



Montana Board of Livestock Conference Call Minutes

July 27, 2017

Montana Department of Livestock
Helena, Montana

Board Members Present

John Lehfeldt, Chairman (sheep producer)
Lila Taylor (cattle producer)
Ed Waldner (swine producer)
Sue Brown (dairy and poultry)

John Scully, Vice-chair (cattle producer)
Nina Baucus (cattle producer)
Brett DeBruycker (cattle producer)

Staff Present

Mike Honeycutt, EO
Dr. Steve Smith, VDL
George Edwards, LLB

Donna Wilham, Adm. Assistant to EO
Dan Olson, CSD

Public Present

Robert Magnan, Fort Peck Tribe/Fish & Game
John Youngberg, Montana Farm Bureau Federation
Chris Christiaens, Montana Farmers Union
Vicki Olson, Montana Public Brands Council

MEETING CALLED TO ORDER

8:32 AM

Chairman John Lehfeldt called the conference call to order at 8:32 AM

OLD BUSINESS

8:32 AM

S&T Project Meats Discussion

John Scully reported on the certified mail notification from S&T Project Meats he had received on July 26, 2017:

- The notification was an appeal of the decision rendered on S&T Project Meats by the DOL on May 26, 2017. The date on the notice to BOL members was dated July 3, 2017, but was postmarked July 24, 2017
- Rob Stutz said nothing under the USDA Food Safety and Inspection Service (FSIS) process prohibits him from providing the BOL with legal counsel
 - Mr. Stutz cautioned the BOL to not set a specific deadline for responding so there would be ample time for review, evaluation and research of issues, because there is no timeline for response under the FSIS process

MOTION/VOTE

8:36 am

John Scully moved that Rob Stutz provide the BOL with written advice, based upon the appeal by S&T Project Meats, as to what process to proceed under and in accordance with what timeline. If he is unable to advise the BOL because he has advised Mike Honeycutt during a previous hearing, he will provide the BOL with appropriate legal counsel. Lila Taylor seconded. Motion passed with six members voting aye: John Scully, Nina Baucus, Sue Brown, Lila Taylor, Brett DeBruycker and Ed Waldner

8:38 am - Finance Discussion

John Scully reported on the Legislative Finance Committee Report:

- Automatic triggers enacted at the State level by the 2017 Legislature (SB261) have been enacted and require budget cuts as a direct result of lack of revenue
- DOL staff has submitted the Department plan of how to handle the cuts and because the DOL budget relies on only a small percentage of general funds, the cuts are small
 - The cuts to the DOL for each year of the biennium are under \$30,000/year, something the DOL can easily manage

8:44 am - Deputy Executive Officer Position

John Lehfeldt requested BOL input on the Deputy Executive Officer (DEO) Position, just authorized by the 2017 Legislature:

- \$120,000 of restricted appropriations were provided through HB2 for the position and cannot be used towards any other program or purpose
- The intent is to have the DEO manage the Centralized Services Division (CSD) finance functions, the IT and manage the staff of the two boards attached to the DOL, the Livestock Loss Board (LLB) and the Milk Control Board (MCB)
 - The DEO could also be asked to manage the business end of the VDL
 - ✓ Due to an employee moving, in mid-August there will be an accountant opening in the CSD, leaving an opportunity to hire an accountant with the ability to do Lab Business Management, if a DEO was not hired
- The BOL agreed to not open the DEO position immediately, until the position's functionality is determined

MOTION/VOTE

8:50 am

John Scully moved that the DOL staff move forward in creating a job description for the Deputy Executive Officer position that could be presented to the BOL.

Sue Brown seconded. Motion passed with six members voting aye: John Scully, Nina Baucus, Sue Brown, Lila Taylor, Brett DeBruycker and Ed Waldner

8:53 am – Personnel Committee Report

John Scully requested the BOL consider raising the salary of Executive Officer Mike Honeycutt:

- Mike Honeycutt's current hourly salary is \$43.27 and is a contract position, exempt from the automatic State level employee salary increases
- The average hourly salary of a State of Montana Deputy director is \$53.00
- The DOL budget would allow a maximum one-time \$6.50 per hour raise for Mr. Honeycutt

MOTION/VOTE

8:58 am

John Scully moved to increase Mike Honeycutt's salary by \$3.50/hour applied at the same time as the other State employee increases are made and have another \$3.00/hour be available for application on a separate motion at a later meeting.

Brett DeBruycker seconded. Motion passed with six members voting aye: John Scully, Nina Baucus, Sue Brown, Lila Taylor, Brett DeBruycker and Ed Waldner

9:01 am – Update on Yellowstone Bison Quarantine Discussions

Mike Honeycutt updated the BOL of ongoing conversations regarding operational quarantine of bison:

- Yellowstone National Park (YNP) is moving towards upgrading the Stephen's Creek facility to be able to carry out bison quarantine activities
 - Upgrades must meet USDA-APHIS specifications
 - Dr. Zaluski and APHIS visited the facility and provided YNP specifications needed to meet the standard
 - YNP has been getting funding and contractors in place to upgrade the Stephen's Creek facility
 - Bison are currently being held in the facility awaiting eventual shipment to the Fort Peck Indian Tribe
- There will be an IBMP meeting in Bozeman on August 1-2, 2017
 - A field trip for partners to view available habitat for bison outside of YNP is scheduled for the first day; the second day is the regular IBMP meeting
 - The Lead Partner position of the IBMP this year has been handed over from Dr. Marty Zaluski of the DOL to Mary Erickson of the Custer-Gallatin National Forest
 - This year's direction of the IBMP appears to be opportunities for quarantine and how it is working and expanded habitat opportunities

9:11 am – Update on Administrative Rule Processes (M-Branded Cattle, Lab Price Increases

Mike Honeycutt reported on open proposed administrative rules in the DOL:

- There were no public comments on the proposed Lab Price Increases administrative rule (32.2.403) and it is ready for adoption
- There was quite a bit of negative public comment on the proposed Importation of M-Branded cattle entering the state of Montana administrative rule (32.3.212):
- The Animal Health Division has scheduled a hearing on the proposed rule on August 16, 2017 at the Billings Livestock Commission at 1 pm

MOTION/VOTE

9:12 am

John Scully moved to adopt the Diagnostic Laboratory Fee Increase rule (32.2.403). Sue Brown seconded. Motion passed with six members voting aye: John Scully, Nina Baucus, Sue Brown, Lila Taylor, Brett DeBruycker and Ed Waldner

9:14 am - Brands Conflict Update

John Scully reported he had received an email that included a list of parties asking for data that would back up the DOL's refusal to issue a particular brand to a customer:

- Mr. Honeycutt said that the email, received about a week earlier, would require a review of about 60 years of BOL minutes to find the data
- The question to be answered is whether or not the DOL policy to limit characters for brands is an internal policy with correlating action that the BOL took to implement that policy

9:22 am – Update on Legislative Lab Study Committee

Mike Honeycutt reported that the Legislative Lab Study Committee had been formed:

- The Study Committee is a bipartisan group of six Legislators – 3 Republicans and 3 Democrats
- Timeline for the Committee to complete their study is in November or December of 2017
- The Committee will be visiting the VDL to meet with DOL management and BOL leadership on Tuesday, August 22, 2017 at 1 pm

SET DATE FOR NEXT BOARD MEETING

9:28 AM

BOL August meeting is tentatively scheduled for August 23-24, 2017

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

9:36 AM

John Youngberg, Executive Vice President of the Montana Farm Bureau Federation said he would follow up on his organization's thoughts or concerns regarding the reorganization of the Montana DOL

MEETING ADJOURNED

9:37 AM


John Lehfeldt, Chairman