



MINUTES BOARD OF LIVESTOCK MEETING

MAY 21 & 22, 2013
LIVESTOCK CONFERENCE ROOM 319
301 N ROBERTS, HELENA, MT

BOARD MEMBERS PRESENT:

Jan French, Chair, cattle producer
Ed Waldner, swine producer
John Lehfeldt, sheep producer
John Scully, cattle producer

Brett DeBruycker, cattle producer
Jeffery Lewis, dairy producer
Linda Nielsen, cattle producer

STAFF PRESENT:

Christian Mackay, executive officer
Dr Bill Layton, veterinary diagnostic lab
Dr Marty Zaluski, animal health
Steve Merritt, public information
Dr Eric Liska, animal health

Sherry Rust, executive assistant
Gary Hamel, meat inspection
Marty Clark, brands enforcement
Dan Turcotte, milk & egg bureau

PUBLIC PRESENT:

Gary Wold, Montana Cattlemen's Assn. Les Graham, MLMA
Ariel Overstreet, MSGA Dr. Jeanne Rankin, MSU Extension
Brent Roeder, Montana Woolgrowers Assn. Quentin Kujala, Fish, Wildlife & Parks

1:00 PM

CALL TO ORDER:

TUESDAY, MAY 21, 2013

ADMINISTRATIVE ITEMS

Chair Jan French introduced John Scully, newly appointed board member representing cattle producers.

Board Communications:

- Jan French, Hobson
 - received at least one inch of rains but very dry prior to that
 - grass greened up nicely, hope it stays
 - can see a little snow in the mountains
- Jeff Lewis, Corvallis
 - feed is high, sales are low
 - not much moisture, but looks good in the mountains
- Ed Waldner, Chester
 - hog markets are pretty good
 - feed is high
 - very dry
 - hay is behind - froze every night in May

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- John Scully, Ennis
 - dry, no grass, no summer pasture
 - some ranchers parting with their pairs
- Brett DeBruycker, Dutton
 - dry, .004 inch of moisture
 - dry all the way to Browning
 - hay crop is gone already, missed out on grass growth for the year
 - sending cattle to Drummond -irrigated land, having difficulty placing animals on pasture
 - great bull sale, moved all the bulls there, just a few left
- John Lehfeldt, Lavina
 - sale yesterday was depressing (Billings)
 - not much going on, no market for wools or lambs
 - lots of sheep coming from Australia, New Zealand
 - looks bad for the industry
- Linda Nielsen, Nashua
 - finished bull sales, down some
 - calves going for \$400 now at \$300

Approval of Minutes:

John Lehfeldt moved to approve the April board meeting minutes as presented. Linda Nielsen seconded. The motion carried unanimously.

Interim Authorizations and Activities: There were no interim actions.

Executive Officer Reports:

Jeff Lewis moved to approve the executive officer report as presented. Ed Waldner seconded. The motion carried unanimously.

- Chair Jan French presented Barb Ferguson, animal health employee with her 5 year pin.

Veterinary Diagnostic Lab, Dr Bill Layton

- New Hires and NALN membership funding
 - hired 1 serology/milk lab FTE
 - 3/4 position for PCR testing
 - holding position pending NALN funding
- Accreditation update
 - responses to identified non-comformances during the December review due by June 15
 - expect another review possibly in December
- Penside Foot & Mouth Disease negative cohort study
 - a NALN project, testing 100 animals

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- Gary Hamel, meat inspection, is a cooperative on this project
- packers in Kalispell, Big Timber and Whitehall collecting tissues for completion of testing
- PCR testing numbers are increasing, thereby increasing revenues but revenues have and will decrease because of Trichomoniasis pooling
- Building project
 - will be a real issue in another 4-5 years - getting nowhere with the legislature -safety review included issues with ventilation, counters, centrifuges, etc.
 - have two years - need to develop a long range plan to present, need industry groups pushing for this building
 - we are working with a 1960s building, incapable of venting to today's standards with 1960s plans - risk is low but present with ventilation and temperature control issues
 - Christian said he had two meeting with the governor's staff and a follow up meeting with the chief of staff regarding the lab building and department budget
- AAVLD
 - October meeting in San Diego- Layton will be attending
 - also requests Dr Marshall and Tess Moore to attend for training and information in their specialty areas
 - Christian recommend all three attend, could utilize unused executive office travel funds for the extra two attendees

John Lehfeldt moved to authorize three attending the AAVLD meeting as recommended by the executive officer while keeping within the department travel budget. Linda Nielsen seconded. The motion carried unanimously

- Pathology slide venting processor
 - lease coming up on current processor, can purchase for \$1(no warrenty)
 - leasing a new processor with enhanced fume containment might be the best solution

Public Information Office, Steve Merritt

- negative PR
 - John Scully noted that most of department press was negative and suggested we need to do more in that area
 - Steve said it has been a relatively quiet year on bison issues, if we promote our side it might be like preaching to the choir
 - would to get a group of interested people to discuss how to address this
 - 95% of received comments are direct cut & paste from Buffalo Field Campaign pages
 - will prepare historical information and mail it to Mr. Scully for ideas
- Work continues on the new web page, Andy is working on the infrastructure

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1:50 P.M. RECESS

2:05 P.M. RECONVENE

Animal Health, Dr Zaluski

- Action Item # 1 ARM draft change to Trichomoniasis rule, Dr Szymanski
 - provided a summary sheet of proposed rule changes
 - revise herd plan and establish a deadline for implementation

Mr. Scully suggested revising of definition providing "best practices" for the producer to choose for their plan for state veterinarian approval and change definitions as discussed. The item was tabled until Wednesday first thing.

- MCI Traceback
 - received notice that a Montana bull at slaughter in Minnesota tested positive for brucellosis
 - working with USDA to track where it came from - only ID was a ranch tag
 - sold by a western Montana buyer who buys about 90 bulls a week
 - have narrowed it down to about 15 sellers who sold about 53 head over 3 weeks
 - about 20% chance of finding the positive herd source
 - the new market tracking system enabled searchers to locate sellers within the timeframe for easier elimination of possibles
- Swine Import
 - within the last couple of weeks an individual imported (without a permit) two females and one male swine from Texas to a premise near Anaconda
 - the owner, who euthanized the pigs between the first and second visit by the DOL investigator, was cited for importing an illegal species and no health papers
 - surmised the pigs (from photos) were feral (very prevalent in Texas)
 - need to look for more authority regarding feral hogs for FWP
 - emergency rule -prohibiting feral hog importation- as an interim to the next legislature Quentin Kujala (FWP) and Dr Zaluski were working on a bill for this legislature and will continue to work on this issue
- Bison Management Update
 - at the last meeting the park requested we delay hazing on the west side until June 1, we replied we are not able to consistently able to keep them out of Zone 3
 - our negative response has resulted in less-than-cooperative relations with the park - with very few bison moved back to Cougar Meadows or the Madison where they will stick
 - consequently about 350 came back out -the park asked us to drop them at the park border so they could move them slowly back without the use of the helicopter -a method proven to not work

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- governor's staff spoke to park personnel and they did come out to help this week
- need 24 days separation between cattle on private property and bison out of the park--intensive hazing since April has not worked
- one producer notified the department that he is bringing cattle onto his property June 1
- additionally the park is distancing itself from their agreement to commence remote vaccination as in the Environmental Impact Statement
- MDOL increased tolerance within Montana was supposed to be in conjunction with remote vaccination
- now the park wants more tolerance and it looks like the park committee is going to not recommend the remote vaccination
- Bison Injury incident
 - a department employee was thrown from his horse today when it bucked after impaling itself on a stick on the inside of a thigh while avoiding a bison
 - requested board guidance regarding payment of veterinary bills for the employee's horse injured while being used for employment duties
 - employee is covered under worker's comp (wrist injury)

The board deferred the issue until Wednesday pending prognosis on the mount.

- Dr Szymanski accepted for FADD training at Plum Island
 - board authorized out of state travel at the last meeting
- Concern over MCF in the Gallatin Valley
 - it can be 100% fatal in bison while it has little or no effect on sheep or cattle
 - Bill Hoppe, a producer, has imported sheep into the area
 - Yellowstone Wildlife Association suggests bison in the area may have been exposed
 - the sheep are not sick and are not considered a threat to other livestock so they are not in quarantine
- EA for expanded bison tolerance on the West side of the park
 - probably present a draft in September, possibly the July meeting

John Scully commented again he is only seeing negative PR, with no positive press as to what or why the department does what it does. The industry gets hammered; private property owners are growing in size, what is the plan? Need strategic planning for positive outlooks.

1. work with governor's office for more pressure on the park service
2. communicate to park that current situation is not conducive to more tolerance in the future
3. difficulty with continued bison tolerance erodes any type of increased cooperation
4. adaptive management plan coming from Dr Zaluski will include hunting inside the park

PRODUCER ORGANIZATION UPDATES

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- Brent Roeder, Montana Woolgrowers Association
 - lambing is over
 - it finally rained, everybody was waiting on it
- Montana Stockgrowers Association, Ariel Overstreet
 - agriculture faired pretty well through the legislature
 - June 7 & 8 is the mid-year meeting being held in Missoula
 - hope to see everyone there
- Gary Wold, Montana Cattlemen Association
 - mid-year meeting is in Lewistown June 25-everyone invited
 - brand books are going through final edit
 - MCA scholarship will be completed soon
- Jeanne Rankin, MSU Extension
 - update on Ag Emergency - received a grant through Homeland Security
 - put together six meeting training how to deal with an ag disaster
 - 29 counties and two tribal entities have contributed
 - S CAP working on providing foot & mouth tabletop exercise
 - exercise with a "livestock trailer" overturn to develop a protocol to be used by all emergency response teams involved
- Quentin Kujala, Fish, Wildlife & Parks
 - asked the board regarding setting quota for trapping furbearers
 - coyote as a predator, board has greater authority
 - conflict is inadvertent trapping of dogs - FWP looking at set-backs
 - approximately 50 dog captures - were intended for coyotes
 - the board has authority to apply set-backs with regards to companion animals
 - does MBOL want to participate in this procedure?

The board will discuss this question.

PUBLIC COMMENT

- Brett DeBruycker
 - recently shipped bulls to Canada
 - currently shipping to Mexico
 - compliments to Dr Linfield and his staff for facilitating these exports

4:30 P.M.

ADJOURNMENT

EXECUTIVE SESSION

Personal privacy exceeds the public right to know.

**MINUTES
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8:00 a.m.

CALL TO ORDER

WEDNESDAY MAY 22, 2013

BOARD MEMBERS PRESENT:

Jan French, Chair, cattle producer
Ed Waldner, swine producer
John Lehfeldt, sheep producer
John Scully, cattle producer

Brett DeBruycker, cattle producer
Jeffery Lewis, dairy producer
Linda Nielsen, cattle producer

STAFF PRESENT:

Christian Mackay, executive officer
George Harris, centralized services
John Grainger, brands enforcement
George Edwards, LLB
Dr Tahnee Szymanski, animal health
Andy Erickson, IT
Dan Turcotte, milk & egg bureau

Sherry Rust, executive assistant
Gary Hamel, meat inspection
Marty Clark, brands enforcement
Steve Merritt, public information
Dr Marty Zaluski, state veterinarian
Conrad Flynn, IT

PUBLIC PRESENT:

John Steuber, USDA APHIS WS
Ariel Overstreet, Montana Stockgrowers

Les Graham, MLMA
Roger Lloyd, Legislative Fiscal Division

- Action Item #1 Changes to Trichomoniasis Rule (held over from Tuesday)
 - Dr Szymanski presented the revised draft with changes suggested yesterday and requested authority to publish the proposed rule for comment

Brett DeBruycker moved to authorize publication for comment as presented. John Lehfeldt seconded. The motion carried unanimously.

Division Reports Continued

Centralized Services, George Harris

- Budget Status 2013/14
 - 75% of MDOL funds are from fees on the industry
 - \$500,000 shortfall in brands continues in 2013
 - The 2014-15 budget reduction of 8.71 FTE from brands did not pass
 - we must adjust fees to bring in more funds to negate the shortfall
- Horse Racing
 - per Senate bill 215 horse racing moving to Commerce July 1, 2013
- Pay Plan
 - compared department to last survey (wages) in mid-60 to 70% range of 2012 survey
 - to get to 80% will require \$220,000 in brands with \$90,000 dedicated to market beginning employees

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- to get the entire department to 85% of 2012 market survey would take .5 million dollars
- every brand inspector has a second job - entry level recruitment increasingly difficult
- pay issues in brands need to be addressed
- Four County allocation
 - requesting authorization to allocate funds to the four counties as the formula
 - total amount for refund \$31,422 to be allocated as follows:

Carter County	\$9,841
Powder River County	\$11,068
Richland County	\$5,590
McCone County	\$4,923

John Lehfeldt moved to authorize allocation as presented. Jeff Lewis seconded. The motion carried unanimously.

- Livestock Loss Board, George Edwards
 - 42% increase in claims over last year
 - board went from seven members to five
 - now contains 3 active livestock members, 2 wildlife interested persons with livestock backgrounds and 1 from the public at large
 - these members are chosen directly by the governor's office
 - HB 323 added grizzlies to the program beginning in October 2013

Milk & Egg, Dan Turcotte

- FDA training for Dan and Rosemary for state rating
 - in Fresno and will cover them for 3 years
 - FDA funding will be provided for attendance and travel
- Miscellaneous updates
 - 3 new plants are going into yogurt
 - FDA is providing travel funds for Rosemary to tour Washington and Oregon plants as training
 - first egg shipment into Canada was successful
 - raw milk sales
 - law did not pass but it is still out there
 - not just milk, but also butter, cheese, etc.
 - issue is not going away and the department needs to work on how to handle it when it comes up again - next legislature

Meat Inspection, Gary Hamel

- Miscellaneous Updates
 - received a number of inquiries regarding rabbit slaughter
 - Superior Meats proposes to be the first

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- working on labels
- one bison plant wants to come under inspection
 - great plant in Kalispell
 - built specifically for bison and elk
- another in Bozeman
 - sausage and meat processing to come under inspection
- received an inquiry to bring in a mobile plant
 - working on that
 - little more involved because of sewage disposal etc.
- proposed chicken slaughter plant in Wilsall
 - building not up to code, sewage either
 - not licensed
 - city would not allow it nor would we
 - further action pending investigation of individual action
- Dealer Licensing
 - all applications sent out and receiving completed applications back
 - difficulty with the database so capturing all the data into a spreadsheet
 - working with Conrad to capture a new database

John Lehfeltdt suggested the board expand the meetings to out of Helena

- skipe from various locations throughout the state
 - maybe two a year to start
 - questioned if department has the technology to achieve this
 - Andy Erickson, IT staff, could use skipe with an computer projected from Helena to whatever city where the board meets
 - need a web cam (\$60-70) on each end so participants can see each other
 - will provide better service to producers by being in Miles City, Glasgow, etc.
- The board charged the executive officer and IT personnel to research further and perhaps the September meeting can be held out there.

- Injured Bison Horse (held over from Tuesday)
 - veterinary cost was \$116.12 with the horse sent home on antibiotics and pain meds
 - Dr Zaluski stated bison funds can cover this expense if the board agrees
 - the employee owned bison horses are at risk every day for six weeks or so due to the nature of the task

John Scully moved to cap bison horse injury emergency veterinary costs payment at \$500 at the discretion of the executive office and the state veterinarian. Linda Nielsen seconded. The motion carried with John Lehfeltdt voting no.

10:10 A.M. RECESS
10:20 A.M. RECONVENE

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Brands Enforcement, John Grainger

- Updated local inspector handbooks
 - data placed on CDs for a total cost of less than \$800
 - also contains all brand laws and state brand book
 - local inspectors can go to their extension office to have a printed copy of the handbook and adjoining county brand books
 - hard copy of the handbook would have cost in excess of \$7,000 including mailing
- Action Item #2 Amendment to brand office procedure
 - two words proposed - changes in red on handout
 - transfers can cost as much in processing time as new brand
 - added non-refundable portion

Brett DeBruycker moved to authorize the changes as proposed. Jeff Lewis seconded. The motion carried unanimously.

- Action Item #3 Clearing held proceeds older than 2 years
 - estray money is held and the department does its best to clear them
 - no changes have been made to this rule since 1983
 - request direction from the board
 - regarding claims older than 2 years
 - majority are held at market 30 days then forwarded to Helena
 - active claims pending at the end of 2 years will be separated out
 - holds never responded to - funds will revert back to department operating budget
 - propose a rule that new claims made after 2 years are no longer valid
 - the board agreed to denial of new claims after the 2 year period
- Out of state producer/buyer's request
 - a lot of Wyoming and South Dakota put together cattle from Montana
 - it is illegal to put their Wyoming or South Dakota brand on while cattle are in Montana
 - department issues a seasonal brand now
 - requests from these people is to be allowed to put their (WY or SD) brand on their cattle prior to moving them out Montana
 - wanting the convenience of branding (with their own brand) while cattle are in the feedlot, then moving to grass in another state
 - are requesting a formalized procedure
 - John's comment it that granting this request would create issues for Montana producers
 - the law is that they cannot brand with an out of state brand and graze in Montana
 - those coming in with an out of state brand have an inspection
- District boundary and FTE revisions
 - Christian reviewed district inspectors' record of actions in course of duties

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- cattle inspected in the past 10 years were 110,000 less than in the previous 10 year period
- brand inspection revenue down to 55% of total budget- lowest point - balance is per capita
- made cuts in the markets, office personnel, but not to the district men
- 18 current district men - Choteau County has their own man
- have looked at several options
 - 3 vacancies right now (Larry, Missoula, and Glasgow) and Gary Anderson is retiring out of another district
 - could cut districts to 15 (or 16)
 - market managers that have been through the law academy could be used in districts (for less busy markets)
 - could have assistant district men to cover in the large districts -using law enforcement accredited market managers - 5 market people are accredited now
 - possibly \$144,000 savings per year --\$95,000 would get market people up to 80%
 - could utilize 2 bison people year around - started using them more last year to help with enforcement, testing, markets
 - in larger districts with assistant district man - use market supervisors in that position with major crimes/investigations done by district man - assistant assuming lighter duties
- for changes to work must have
 - cooperation of employees
 - industry support and cooperation
- annual district man meeting is set for June
 - can work with district men to finalize the districts should the board agree
 - each district man will give their input on the change
 - pick an option and sit down with each man on his district

Brett DeBruycker moved to go ahead with the idea, devise a map with district men input and bring back recommendations to July meeting.

Motion died for lack of second.

- Action Item #5 Set brand inspection fee
 - motion passed in January with the intent to raise fees pending legislative actions
 - legislature did not cut the recommended 8 (brands) employees so department must raise fees to balance the budget
 - rerecord and new brand and transfer funds can only be used at 10% per year
 - inspection fees can be used as received
 - a raise to \$.75 for inspections will bring in \$350,000 to the department and \$435,000 to local inspectors

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- during rerecord years board policy has been to allow transfer and rerecord in one transaction at a single fee - per legal counsel transfers must be a separate charge
- 2003 was the last inspection fee increase (to 50 cents)

John Scully moved to increase new brand and transfers to \$200, effective immediately. Brett DeBruycker seconded. The motion carried unanimously.

Ed Waldner moved to increase brand inspection fees to 75 cents from 50 cents. Linda Nielsen seconded. The motion carried with John Scully voting no.

- USDA Wildlife Services, John Steuber
 - coyote numbers are higher than ever recorded
 - confirmed colt killed by coyotes near Augusta
 - wolf work is going up - 2012 was more than 2011 and more this year
 - grizzly work has doubled over last year - more time consuming even than wolves
 - feral hogs - if and when it is needed Wildlife Services will cooperate
 - nationwide funding in the president's budget for feral hog control
- Board discussion of Christian Mackay attending leadership conference at a cost of approximately \$3,000.

Brett DeBruycker moved to authorize Mr. Mackay to attend the conference as discussed. Ed Waldner seconded. The motion carried unanimously.

PUBLIC COMMENT

NEXT BOARD MEETING

TUESDAY & WEDNESDAY
JULY 23 & 24, 2013
SCOTT HART BUILDING
301 N ROBERTS ROOM 319
HELENA, MT

12:57 P.M.

ADJOURNMENT

JAN FRENCH, CHAIR