



MINUTES BOARD OF LIVESTOCK MEETING

SEPTEMBER 24 & 25, 2012
HOLIDAY INN BOARD ROOM
BOZEMAN, MT

BOARD MEMBERS PRESENT:

Jan French, Chair, cattle producer
Jeffery Lewis, dairy producer
Stan Boone, cattle producer

Brett DeBruycker, cattle producer
John Lehfeltdt, sheep producer
Linda Nielsen, cattle producer

BOARD MEMBERS ABSENT

Ed Waldner, swine producer

STAFF PRESENT:

Dan Turcotte, Milk & Egg Bureau
Dr. Marty Zaluski, Animal Health
Steve Merritt, Public Information
Christian Mackay, Executive Officer
Sherry Rust, executive assistant, minute taker

George Harris, Centralized Services
Gary Hamel, Meat Inspection
Dr Bill Layton
Rob Tierney, Bison Program

PUBLIC PRESENT:

John Steuber, USDA APHIS WS
Jed Evjene, MSGA
Brent Roeder, MWGA
Teresa McKnight, MSU Innovative Campus
Chelcie Cremer, MFBF
Jake Cummins, MFBF

Waded Cruzado, MSU
James M. Ward, USDA Livestock & Seed
Pat Flowers, FWP
Tom McCoy, MSU
Watty Taylor, MSGA
Errol Rice, MSGA

1:00 PM

MONDAY SEPTEMBER 24

CALL TO ORDER

Board Communications:

- Jan French, Hobson
 - not a lot to burn
 - selling hay, great selling year
 - very hot, dry -lucky to not have had fires
- Jeff Lewis, Corvallis
 - dairy industry is looking up
 - milk prices are going up, need to keep up with rising feed prices
- Stan Boone, Ingomar
 - community is scary dry
 - taking its toll on weight of calves
- Brett DeBruycker, Dutton
 - ugly dry and smoky
 - might get by on the hay they have, grass is gone
- John Lehfeltdt, Lavina
 - sheep industry is going to do alright
 - everything is going east or west, not as usually to south
 - hot and dry

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- ram sale sold high
- Linda Nielsen, Nashua
 - pretty good harvest
 - sheep, yearling (pretty good) and horse sales (94 head)
 - very dry, hot - not a lot of fires considering

Approval of Minutes:

Page 3 correction

John Lehfeldt moved to approve the September minutes with changes. Linda Nielsen seconded. The motion carried unanimously.

Interim Authorizations and Activities:

There were no interim activities.

Executive Officer Reports:

Jeff Lewis moved to approve the executive officer reports as presented. Stan Boone seconded. The motion carried unanimously.

Guest Speaker

- Waded Cruzado, President Montana State University Bozeman
 - inaugurated the animal science facility 2 1/2 years ago
 - Glen Duff appointed to head the Department of Animal and Range Science and personnel on board
 - a 1st year veterinary medicine program is possible
 - WAMI program showed a 50% return of investment (graduates returning to MT)
 - on that success we should add the vet med program
 - ready to go to the legislature again, VDL was in the building plans last legislature - did not pass
 - Teresa McKnight dedicated to looking into a fit for VDL into the programs
 - an excellent way for vet students to intern
 - create high tech jobs to encourage students to return to Montana upon graduation

Brett DeBruycker moved to support the MSU Innovative Campus veterinary school program. Linda Nielsen seconded. The motion carried

Division Reports

Veterinary Diagnostic Lab, Dr Layton

- Accreditation
 - need to complete application for accreditation by November 1st
- AAVLD Accreditation Dec 3 through 6
 - will present application during at this time
 - suggested Tuesday afternoon best time for board members to attend and meet the accreditation board
- Testing
 - reviewed pooling sample procedure (average price range \$20 to \$80)
 - suggested a \$50 fee for a 5 sample pool
 - extra charges incurred if pool shows positive - each sample in the positive will be tested at a fee of \$27 per sample

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John Lehfeldt moved to authorize the \$50 pool fee as recommended. Jeff Lewis seconded. The motion passed unanimously.

2:00 P.M. RECESS

2:30 P.M. RECONVENE

Brands Enforcement

- Action Item #1 Request on brand issues:
 1. letter received indicating department error where right jaw brand for horses was inadvertently left off in 1987 brand issue
 - aware when purchased the brand that there was no horse brand on the current brand but was told by seller that historically the brand did have a jaw horse brand
 - department research showed the horse jaw brand has been inactive since 1981 rerecord when the cattle/horse brand was not rerecorded
 - cattle brand only was issued as a new brand in 1987 without the horse brand
 - no historical documentation available to ascertain who might be at fault

Jeff Lewis moved that the board deny the request. John Lehfeldt seconded. The motion carried unanimously.

2. Letter received requesting board provide a method to bring back expired figure brands either by auction or other method
 - legal counsel advised against it
 - working conflicts could be an issue as well as heirs of prior owners

John Lehfeldt moved to not revisit the issue of figure brands. Linda Nielsen seconded. The motion carried with John Lehfeldt and Stan Boone voting no.

3. Kurt Lehti request for suspension of conflict
 - missed sending a letter with the BOL suspension of conflict checking policy in March 2012
 - regarding brand id 154642 and 48
 - Kurch communicated that he does not have proof that the brand was used during 2009/10 or 11.
 - Board general consensus was that the issue is a moot point and no action was taken

- Action Item #2 Approval of Beef Council Contract
 - tabled to Tuesday to allow board time to read the new contract

Centralized Services, George Harris

- Inspection fees
 - Christian Mackay presented a power point of brands budget vs. revenue
 - costs to do inspection approximately \$2.09, department receives \$1.00
 - local inspectors do about 55% while department inspectors complete about 455 of inspections in Montana - local inspectors would also benefit from a fee increase
 - attrition and the new market system will allow a decline in required staffing providing a clear savings and the increased efficiency allows for less overtime
 - no longer hiring tally writes as the new system requires inspectors to input that data to complete an inspection

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- net savings utilizing the new market system - per Zona in Billings it takes 1 hour longer to complete a sale with 3 people vs. 4 hours with 5 more personnel using the old system
- Executive Budget Proposal for FY 2014/15
 - reviewed the budget proposal
 - future looks dim cannot have a balance budget in FY 2014/15 without layoffs or fee increases (up to 8.7 possible in Brands and Lab)
- Per Capita Fee Head count
 - reviewed the present headcount and the impact on anticipated revenues
 - provided a proposal for per capita fee adjustment by species and requested authorization from the board
 - 2 options either straight percentage or rounded off

Brett DeBruycker moved use the rounded off option of the proposed fee adjustment. Jeff Lewis seconded.

Jeff amended the motion to raise chickens to 5 cents and decrease the pork fee accordingly. Brett DeBruycker seconded. The amended motion carried with John Lehfeldt voting no.

The main motion carried with John Lehfeldt voting no.

- Board of Horse Racing
 - the BOHR conference call held last week in the Livestock Conference room was very negative towards MDOL personnel
 - ignored the \$600,000 deficit, implied fraudulent action
 - proposed to hire their own executive secretary, attorney, accountant
 - Mr. Harris pointed the BOHR is administratively attached but is not responsible for horse racing debts
 - informed BOHR chair Dale Mahlum that MDOL personnel will no longer be working for BOHR in any capacity and they are responsible for hiring and paying for their staff with horse racing funds
 -

Producer Organization Updates

- Montana Stock Growers Association, Watty Taylor will bring up the inspection fee proposal at county meetings and have a decision at the December annual meeting
He brought up the following points:
 - questioned when was the last pay raise for department field personnel (6 years)
 - does inspection fee dollars stay in brands (100% of MDOL personnel collection)
 - wondered where rerecord dollars go (100% to brands at 10% per year)
 - per capita fee distribution (used throughout the division -not to milk lab, meat inspection or milk/egg inspection)
 - questioned "boards support of bison ranging outside the park" as he feels this leads to more exposure to cattleJan French replied the BOL voted for the scoping notice to insure board participation in the comments and to be able to solicit comments from producers. FWP is going to do this scoping anyway - if the board did not participate we would not be in a position to speak FOR producers.

Errol Rice

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- MSGA annual convention is December 14 & 15, in Billings-everyone is invited and encouraged to attend
- Montana Woolgrowers, Brent Roeder
 - Annual Convention November 30 & December 1 in Billings
 - there is optimism with the industry
 - need to make serious changes in predator control as they continue to be a big issue

Public Comment

4:50 P.M. _____ ADJOURNMENT

5:10 P.M. _____ EXECUTIVE SESSION

Personal right to privacy exceeds the public right to know.

8:00 a.m. _____ TUESDAY SEPTEMBER 25 _____ CALL TO ORDER

BOARD MEMBERS PRESENT:

Jan French, Chair, cattle producer
Jeffery Lewis, dairy producer
Stan Boone, cattle producer

Brett DeBruycker, cattle producer
John Lehfeldt, sheep producer
Linda Nielsen, cattle producer

BOARD MEMBERS ABSENT

Ed Waldner, swine producer

STAFF PRESENT:

Dan Turcotte, Milk & Egg Bureau
Gary Hamel, Meat Inspection
Dr Bill Layton, VDL
John Grainger, Brands Enforcement
Rob Tierney, Bison Management

Dr. Marty Zaluski, Animal Health
Steve Merritt, Public Information
Christian Mackay, Executive Officer
Sherry Rust, executive assistant, minute taker

PUBLIC PRESENT:

John Steuber, USDA APHIS WS
Brent Roeder, MWGA
Gene Curry, MSGA

Jed Evjene, MSGA
Ariel Overstreet, MSGA

Division Reports Continued

Wildlife Services, John Steuber

- bear and wolf depredation are up
- 6 cows and 6 calves killed by one grizzly recently near Red Lodge
- this is the last week of federal fiscal year (FFY) 2012. No federal budget yet for FFY 2013. A 6-month continuing resolution will be signed to cover the first 6 months of the FFY
- the 2 WS helicopter pilots that fly the DOL helicopters are at Helicopter Emergency Procedures and Touchdown Autorotation Training in California this week

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- cattle petition passed in Roosevelt County making 22 Montana counties with cattle petitions for predator damage management. There are 49 Montana counties with sheep petitions for predator damage management funding.

Public Information Office

- presented a draft copy of the cooped Mont Guide (on best management practices - Trich)
 - soon to go into publication
- Draft handout for the new legislators - DOL - who we are, what we do, etc.
- just completed the local inspection manual and is working on a quarterly newsletter for local inspectors to increase communication

Milk and Egg, Dan Turcotte

- Aflatoxin testing
 - in the headlines with the drought
 - some states in the Midwest are testing all milk that comes in
 - feds have set guidelines as high amounts can impact children
 - might be appropriate to begin testing in Montana although no other state in the northwest is testing
 - problems arise out of feed containing aflatoxin
 - it is required by federal law that feed producers provide that information
 - suggest inform Montana milk producers to verify feed content and educate them on this issue
 - then move to testing

The board charged Dan to move forward with producer education (6 months minimum) to show that the state is proactive in this issue.

10:30 A.M. RECESS

10:45 A.M. RECONVENE

Meat and Poultry Inspection, Gary Hamel

- Recently completed federal audit review
 - generally went well with a few minor findings
 - need to update some ARM rules which are out of date
 - start utilizing federal testing worksheets
- EBay and Craigslist sales
 - generally contacting advertiser and informing them of the law requiring inspection
- Montana City meats
 - working on coming under state inspection
 - department does not have an inspector in that area
 - can use his open position to achieve this
- Issue with plant owner
 - plant owner continues under voluntary withdrawal
 - have until November to make a decision
 - will meet with owner then and he can either agree to comply or not inspections

Animal Health

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- Action Item #3 CΛN Brand
 - issue came up with a letter of request to bring bull studs for semen and be allowed to sell them into another state without branding them prior to import into Montana
 - hot iron CΛN is required on all Canadian cattle prior to import into Montana with some exceptions
 - poll of other states shows some accept tattoo, freeze or hot iron and the board could consider such an option

The board concurred that the present rule is working and charged Dr Zaluski to inform the correspondent of the board's intent

- Action Item #4 clarification of the Trich testing rule
 - minor edit- for clarification that test eligible bulls being transported out of the trich epizootic must be tested for trichomoniasis unless being sold for slaughter.

Brett DeBruycker moved to authorize the ARM edit as presented. John Lehfeldt seconded. The motion passed unanimously.

- Action Item #5 TB ARM revision
 - proposed revision to clarify the TB rule to include “sexually intact” in the definition of test eligible cattle.

Brett DeBruycker moved to authorize the revision as presented. John Lehfeldt seconded. The motion carried unanimously.

- Action Item #6 NILE Exemption
 - provides exemption for non OCVd or non CΛN branded Canadian cattle to come in to Montana for the annual NILE. These animals cannot be sold into another state from the NILE.

Brett DeBruycker moved to authorize the NILE exemption as presented. John Lehfeldt seconded. The motion carried unanimously.

- Brucellosis Review
 - Dr Liska toured with the review board.
 - The review board suggested additional pre-slaughter testing and a late elk hunt
 - commended the point person team (Dr Liska and Amy) used in Montana
 - impressed with the new Montana market program and the way animal health and brands staff work together
- West Nile Virus update
 - 6 horses reported positive with WNV
 - the 4 that died were non-vaccinates

Minutes of the Sidney Hearing

- correction Tim Larson, not Jim

Jeff Lewis moved to approve the minutes with correction. John Lehfeldt seconded. The motion carried unanimously.

Beef Council Contract

- Christian met with Beef Council personnel to review the contract. No changes except changing dates for a 12 month contract vs. the 15 month original agreement.

