA joint strategy forum on livestock traceability in Denver, CO on September 26-27, 2017 . Lila Taylor seconded. John Scully voted nay. The motion passed.**

## **Request to Publish Proposed Changes to Administrative Rule Regarding OCV**

Dr. Eric Liska discussed the proposed rule change for 32.3.436 that would require a statewide brucellosis vaccination:

- The current rule follows old USDA vaccination rules that were based on the utilization of a vaccine that is not used by the DOL now
  - The rule would change the action point of when the DOL can enforce compliance for the brucellosis vaccination from 4 months of age to 12 months of age or older

- Dr. Liska left the counties for enforcement of the proposed rule open-ended for BOL discussion:
  - Enforcement only in the DSA
  - Enforcement in all counties that are part of the DSA
  - Enforcement statewide
- To avoid confusion by the producers, Dr. Zaluski suggested that the BOL postpone passage of any part of the proposed rule until listening sessions with producers could be held across the state and make a decision based on producer input gathered in those sessions. The BOL agreed to postpone the proposed rule changes

### **Brucellosis Updates**

Dr. Eric Liska reported that another positive brucellosis-affected herd was found in Madison County, in the DSA:

- The single positive was found in the herd through a voluntary herd test
  - The genotyping report has not been received as of yet, so it is not certain if the infection came from wildlife or cattle
- Before this most recent finding, there were two serologic reactors found in another group
- The DOL will begin an epidemiologic investigation on the herd and possibly on a number of adjacents as well
- The 2016 affected herd will be tested in early September

Dr. Zaluski reported that he plans to accompany the Deputy Administrator of USDA and a staff member who will be travelling to visit with the Fort Peck Tribe around September 18-19, 2017

### **TB Epidemiological Investigation**

Dr. Tahnee Szymanski reported on the recent South Dakota TB epidemiological investigation:

- One South Dakota group, with one suspect animal remains under quarantine. The animal will be retested next week and depending on test outcome, will either be released from quarantine or sent to slaughter
- A Montana herd adjacent to the infected herd will go through one more test when they are pregnancy-tested this year

### **Canine Influenza**

Dr. Tahnee Szymanski reported that the DOL has received several phone calls from veterinarians in and around the Bozeman and Billings area regarding severe cases of respiratory diseases in dogs:

- DOL has been involved with local veterinarians trying to get information back and forth
- The number of sick dogs in the Bozeman area is around 300-400, but with very few deaths
- Out-of-State hunters coming into the state have been concerned, wondering if it is safe to bring their dogs

- Bozeman veterinarians have been collecting samples from sick dogs and submitting them to a couple diagnostic labs for testing. A company in California is doing a pathogen discovery program to try to find out the cause

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## **RECESS**

**3:49 PM**

## **RECONVENE**

**4:06 PM**

### **4:06 PM - Recognition of Retiring Staff**

Leslie Doely and Marty Zaluski presented retirement plaques to Martha Howey, 27-year DOL employee and current Mortgage Clerk in the Brands Enforcement Division and to Evaleen Starkel, 33-year DOL employee and current Administrative Supervisor in the Animal Health Division

### **4:12 PM - Veterinary Diagnostic Lab**

#### **AAVLD Travel Request**

Dr. Marty Zaluski made a request for Dr. Layton, who was not present, for three Veterinary Diagnostic Lab staff, Dr. Steve Smith, Dr. Marshall and Tess Moore to attend the AAVLD Annual Meeting in San Diego, CA on October 12-18, 2017

## **MOTION/VOTE**

**4:13 PM**

**Lila Taylor moved that three staff from the VDL attend the AAVLD Annual Meeting in San Diego, CA on October 12-18, 2017. Nina Baucus seconded. John Scully voted nay. The motion passed.**

## **General Updates**

Dr. Zaluski said he attended the Legislative Laboratory Study Meeting the past couple of days:

- Four legislators, MSU President Waded Cruzado and DOL staff attended
- Several labs in the Bozeman area were toured to assess needs of the current laboratories
- Common theme for the labs viewed were the need for additional space and modernization
- The next meeting of the Committee is September 29, 2017 in Helena

### **4:30 PM – Brands Enforcement Division**

## **Personnel Updates**

Leslie Doely reported that there are only two current field vacancies in the Brands Enforcement Division:

- District Investigator in Glasgow – those applications will be screened and interviewed in the next week or so
- Short-term Worker, .2 FTE position in Three Forks that hopefully will be filled by October
- In the Helena office, Ms. Doely desires to fill the Markets position left vacant when Martha Howey retired and also fill the Mortgage Clerk position

## **MOTION/VOTE**

**4:32 PM**

**John Scully moved that Martha Howey's Market position in the Brands Enforcement Division be hired. Sue Brown seconded. The motion passed.**

## **MOTION/VOTE**

**4:32 PM**

**Ed Waldner moved that the Mortgage Clerk position in the Brands Enforcement Division be filled. Sue Brown seconded. The motion passed.**

## **General Updates**

Leslie Doely said that their division has been following cattle movements in the state closely:

- So far there has been no indication of an increase in breeding animals in the State
- July and August numbers have been very typical
- An early fall run is expected because of the fires and the significant drought

## **BE Division Structure**

Leslie Doely reviewed her restructured organizational chart for the Brands Enforcement Division, breaking the Division down into three bureaus, as was proposed at a previous BOL meeting:

- The Main Office Bureau – Helena Office
  - Bureau Chief would be Leslie Doely
- The Market Bureau
  - Market Bureau Chief would be Ty Thomas, Assistant Brands Administrator
- The Enforcement Bureau
  - Headed by Western Enforcement Bureau Chief Ernie McCaffree and Eastern Enforcement Bureau Chief Travis Elings
- Leslie Doely would continue to be the Brands Enforcement Administrator

- Currently there are 30 supervisors and 63 employees in the Division. The restructure would have all 13 markets answer to the Assistant Brands Administrator
- One of the biggest concerns of the BOL is how much time will the Assistant Brands Administrator be able to spend at each market
  - Ms. Doely said that the current Assistant Brands Administrator keeps in good contact with them by email and phone

## **MOTION/VOTE**

**4:59 PM**

**Brett DeBruycker moved to formalize three work units in the Brands Enforcement Division into Bureaus. Sue Brown seconded. The motion passed.**

### **5:00 pm – Grazing Permit Rule Proposal**

Leslie Doely said that HB 338 from the 2017 Legislative Session changed requirements for livestock grazing permits and discussed proposed rule changes to accommodate those new requirements

- The current grazing rule requirements have only two lines and so language was added that followed the language of HB 388 for the proposed rule changes
- The current grazing permit costs only one fee and producers do not have to pay \$1/head for an inspection
- Ms. Doely added fee changes for the new grazing permits to cover DOL costs
  - \$30 for 1-100 for county lines
  - \$40 for 100-200 for county lines
  - \$100 for 1-50 for first-time applicants for deeded land moves and that price goes up \$25 for each additional 50 head
  - \$40 for 1-100 for renewals and \$10 for each additional 50 head
- The BOL voiced concern regarding movement of cattle in and out of the DSA
  - Mike Honeycutt said that rules 81.2.103 and 81.2.104 remain in effect even with the new grazing permit law. Producers will get a pass on the fee, but all sexually-intact cattle going out of the DSA still have to be tested
- Ms. Doely said she also needs BOL direction on whether or not a freeze brand will be allowed on cattle that are moved
- The BOL decided to wait on a decision of whether or not to approve Ms. Doely's proposed rule changes

### **5:36 pm – BLS and PAYS Sale Day Changes**

Leslie Doely said that a request was made to modify the sales days between the Billings Livestock Commission and the Public Auction Yards in Billings. Per 32.15.104, changes to market operations are subject to approval by the BOL:

- Rob Cook contacted Leslie Doely on August 15, 2017 requesting the modification in sales days at the Billings markets

- The request is to change to a year-round sale on Monday at BLS and on Thursday at PAYS
- An email has been submitted this week by the DOL to all market owners in the state requesting their comments on the modifications
- Ms. Doely expressed a concern about DOL staffing if the changes are made
- The BOL decided to not make a decision on whether or not to have a hearing but to discuss the situation further in a conference call

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

**5:52 PM**

The BOL decided to schedule the next BOL meeting for Tuesday, September 26, 2017 with a possible conference call scheduled between now and then to discuss the BLS and PAYS sales day change request

## **MEETING ADJOURNED**

**5:58 PM**

  
John Lehfeldt, Chairman