



# Montana Board of Livestock Meeting Minutes

**(This Meeting was Virtual)**

December 16, 2020

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

## Board Members Present

Brett DeBruycker, Chairman (cattle producer)

Wendy Palmer, Vice-Chairman (cattle producer)

Lila Taylor (cattle producer)

Nina Baucus (cattle producer)

Sue Brown (dairy and poultry)

Gilles Stockton (sheep producer)

Ed Waldner (swine producer)

**(All BOL members attended the meeting virtually except for Nina Baucus who attended the meeting from the BOL Conference Room in Helena. Ed Waldner joined the meeting at 8:11 am)**

## Staff Present

Mike Honeycutt, EO

Donna Wilham, Adm. Assistant to EO

Brian Simonson, Deputy EO

Dr. Marty Zaluski, State Veterinarian

Evan Waters, Centralized Services

Dr. Tahnee Szymanski, Animal Health

Dan Olson, Centralized Services

Dr. Eric Liska, Animal Health

George Edwards, Livestock Loss Board

Dr. Gregory Juda, MT VDL Director

Chad Lee, Milk Control Bureau

Darcy Alm, Milk & Egg Bureau

Ethan Wilfore, Brands Administrator

Gary Hamel, Meat & Poultry Inspection

Abby Williams, Brands

## Public Present

Jenny Bloomquist, Montana Veterinary Medical Association

Lindsey Simon, Legal Services Division

Jay Bodner, Montana Stockgrowers Association

John Steuber, USDA Wildlife Services

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## MEETING CALLED TO ORDER

**8:02 AM**

Chairman Brett DeBruycker called the meeting to order at 8:02 AM

## BOL ROLL CALL

**(:04) 8:03 AM**

Chairman Brett DeBruycker requested a roll call of the BOL members present on the ZOOM call and asked what they had been up to:

- Lila Taylor reported that for the past two weeks she had contracted COVID and that her whole family got it as well
- Sue Brown said that they were still healthy at her home and trying to take care of goats
- Wendy Palmer said that she was still working on the ranch and at the Red Cross and staying healthy. She said that she and her family were doing fun things outside like getting Christmas trees
- Gilles Stockton said he got his Christmas cards out and that he has been working on an essay. He said that the well drillers hit water and that there was a good artesian flow
- Nina Baucus said they had been doing Fall work
- Brett DeBruycker said that they had been buying, feeding and bangs vaccinating cattle and processing bulls. They were also fertilizing winter wheat and getting ready for a quiet Christmas at home

## **DOL STAFF and PUBLIC ROLL CALL**

**(4:07) 8:07 AM**

Chairman Brett DeBruycker requested a roll call of DOL staff and members of the public:

- Mike Honeycutt reported that staff currently present on the call were: Brian Simonson, Evan Waters, Donna Wilham, Gary Hamel, Dr. Marty Zaluski, Dr. Tahnee Szymanski, Dr. Greg Juda, Dr. Eric Liska, Ethan Wilfore, Abby Williams, Chad Lee and George Edwards
- Public present on the call at the time were Jenny Bloomquist and Lindsey Simon

## **BOARD APPROVAL OF BOL MEETING MINUTES**

**(6:09) 8:09 AM**

Chairman Brett DeBruycker asked if there was a discussion about the past BOL minutes and he also requested approval of them:

## **MOTION/VOTE**

**(7:40) 8:10 AM**

**Nina Baucus moved to approve the BOL November 4, 2020 minutes as sent out. Sue Brown seconded. The motion passed.**

## **BOL ROLL CALL (Continued)**

**(7:40) 7:10 AM**

Ed Waldner announced that he was present and had been trying to beat the cold weather when it was cold, but that it had been pretty nice again. He added that he had been doing the usual things they have to do, feeding and milking cows

## **BOARD APPROVAL OF BOL ADMINISTRATIVE CONSENT AGENDA BUREAU REPORTS**

**(9:09) 8:12 AM**

Chairman Brett DeBruycker asked if there was any discussion regarding the Consent Agenda Bureau Reports:

- Lila Taylor requested that the Veterinary Diagnostic Lab (MVDL) report on the Consent Agenda be moved for discussion during the MVDL presentation
- After a BOL member question, Chad Lee explained that regarding the Board of Milk Control, the Board Chair and Vice-Chair terms were up two years ago, and the other three members of the board's terms expire at the end of the year, so there could be new appointments made for all five
- Chad Lee reported that over the past year, about five dairies closed and currently, the Montana Correctional Enterprises Dairy was scaling back from around 300 pounds to 60 pounds

## **MOTION/VOTE**

**(15:53) 8:18 AM**

**Sue Brown moved to approve the Board Administrative Consent Agenda Bureau Reports for the Livestock Loss Board, Milk Control Bureau and the Milk & Egg Bureau. Lila Taylor seconded. The motion passed.**

## **(16:24) 8:19 AM NEW BUSINESS**

### **(16:28) 8:19 AM – RECOGNITION OF EMPLOYEE SERVICE MILESTONES**

Mike Honeycutt said that he wanted to recognize the DOL employees who had reached milestones in years of service to the DOL and also to the State of Montana:

- **5 Years**
  - Centralized Service Division - Evan Waters, Tom Shultz, Dale Haylett
  - Meat & Poultry Inspection Bureau – Kathi Molyneaux, Laura Mulcahy
  - Veterinary Diagnostic Laboratory – Kaylee Krantz
  - Bison Management Program – Clay Vines
  - Milk & Egg Bureau – Darcy Alm
  - Brands – Wes Seward, Robin Blankenship
- **10 Years**
  - Brucellosis Management – Leslie Doely
  - Animal Health Bureau – Tahnee Szymanski, Cinda Young-Eichenfels
  - Brands – Michele Satre, Shawn Hando, Monty Simonsen
- **15 Years**
  - Veterinary Diagnostic Laboratory – Michelle McReynolds
- **20 Years**
  - Centralized Services Division – Stephanie Boudreau

- Brands – Matt Noyes
- **30 Years**
  - Centralized Services Division – Ray Pellen

**(21:45) 8:24 AM – 2020 EMPLOYEE PERFORMANCE MANAGEMENT CYCLE UPDATE**

Mike Honeycutt reported that the DOL is currently in the cycle for annual performance appraisals for all DOL employees:

- The review system has been opened up and managers are meeting with employees at the present time. Employee evaluation meetings are supposed to be completed by the end of December and final feedback from the employee is due by the end of January
- Mike Honeycutt was hoping to get information out to BOL members regarding the performance review of the Executive Officer and hopefully complete that at the next BOL meeting
- The previous year's evaluation form that the BOL used for the Executive Officer's review was discussed with suggestions made by the BOL of how to make it pertinent to the upcoming review
  - Consistent scoring numbers were requested
  - Designate a place to list the BOL's goals and objectives for the Executive Officer in 2021
  - Remove information that had already been addressed and was no longer pertinent
- It was requested that Mike Honeycutt and Nina Baucus look over the form and bring it back after the break with changes and the BOL could agree or disagree with them
- Brett DeBruycker said that assuming that Mike receives a good evaluation during the January BOL meeting, that there should be a discussion about his salary at that time going forward

**(51:26) 8:54 AM OLD BUSINESS**

**(51:30) 8:54 AM – UPDATE ON COVID-19 DEPARTMENT OF LIVESTOCK RESPONSE & CONTINUITY**

Mike Honeycutt reported that the DOL was sitting in reasonably good shape regarding COVID-19, considering what is going on around us and the uptick in rural areas:

- Mr. Honeycutt said to protect employees and the people they service, that there are some out-in-the-field tasks that are being delayed or not being done at all
  - Onsite shell-egg grading does not have to be done in person
  - The Livestock Markets were still up and running, especially with Fall Run, but there were a couple of issues in the markets with quarantines and positives. Even with those issues, sales had been processed and jobs done with minimal disruption
- Mr. Honeycutt reported that there had been some serious phone issues in the DOL

- Lila Taylor sent out kudos and words of appreciation to people working in the Markets for getting their job done. She suggested that to help Market staff, that people not wait until the day of the sale to get their livestock inspected

**(1:00:35) 9:03 AM – UPDATE ON EXECUTIVE PLANNING PROCESSES FOR 2021 LEGISLATURE**

**(1:00:40) 9:03 AM– Review Legislative Bill Drafts**

Mike Honeycutt reported that the DOL had six Legislative Bill Drafts, three already had sponsors and three, the DOL was in the process of finding sponsors for and moving forward:

- Livestock Loss Board (LLB) Bill Drafts
  - Establishing a multiplier
  - Establishing stable funding for their prevention grant program
    - This bill would establish a budget for leftover claim dollars that would sustain their ability to make grants to organizations year-to-year
  - Allow for depredation payments to folks in tribal jurisdictions regardless of whether that tribe has a MOA with the LLB or not, for tribal and non-tribal members
- Animal Health and Food Safety Division Bill Drafts
  - Establish an indemnity fund that takes \$10,000 in per capita fund dollars per year, capping it at \$100,000 to help indemnify animals in Animal Health disease investigations
  - End the garbage feeding of swine in the state of Montana
    - Currently, there are no permittees of garbage feeders of swine in Montana
    - Mr. Honeycutt said there is a significant threat of African Swine Fever, Foot & Mouth Disease and other diseases that can move through refuse
    - This bill will not disallow the feeding of dried distillers' grains or spent grains from brewing or distilling operations or rendered waste or pasteurized milk
  - Update custom-exempt laws to meet Federal standards
- Mr. Honeycutt reviewed the Legislative website with the BOL, explaining how to search for bills and follow their progression throughout the Session
- Mr. Honeycutt said that the Legislature had often asked the DOL to speak on an informational level regarding certain bills, but, if the DOL was ever asked to take a position to support or oppose a bill, there were two things that he would be looking for
  - Mr. Honeycutt would like the BOL to express the position they want the DOL to take
  - The DOL would need to have the Governor approve of that position

- Mr. Honeycutt said that the DOL is working on Legislative packets of information for Legislators, including a one-page information sheet with some high-level information about the DOL including contact information and pictures of new staff

**(1:22:37) 9:25 AM– Review Budget Requests, Expectations and Documents**

Mike Honeycutt explained that the budget requests from the DOL to be presented to the Legislature are mostly in HB2, but, the Long-Range Building Plan (LRBP) request is in HB5:

- Mr. Honeycutt said that the DOL was preparing for the HB2 request on the budgetary side and that will go into Section C, which is the Natural Resources Committee
  - The Legislative Fiscal Division was preparing reports for that Committee and in the last two days, the DOL received a draft copy of their analysis of the DOL HB2 budget requests
  - After reading the draft analysis, the DOL proposed questions back to Legislative Fiscal and eventually, a final report would go the Committee. Mr. Honeycutt said he had already had a request from one Committee member to meet and talk about the DOL budget
  - Mr. Honeycutt was expecting that the DOL would present their budget to the Section C subcommittee sometime in January or early February and from there it would go to House and then Senate Appropriations and then finally to a joint conference committee and would not be finalized until the end of the Session
- Brian Simonson reported that the Legislative Fiscal Division required that the DOL put together a web page containing the documents the DOL was prepared to talk about to the Section C Subcommittee and the LRBP. It had been posted and could be found under the Centralized Services Division drop down on the DOL website
  - Mr. Simonson said as a requirement from OBPP, there was a listing of 2023 goals and objectives in those documents, so Legislators could find out more about the DOL
  - Also, in those documents, it lists the total DOL budget submission for the biennium of \$32,422,037 and breaks it down into major funding components
- The overall budget request increased about 6.4%, with 4.9% of it in Personnel. While some numbers increased from what they were before that was being projected for the next biennium, present law adjustments went down considerably, with the Operating Expenses statewide present law adjustments a credit, coming in negative
- In the Animal Health and Food Safety Division, there was a request for an extra .5 FTE in the Meat & Poultry Bureau, a request for four additional new leased vehicles, hazardous waste disposal services and lab equipment at the MVDL and a general fund expansion listed under the Operating Expense category and that comes because of the DSA expansion

- Three new proposals were listed in the Centralized Services Division documents, the helicopter for \$300,000, computer funding augment for \$10,000 that had been approved by the BOL, and lastly, LLB's operations augment of \$11,000
- Mike Honeycutt said that although the web page documents were requested initially because of some Legislators engaging in the Session conversations virtually, he felt it was a good resource for the BOL to stay up-to-date with the documents being presented

**(1:50:22) 9:53 AM– Review LRBP Proposal and Documents**

Brian Simonson reviewed with the BOL what had been done up to this point regarding the Long-Range Building Plan (LRBP) Proposal:

- An LRBP submission for the proposed new VDL in Bozeman was made in IBARS in September 2020. That submission's structure was copied, along with comments, and was the same one Legislators, Legislative Fiscal Division (LFD), Office of Budget and Program Planning (OBPP) and Architects & Engineering (A&E) would see when presenting defense of the submission
  - In the structure section, it showed that the building to be replaced is a 1961 building, and that had been viewed several times in interim studies
  - Brian Simonson said that he used Dr. Zaluski's comments made in a previous Session as a reason the replacement was needed. Some of those comments included the critical surveillance needed to support a \$2 billion cattle industry, pictures included in that section show the crowded conditions and the need for more space
  - Another section titled Alternatives Considered include, renovation of the facility and a lease versus build option
  - The section titled Rationale for Selection, talks about needing more floor space for safety, future proofing, new programs that had come on since the building was originally constructed and things being looked at for the future in that facility
  - Mr. Simonson said that diagrams included the layout of the building with the Department of Agriculture portion, although they will need to defend their portion of the building themselves and he was not privy to what they had submitted
- Mr. Simonson reported that A&E would be shepherding the conversation about what was being proposed in the LRBP and would be the first presenter of it, including information about the DOL and the Department of Agriculture in the same building
- Mr. Simonson said he had seen in Subsection F from the Governor's budget for the proposed Lab that the Department of Agriculture was requesting 100% general fund to pay for their portion of the building and that he could not say for sure at this point if the Livestock portion could be approved and Ag' portion approved at a later time
  - Mike Honeycutt said that there was going to be a major push regarding the Wool Lab and that there was still Legislative interest in doing something about Montana FWP and that possibly, with two study committees already having addressed that particular topic, the Legislature

may feel the proposed new Lab with only the DOL and Department of Agriculture may not be inclusive enough and that it would need to figure out how to put other organizations into the facility as well

- Brian Simonson said that 66% of the work done at the MVDL had a public health component to it, and he was using that information to try and defend why general fund was being asked for in the Lab. He said that the goal was to keep support going forward for building a new Lab as a 50/50 split between general fund and per capita fee
- In the LRBP submission, Mr. Simonson said that the proposed new Lab, a 33,643 square foot facility, was a \$26 million project, but, with the addition of the Department of Agriculture, that cost was split in half to \$13 million that the DOL proposes to pay for their portion in two components
  - The first component would be a \$7.6 million dollar down payment, and even though the DOL does not have that in reserve right now, if the plan was accepted this Legislative Session, the facility wouldn't be finished until 2026, giving time to raise more funds
  - The second component would be that the DOL would have to bond for the remaining \$5.4 million. Divided over 30 years at 2.5%, that would be an annual Operations account payout of \$257,000
  - O&M costs, once the proposed Lab is completed, were estimated to be \$418,000 per year, and that would be split with State general fund. According to Mr. Simonson, the public interest would pay the other half of that, \$209,000. Adding the \$209,000 to the \$257,000 annual bond cost, total additional annual expenses for the VDL would be \$466,000
  - Mr. Honeycutt said that the \$466,000 additional costs would not be realized for several years, until the building is completed, giving the DOL time for the proprietary fund in the VDL to grow. He added that for the last biennium the DOL anticipated more revenue than authority and that added to savings, and that the budget put forward for the next biennium is also a savings budget
  - Mr. Honeycutt said if the building project is rejected by the Legislature this time around, in two years, when the Legislature meets again, the down payment would be larger because the extra cash balance was being saved for this building project
- User fees, including zoonotic, milk testing and Brucellosis would also support the ongoing costs of the proposed Lab. CWD testing fees did not come online until after the LRBP submission, so they were not listed, but they could be commented on when getting up to defend it before the Legislature
- Mike Honeycutt said that his argument has been and will continue to be for general fund dollars, that the threat of Brucellosis comes from wildlife held in the public trust and that is why the public should pay for that, including the testing. The VDL not only does Brucellosis testing, but rabies testing and has the ability to test on influenzas, all a public health component

**(2:25:14) 10:28 AM –RECESS**

**(2:25:18) 10:46 AM – RECONVENE**

**(2:25:18) 10:46 AM – EXECUTIVE OFFICER ANNUAL REVIEW FORM**

Mike Honeycutt and Nina Baucus reported changes they had made on the Executive Officer Annual Review Form, as requested by the BOL:

- Questions pertinent to the previous year's review and not applicable for this year, were removed from the review form
- A section was added to the review form that would allow a list of new goals to be entered
- A section was added that would say, engage with the BOL and with Managers about professional opportunities for all staff

**BRANDS ENFORCEMENT DIVISION**

**(2:32:51) 10:58 AM**

**(2:33:07) 10:59 AM – RERECORD UPDATE**

**(2:33:13) 10:59 AM – Marketing Update**

Per a request at the last BOL meeting, Ethan Wilfore gave a general summary of what had been completed for paid marketing for rerecord promotion, what was pending and what the Brands Enforcement Division was proposing for rerecord promotion:

- A full-page advertisement, informing the public that rerecord was coming in 2021 had been placed in the Western Ag Reporter herd book in mid-November and a quarter-page Western Ag Reporter ad was booked for around December 10, 2020
- Two-weeks of informational rerecord ads were also run in 67 newspapers, one this week and one the following week at a cost of \$4,200
- Ethan Wilfore did an interview with Andy Schwab of Northern Ag Network that aired on the radio about a week or two ago
- According to statute, a rerecord advertisement must be run in each county newspaper in the state between January and June of the rerecord year
- Mr. Wilfore said he would like to run radio ads during the 3<sup>rd</sup> and 4<sup>th</sup> quarter of 2021 as a reminder to folks who had not yet rerecorded their brand. He was asking for \$15,000 to spend for 15 30-second ads per month for just under four months
  - Radio ads would air on Northern Ag Network (34 affiliates) at a price of \$145/ad and Western Ag Network (18 affiliates) at a price of \$125/ad
- It was requested to change the advertising amount requested by Ethan Wilfore to \$20,000 rather than his original request of \$15,000, so it would not only cover the radio ads, but also newspaper advertising as well

## **MOTION/VOTE**

**(2:38:55) 11:05 AM** Nina Baucus moved to give the Brands Enforcement Division \$20,000 for use in rerecord radio advertising on both the Northern Ag Network and the Western Ag Network and also for rerecord newspaper advertising. Wendy Palmer seconded. The motion passed.

### **(2:47:18) 11:13 AM – Overall Status Update**

Ethan Wilfore reported that regarding brand rerecord, the planning and preparation phases were completed and the execution phase was nearly completed:

- Mr. Wilfore said that Kelly, the one-time-only hire to help with rerecord, was continuing to train
- Nearly 56,000 rerecord packets were sent out at a cost of 58.5 cents each, for a total postage cost of just over \$25,000. The State Print and Mail cost was around \$11,000
  - Mr. Wilfore explained that State Print & Mail did a quality check on addresses, utilizing a USPS database, before the packets were mailed out and that updated many of the addresses automatically
- Mr. Wilfore said that a second outreach is planned from the DOL for those who had not rerecorded by the second half of 2021
- Mr. Honeycutt said it was not out of the question that a list of names may be sent to Local Inspectors to find people if the DOL continues to strike out on ways to reach them
- Rerecord posters have been sent to the markets and are posted there

### **(2:57:43) 11:23 AM – REQUEST TO HIRE POSITIONS**

#### **(2:57:43) 11:23 AM – Request to hire BLS Market Inspector Position/Request to Hire Glendive Market Supervisor Position**

Ethan Wilfore reported that there were two vacant positions in the Brands Enforcement Division that he would like permission to fill:

- BLS Market Inspector
  - Jake Eshelman, who was recently hired as the District 4 Investigator to replace Monty Simonson, had been a Market Inspector at BLS, and that is now a vacant position to fill
  - Jake Eshelman, now a District 4 Investigator will need to get POST certification. But, Mr. Wilfore said that even prior to going to POST, if a person is appointed, which Mr. Eshelman has, he is able to carry out law enforcement duties
  - Mr. Honeycutt said that Mr. Eshelman will be under strong supervision from the Eastern Area Supervisor and he will work with staff that had been trained as field training officers
- Glendive Market Supervisor
  - The current Glendive Market Supervisor will be retiring at the end of the year, leaving that position vacant

- Mr. Wilfore said that there was a coverage plan in the interim to cover that market for the time until the payout is retired out

## **MOTION/VOTE**

**(3:03:37) 11:29 AM** Lila Taylor moved to approve filling the vacant BLS Market Inspector position and the Glendive Market Supervisor Position. Sue Brown seconded. The motion passed.

## **(3:04:24) 11:30 AM – CRIMESTOPPERS UPDATE**

### **(3:04:24) 11:30 AM – Review and Approve Nominees for At-Large Members**

Ethan Wilfore said that he was in the last days of getting the Crimestoppers Commission set up and wanted to give recommendations and options for appointing At-Large Members:

- Mr. Wilfore explained that he and Nina Baucus had come up with a list of four people to possibly serve as At-Large members who not only had background experience in the industry but covered different geographical areas of the state. There are two At-Large seats to fill to serve for two years
  - Casey Fitzsimmons from Canyon Creek, was a Local Inspector
  - Kristin Bieber from Brockway, was active, along with her husband, in the Montana Woolgrowers Association
  - Todd Enders from Decker, was a former Game Warden with Montana FWP and he and his family run a cattle operation near Decker
  - Sam Fortman from Wolf Point, raises sheep and cattle and serves on the Board of Directors for the Montana Woolgrowers Association
- Mr. Wilfore said that all the candidates had been asked about serving on the Crimestoppers Commission and all were interested
- Many of the BOL members were not familiar with the candidates and so it was decided to let Ethan Wilfore choose the two to serve on the Crimestoppers Commission for a two-year period
- It was requested that Mr. Wilfore consider looking at a promotional plan for Crimestoppers and also to make sure the public was aware that the Livestock Investigators were doing their job by possibly having items posted in the paper regarding the legal actions they carry out

## **(3:15:05) 11:41 AM – PUBLIC INFORMATION OFFICER DISCUSSION**

Brett DeBruycker brought up the possibility of revisiting the potential of moving forward with the hiring a Public Information Officer (PIO) for the DOL:

- Mike Honeycutt said that the hiring of a PIO could be done, but that it was behind the time period to do that for this biennium unless another open FTE would be repurposed for that position
- Mr. DeBruycker said he thought it would be a good idea to have a PIO for the brand rerecord to write letters to the Editor, do Op Eds or interviews on radio

stations, but if it is not possible in 2021, that Ethan Wilfore should be making a concerted effort to handle those things and should make it a priority

- Mike Honeycutt reported that during the 2019 Legislative Session, a request to fund a PIO position got cut from the budget
- Mr. Honeycutt said the challenge of having a current DOL employee fill that position is that they can only wear so many hats and that it is hard to be speaking about the crisis when you are dealing with the crisis
- Mr. DeBruycker said that he does not feel that having a PIO was an idea the DOL should push aside

### **(3:20:37) 11:46 AM – REVIEW OF FBI COMMAND COLLEGE**

Ty Thomas reported on his attendance at the FBI Command College, a three-state function. The FBI Command College has regional offices in Salt Lake City:

- The FBI Command College was held October 18-24, 2020 at West Yellowstone, with 20 officers from Montana, 20 officers from Utah and 20 officers from Idaho in attendance
- The main focus of the college is based around leadership for training of ranked officers
- Subject matter covered during the college
  - Attendees looked at trends in the United States in law enforcement agencies, how to deal with them and what's on the radar moving into the future
  - Also explained were the resources that the FBI had to offer for agencies as far as training and reaching out and seeing if they would be able to help with investigations
  - Assistant US Attorneys in the area gave their take on what they were seeing as far as criminal activities through the court and adjudication
- Mr. Thomas said that he brought back some training ideas to present to Livestock Enforcement Officers(LEOs) and a few videos that would help to keep them on their toes for what's being seen in the world and to keep them safe as officers
  - Mr. Thomas said he had been working with the FBI contact in Texas on trying to get some training for LEOs and other law enforcement agencies regarding biosecurity and agroterrorism
- Mr. Thomas said the college also was a very good networking opportunity to meet with sheriff's offices in other states to hear about their jobs and for them to hear about his job and to give them a place to call him if they have an issue he could help them with

### **(3:27:34) 11:53 AM – CHANGE OF SALE DAY REQUEST FROM BEAR PAW LIVESTOCK (CHINOOK)**

Ethan Wilfore reported that there had been a change of sale day request letter received by the Brands Enforcement Division:

- The letter received was from Travis Buck at Bear Paw Livestock in Chinook, who was requesting to change their sale days from Fridays to Mondays

- Mr. Buck said that currently, for shipments of feeder cattle north, they had to hold their calves for three days. He would like to streamline shipments and entice buyers from other parts of the state to attend the Chinook market
- Mr. Buck also said that many of their employees had children involved in school functions, and that the move to Mondays, he believes, would help with employee retention
- The BOL website shows that the only other market that had a regular Monday sale day was Headwaters Livestock in Three Forks
- The BOL agreed that holding a hearing regarding the change would be the best way to get feedback from inspectors, buyers and the general public
  - It was agreed to have Ethan Wilfore set up a hearing regarding the change of sale date and that the BOL would conduct the hearing rather than a Hearings Officer
- Nina Baucus expressed her appreciation to Ethan Wilfore for helping her ranch acquire a travel permit for sheep they were shipping to the Missoula area when there were problems with the State online permit system

## **LEGAL COUNSEL UPDATE (Legal Update from BOL Legal Counsel, Lindsey Simon)**

**(3:38:27) 12:04 PM**

Lindsey Simon reported on the Dean Foods bankruptcy demand letter received by the DOL:

- Lindsey Simon said that Dean Foods had sent out a number of demand letters; the Milk Control Bureau received two, one regarding milk control assessments and the other regarding milk inspection assessments
  - According to Lindsey Simon, both letters said that Dean Foods had made payments to the Milk Control Bureau in the preference period, prior to filing for bankruptcy
  - The letters requested additional information if it was believed that they were in fact not preferences and a settlement offer was included
- Ms. Simon said that a response was sent for both letters, because it was not believed that it was a preference. The response essentially said, the money received was not actually payments of the debtor's property, but that it was the producer's money and that the payments were in the ordinary course of business
  - Ms. Simon said a response was received regarding the milk control assessments and the attorneys for the debtors in possession agreed with the Milk Control Bureau's position and are not going to pursue it any further. But, no response had yet been received regarding the milk inspection assessment so far
- Ed Waldner said that they received a letter and are working with Chad Lee and also have two attorneys working on their situation

## **CENTRALIZED SERVICES DIVISION REPORTS**

**(3:45:44) 12:11 PM**

**(3:45:44) 12:11 PM – PREDATOR CONTROL**

**(3:45:50) 12:11 PM – Update on Activities of USDA Wildlife Services**

John Steuber reported on the latest activities of the USDA Wildlife Services:

- Mr. Steuber reported that Keith Wehner is the new Regional Director for USDA Wildlife Services, as Jason Suckow had left that position and taken the position of Director of the National Wildlife Research Center
- Mr. Wehner had been one of two Assistant Regional Directors. His position was now vacant
  - John Steuber said he was acting as Assistant Regional Director for six weeks. That started on November 30, 2020 and will go into January
- The other Assistant Regional Director passed away unexpectedly after 40 years of service with Wildlife Services and had been replaced with Wendy Anderson, who had been with Wildlife Services for about 23 years
- Mr. Steuber reported that Wildlife Services was still in limbo regarding their budget, as the Continuing Resolution, passed the Friday before, would expire in two days
- The US Fish and Wildlife Service's \$250,000 funding to Wildlife Services given the previous year, was renewed again for this fiscal year which started on October 1, 2020. The funding was to do grizzly bear work
- Mike Hogan, Wildlife Specialist who covered Toole, Liberty and Pondera Counties, would be retiring at the end of 2020, after working for Wildlife Services for nearly 43 years, 29 of which were in Valier
  - Mike Honeycutt commented that during a recent conference call with the Marias River Stockgrowers Board of Directors, they spoke about Mike Hogan's retirement, and Mr. Honeycutt said it was really difficult to achieve what it seemed like Mr. Hogan had achieved in that community and that was pretty much universal support and appreciation for what he had done
  - Mr. Steuber added that the Blackfeet Nation wanted to hold a retirement celebration for Mr. Hogan, but, due to COVID, it would have to wait

**(3:52:30) 12:17 PM –LUNCH**

**(3:52:39) 12:51 PM – RECONVENE**

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

**(3:52:39) 12:51 PM**

**(3:53:11) 12:51 PM – ANIMAL HEALTH BUREAU**

**(3:53:28) 12:52 PM – Chronic Wasting Disease Update**

Dr. Tahnee Szymanski updated the BOL on the latest Chronic Wasting Disease (CWD) situations in Montana:

- In January 2020, a diagnosis of CWD in a captive game facility was found in Eastern Montana
  - The facility had been fully depopulated and the DOL was working with Montana FWP regarding maintenance of the fences on that facility for five years after depopulation
    - Dr. Szymanski said that the five-year restriction on the fencing was to prevent wildlife from being able to go into an area where there had been CWD-positive animals
    - According to Dr. Szymanski, cattle and sheep can graze in the fenced-in area as they are not species considered to be susceptible to CWD
  - The DOL was also working through the process of getting a final herd plan in place
  - Dr. Szymanski said that the DOL was awaiting results from the tests made on the last of those depopulated animals to see if there were any other positives in that herd
- Dr. Szymanski reported that a second diagnosis of CWD was made in a captive game facility, this time in Flathead County
  - Dr. Szymanski said that although an animal was found dead on the property, it did not, according to the owner, appear to exhibit any clinical signs compatible with CWD before its death
  - The Animal Health Bureau was working with the game facility owner of the indemnity process and then planned to move forward with the depopulation process within the next week or so
  - Regarding a potential source of introduction, Dr. Szymanski said that they had no known source as of yet, as there had been no movements into or out of the herd in over 20 years. There were no trace outbreaks because of that prolonged period of time of no movement and there had not been a tremendous amount of wildlife surveillance in Flathead County
  - The closest known positive to the game farm were in Libby
- Nina Baucus questioned the possibility of the source of introduction being birds or possibly hunters bringing the disease in on their boots from other areas

**(4:02:50) 1:01 PM – Tuberculosis Update**

Dr. Tahnee Szymanski updated the BOL on a few different epidemiological investigations in Eastern Montana associated with the detection of Tuberculosis (TB) at slaughter in a Midwestern state:

- A single herd in Treasure County was traced back to the detection of TB in a cow at a feedlot in Nebraska in March of 2019
- That herd was considered a source herd for this animal and was required in the Spring of 2019 to go through two whole-herd tests while under quarantine
- Some animals, considered responders on the live animal test, were taken to slaughter, and after more tissues were tested, there was no evidence of TB found

- The herd was removed from quarantine and after completing an assurance test in early November 2020, all animals were found to be negative, concluding the epidemiological investigation associated with that original positive

**(4:05:03) 1:03 PM – National Animal Disease Preparedness and Response Program (NADPRP) FY20 Grant**

Dr. Tahnee Szymanski reported on a Farm Bill Grant received by the DOL's Animal Health Bureau:

- Dr. Anna Forseth wrote a grant proposal, based upon the USDA's recent announcement of a second round of funding available through the National Animal Disease Preparedness and Response Program (NADPRP)
- Dr. Szymanski explained that the DOL had previously received funding through NADPRP for the purchase of captive bolt guns
- The latest grant received was for nearly \$30,000 and was based upon some of the outcomes of identified shortages during the Agriculture Response Management and Resources (ARMAR) exercise the DOL was part of in 2018
- This funding, according to Dr. Szymanski, would be used to conduct 10 biosecurity table-top courses around Montana during the next year or two and would be focused towards beef production in Montana, trying to get producers to be aware of what the secure beef supply program looks like
- Dr. Szymanski explained that the grant was written to look at areas of the state that have the highest cattle numbers, in hopes to minimize the distance producers have to travel to attend the courses, but anybody that raises beef in Montana, feed lot operators and even veterinarians could attend the courses

**(4:10:59) 1:09 PM – General Animal Health Discussion**

Dr. Tahnee Szymanski explained further what was being done by the State of Montana to prevent the spread of Chronic Wasting Disease (CWD) and Epizootic Hemorrhagic Disease (EHD):

- Dr. Szymanski said that when Montana FWP identifies areas in the state where CWD is prevalent in wildlife populations, they implement control zones where there are limits on what can be taken out of those areas in regards to risk materials
- Although she said she would not discount it, Dr. Szymanski said she had not heard of collecting prion proteins on shoes and potentially bringing those to a facility as a specific pathway of spreading CWD
  - Dr. Szymanski said that when you are speaking about biosecurity, whether it was poultry, beef, swine or cervids, which are susceptible to CWD, to have dedicated clothing or footwear that you wear around your animals
- Dr. Szymanski said that EHD can be transmitted to some livestock species and so the DOL typically stays in close contact with Montana FWP when they have diagnoses in wildlife species in Montana and also was aware of insect surveillance of those insects who transmit EHD

- Dr. Szymanski said that there had not been much of a problem with EHD in Montana, but like Blue Tongue, which is in the same category, they pay attention to it in the late summer or fall of each year

Dr. Tahnee Szymanski discussed RFID tag concerns:

- Dr. Szymanski said that their Bureau was in regular communication with veterinarians, reminding them of the free RFID tags that USDA had offered and also filling them in on any issues the DOL is aware of regarding those tags
- Dr. Szymanski explained that the USDA had contracts with three manufacturers of the RFID tags, and so, she said it was important that veterinarians provide the correct pins for a particular manufacturer when they order pins because otherwise the tags could break
- Lila Taylor reported that there were producers in her area that were having trouble with RFID tags breaking, and it wasn't weather-related, because it hadn't gotten cold enough for that to happen

**(4:20:41) 1:19 PM – VETERINARY DIAGNOSTIC LABORATORY BUREAU**

Brett DeBruycker explained to Dr. Juda that the Operations Update from the Consent Agenda had been removed to the MVDL's segment of the agenda

**(4:21:20) 1:20 PM - Operations Update (removed from Consent Agenda)**

Per BOL request, Dr. Juda reported on the Operations Update that had been removed from the Consent Agenda:

- Dr. Juda reported on CWD testing being done at the MVDL on behalf of Montana FWP
  - As of December 4, 2020, the MVDL had performed a total of 6,207 CWD Elisa screening tests on behalf of Montana FWP and as of December 15<sup>th</sup>, that test number had increased to 7,249
  - Although the 11,000 CWD tests the MVDL had committed to perform for Montana FWP had not been reached, Dr. Juda reported that in certain areas of SW Montana, the whitetail hunting season had been lengthened into mid-February to reduce population and for further surveillance
  - The MVDL, according to Dr. Juda, was able to keep up with a turnaround time of 6 days, even during the peak hunting season, for the CWD tests and no samples from the ELISA tests were shipped down to Colorado State University this year
  - Dr. Juda also pointed out that the MVDL staff was able to perform the CWD testing without incurring a bunch of overtime
- The MVDL was essentially the first laboratory in the US to sign up for an epidemiological surveillance initiative being done by the CDC to do DNA sequencing on rabies-positive animals' tissues
  - Dr. Juda reported that the MVDL had an archives of the rabies-positive animals tested in 2020 and they were going to start by sending samples of those first to the CDC, and then, going forward, probably send samples to them on a quarterly basis

- The CDC would pay for shipping and provide information back regarding the species of the animals that test positive in Montana
- Dr. Juda reported that as of December 4, 2020, the Serology Lab had performed 72,971 tests for Brucella for FY21 and on the past Monday alone, performed 2,900 tests
  - The Brucella test number was higher than last season, according to Dr. Juda, who said part of that had to do with DSA expansion and the new FP assay
  - Dr. Szymanski said that Brucellosis testing numbers were pulled for two years, December 16, 2019 until December 15, 2020 and that during that period, 100,149 Brucellosis tests were performed in Montana. Prior to that, December 16, 2018 through December 15, 2019, 82,000 Brucellosis tests were performed in Montana
- Dr. Juda reported that the MSU Facility Services folks had temporarily repaired the walk-in cooler at the MVDL and that it was currently holding temperature, but will be monitored

**(4:28:58) 1:27 PM - Summary of MVDL 2021 Farm Bill Award**

Dr. Greg Juda reported on the approval of a 2021 Farm Bill Award for which the MVDL applied for, in conjunction with the University of Illinois (UoI) and South Dakota State University (SDSU):

- Dr. Juda explained that the MVDL, UoI and SDSU had been working together on ways to improve their Laboratory Information System (LIMS) systems, of which all three utilize the VADDS system
- Through the National Animal Health Laboratory Network (NAHLN), a joint Farm Bill grant application was submitted, and the three Laboratories were notified about two weeks ago that a grant of \$241,550 was awarded, with \$94,500 of it granted to the MVDL
- The scope of the grant is to enable a more efficient response to foreign animal disease testing and diagnosis and a specific aim was related to business intelligence and analytics
- Duration of the grant work would begin on January 1, 2021 and continue for 12 months
- Two tablet PCs were included as part of the grant reward that would be used for Lab personnel
- Other items that would be utilized with the grant award include, some contractual work with the company that supports the MVDL system, the ability to pay a contractor and IT Specialist to work on the VADDS system and a couple of site visits for implementation of dashboards, custom accessioning screens that can be utilized from the field and other electronic worksheets
  - The MVDL hoped to hire on a part-time basis, a former MVDL employee named Ted Jacobsen, who was quite proficient with the VADDS system, according to Dr. Juda, to conduct some of the changes to the system
  - Dr. Juda added that Dr. Steve Smith would provide internal technical expertise with the system, both with IT and as a VADDS super-user

**(4:40:20) 1:38 PM - Amended Rules Request**

Dr. Greg Juda said he was requesting five additional test services be offered at the MVDL, a move that would amend the MVDL fee schedule rule, ARM 32.2.403:

- Mycoplasma bovis PCR and Coxiella and Chlamydomphila PCR
  - These tests, in association with abortion workups, were referred frequently to other labs
- SNAP Bovine Viral Diarrhea Virus (BVDV) Antigen Test
  - The BVDV test had faster turnaround and was less expensive than what the MVDL offered in terms of that type of diagnostic testing
- Equine Virus Arteritis (EVA) Virus Neutralization Test
  - This was a NAHLN test that would improve the MVDL's standing with NAHLN if the MVDL had the capability to conduct it. It would be a minimal investment to get it up and running
- Idexx SNAP Giardia Antigen Test
  - The current test that the MVDL was performing was not approved by the USDA for use in animals and the requested test was approved by USDA with a faster turnaround time at less cost
- Dr. Zaluski reported that the expanded testing services were recommended by Dr. Erika Schwarz, a PhD Virologist who was recently hired. Dr. Zaluski said he felt the tests were important to continue to be a full-service lab
- Concern was raised about the number of tests run and whether or not that would justify the purchase of test kits
  - Dr. Juda said that his office would provide to the BOL, the numbers of these tests sent out to other labs
- Dr. Juda said that the new testing would work right into the normal workload currently conducted and that there would be no need to hire extra staff to perform the tests
- Most, if not all, of the requested new test kits were approved by USDA, so moving into them would be literally turnkey, according to Dr. Juda. He added, though, that staff training and passing a proficiency test would be required before performing the tests

**MOTION/VOTE**

**(4:57:50) 1:56 PM** Gilles Stockton moved to publish the amendments to the MVDL fee schedule (ARM 32.2.403), expanding test offerings by five diagnostic tests with their fees, as presented by Dr. Greg Juda, with more data to be brought forward to the BOL regarding test numbers. Ed Waldner seconded. The motion passed.

**(5:01:19) 1:59 PM –RECESS**

**(5:01:20) 2:16 PM – RECONVENE**

## **CENTRALIZED SERVICES DIVISION REPORTS (Continued)**

**(5:01:20) 2:16 PM**

The BOL waited to begin the Fiscal Bureau report, as Brett DeBruycker had some technical difficulties with his computer

**(5:03:20) 2:17 PM – FISCAL BUREAU**

**(5:03:20) 2:17 PM – Aerial Hunting License Renewal**

Brian Simonson reminded the public that the annual aerial hunting license renewal deadline was January 31, 2021:

- Currently, there are approximately 35 pilots registered in the program
- As part of renewal, Mr. Simonson said pilots must have their Montana Department of Transportation Aeronautics Division license
- Pilots registering with the Aerial Hunting program must have permission from at least one landowner to hunt on their property
- Those registered in the program must also provide harvest update information to the DOL at the end of June and the end of December
- Mike Honeycutt said he would research whether or not the private pilots in the Aerial Hunting program could hunt over public lands

**(5:05:34) 2:20 PM – November 30, 2020 State Special Revenue Report**

Brian Simonson reported that the last report given to the DOL was in September for State Special Revenue, and as of this report, the DOL had been outpacing what was done at this time last year:

- Mr. Simonson said that the DOL was gaining ground in every category except for those investment earnings, which, depending on the type of investment, returns had been between 5%-15% of what they were at this time last year
- Mr. Simonson said that Fall Run looks to be extending into December this year and that deposits for inspections have been coming in more timely
  - Field Inspections, that had been coming in negative in the first quarter of the year compared to last year were now positive, bringing in \$77,000 in the last two months
  - Market Inspections had brought in nearly \$400,000 in the last two months, jumping to \$70,000 more than last year at this time
  - Brett DeBruycker said that he realized that cattle were being sold and cow numbers sold off to some degree, but that Montana stayed so stocked, typically, and he would be surprised if the DOL's net cow numbers would change that drastically, but that he could very well be wrong
- Although per capita green postcards wouldn't be sent out for another 1 ½ months, those collections were \$28,000 more than the last reporting period. The DOR, according to Mr. Simonson, said they were going to send out around 16,000 postcards
- Although Milk Inspection was showing a negative \$14,000, it was cut by \$18,000 in the last two months, primarily due to a late payment that had come in

- Mike Honeycutt agreed with Ed Waldner that a big contributing factor to the negative \$14,000 was because of the DOL not being paid fully by Dean Foods, because of their bankruptcy
- Mr. Simonson concluded that budgetarily in the Milk & Egg Bureau, the program had cut back some staff and they would have enough money to get through the year
- Egg Grading was showing a \$20,000 improvement over the last reporting period and a \$37,000 positive over this time last year
- The VDL had doubled in the last two months what was brought in at this same time last year
  - Mr. Simonson said that the fee increases go a long way to explaining a lot of the increase. He reported as an example that Brucella test fees last year were predominantly \$1.60 and this year were \$3.60
- Mike Honeycutt pointed out that the Wolf Donation Fund had received significantly more donations in the first half of this year than last year to help Wildlife Services do their wolf work and he gave kudos to those folks who put that policy in place

**(5:17:37) 2:32 PM – December 2020 Through June 2021 Expenditure Projections**

Brian Simonson reported that there were not a lot of variations in the newest expenditure projections from the ones reported during the September BOL meeting:

- Mr. Simonson explained that the year-to-date expenses were higher because of two months' worth of activity being reported and that Fall Run, DSA Surveillance and CWD testing also contributed to those higher figures. Total expenditures were \$460,000, a \$30,000 increase from two months ago
- Personnel Expenses were \$201,000, down \$18,000 from the September projections, a lot of that was due to vacancy savings in the Milk Control Bureau and the Milk & Egg Bureau
- Mr. Simonson said that the financials for the Meat & Poultry Inspection Bureau continued to be a concern, but that CSD was tracking it and that Federal augments and carryforward in general fund could help that situation
  - Mike Honeycutt explained that the Federal augments are excess funds turned back to the USDA each year from certain states, that other states can apply for if needed. Last year, the DOL was successful in acquiring some of the excess funds from USDA
  - Mr. Honeycutt added that the DOL is growing into learning how to utilize proprietary funds that are being collected through fees at the MVDL
- The significant positive under the Operations segment in Contracts mainly came out of CSD and the Milk and Egg Bureau; Supplies is also mostly a number derived from the positives in CSD
- Rent and Other Expenses, listed at \$40,000 and \$37,000 respectively, continue to close slowly becoming more aligned to what was being done last year at this time
- Budgeted Funds did not have a lot of movement in the past two months

**(5:23:50) 2:38 PM – November 30, 2020 Budget Status Report**

Brian Simonson explained that the November 30, 2020 budget comparison report showed that DOL expenses outpaced last year's, at this time:

- According to the report, the DOL spent \$152,000 more than last year, but to counter that, the DOL was underspending in the overall budget
- The DOL budget was 32% expended at the end of November with 36% of the payroll done and 34% of the budget year lapsed
- Mr. Simonson reported that compared to last year, the DOL had more people employed, and Mike Honeycutt reminded the BOL that come January, Legislative pay increases would go into effect and that would affect every DOL employee
- Mr. Simonson said that in the Animal Health and Food Safety Division, there was authority available to help in some Bureaus that are lacking, but that the Meat & Poultry Inspection Bureau needed more general fund dollars and that had been requested of the Legislature

Gilles Stockton requested information on the current savings account of the DOL:

- Mike Honeycutt reported that currently, the DOL had about \$8 million of per capita fee in reserve at any one time, and Brian Simonson reported that currently, the per capita fee cash balance was \$10.7 million. Milk Inspection fees do not have big cash reserves because that money goes in and out pretty quickly
  - Mr. Honeycutt said that although budget authority does not reflect it, per capita fee cash reserves had added about a million dollars per year for the last five years
  - The per capita cash savings, according to Mr. Honeycutt, would help provide a down payment on the proposed new Lab, if that was passed by the Legislature
- Reserve funds had been put into short-term investment pools, allowing cash reserves to earn interest while it was not being used by the DOL
- Brands reserves come from two sources, per capita fees and rerecord fees
- Per capita revenue was available to the DOL at any time
- Rerecord revenue, received once every 10 years, must be amortized over a 10-year period of time. Currently, rerecord reserves were at \$2.4 million, which would be spent this year and next year, and then the 2021 rerecord revenue would kick in

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

**(5:36:30) 2:50 PM**

Brett DeBruycker requested public and producer organization comments be brought forward:

- Jenny Bloomquist, Montana Veterinary Medical Association, voiced her appreciation to the BOL members and DOL staff for the services they provide for the industry

## **SET DATE FOR THE NEXT BOARD MEETING/REQUEST FOR ADJOURNMENT**

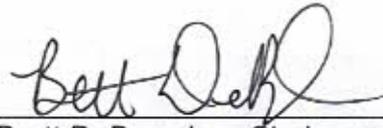
**(5:37:45) 2:52 PM**

Brett DeBruycker requested that a date be set for the next BOL meeting:

- The next BOL meeting was set for Wednesday, January 20, 2021
- Mike Honeycutt said that it was possible that the date of the next BOL meeting could be changed, depending on the Legislative Session schedule
- Another BOL meeting date was not set for the Bear Paw Livestock Auction hearing, but it was expected to be held within the next couple of weeks

## **MEETING ADJOURNED**

**(5:43:40) 2:58 PM**



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Brett DeBruycker, Chairman