

Premium Standard Farms
Community Advisory Panel
Meeting Minutes: 10/23/03

MEMBERS PRESENT: Bill Schenlle, Dave Thomas, Paul Thomas, Ed Rhoades, Ron Hinds

ALSO PRESENT: Bill Homann and Cliff Gauldin (PSF), Glynn Young (facilitator)

Incident Reports

Bill Homann distributed incident reports completed since the last meeting:

- (1) Somerset F – a recurring incident involving seepage (4/5/03-4/9/03).
- (2) Somerset L – a recurring incident involving an attic line break, effluent and a back-up (3/11/03-3/21/03).
- (3) Terre Haute 13 – a recurring incident involving an attic break, broken flush lines, effluent discharge, pig in line and other issues (3/10/03-5/25/03)
- (4) Terre Haute 5 – an incident involving an unknown object plugging the recycling line between the lagoon and the A-side breeding barn, causing effluent to spill out of B-barn. Approximately 3,000 gallons of effluent escaped the system; the area behind the breeding barn was flushed with fresh water to the containment area, and then pumped to the lagoon. Missouri DNR was notified of the release.

Bill also noted that an incident discussed at the last meeting involving a fire at the Hickory Creek location (tenant inadvertently started a fire in a barn), which had resulted in Missouri DNR issuing a Notice of Violation, ended with DNR rescinding the NOV. The agency had investigated the smoke as an odor problem and issued the NOV as a result.

Hotline Report

Cliff Gauldin reported that there had been four calls to the hotline since the last panel meeting – one on odor, two on transportation and one an inquiry about having water pumped on a property.

The call on odor was from a neighbor near the Ruckman farm in Gentry County, who had made 10 of the 20 calls on odor year-to-date. Asked if Missouri DNR had given any special attention to this caller, Gauldin responded that he wasn't aware of any, and that repeated attempts to talk with this neighbor had been refused – the neighbor says he will speak only with the president of ContiGroup, PSF's majority shareholder.

The transportation calls involved a motorist reporting a spray of hydraulic oil from a feed truck on to her vehicle, and a neighbor at Whitetail reporting sawdust from a livestock trailer on the highway near his home. Bill Homann is having the sawdust report investigated.

Year-to-date, Gauldin said, 42 calls have been received on the hotline:

- 20 on odor (10 from the same neighbor near the Ruckman farm)
- 6 on human resources-related questions
- 8 on transportation
- 2 on contract/finishing
- 3 on the community newsletter
- 3 on miscellaneous subjects

PSF was commended by a panel member for the small number of transportation calls, given the number of miles driven by employees and contractors.

Neighbor Surveys – Lagoon Covers

Two panel members reported on results of the informal telephone surveys they had made of neighbors regarding the lagoon covers.

Ed Rhoades reported that he had made three calls to neighbors near the Valley View farm. Two of the neighbors said they had heard the lagoon covers were to be put in place but didn't know if that had happened yet, although one did say that the odor problem seemed much less. One of the neighbors said that he had been very negative about the company when it first came into northern Missouri, because of concerns about corporate takeovers of agriculture. But he said that his attitude had changed, and cited the pumping of water by PSF for him and neighbors during the recent drought. This neighbor also suggested that PSF should screen its contract growers more carefully.

Rhoades noted that a second neighbor said he believed that PSF had had a positive impact on the region. This neighbor asked if the regulations imposed only on PSF could filter down to the small producer, and if the processing plant in Milan received a subsidy for every new employee hired. (Homann and Gauldin said that there was a government assistance program for training new employees in the 1990s but that it no longer functioned. They will check to see if this could refer to anything else.)

Bill Schnelle reported that he had called six people in the Green Hills, Green City and Unionville areas. All had heard that lagoon covers were to be installed but only one had actually seen a cover in place. Generally, all said that there had been an improvement in the odor situation, although they could still smell odors from time to time. One neighbor complained about PSF not having enough fertilizer to spread on area farms.

Questions and Comments About the Survey

Cliff Gauldin said that PSF needed to get updated information about the lagoon covers and other improvements to neighbors.

Q: What about having neighbor meetings?

A: Homann said that some of the meetings held in the past had not been well attended, but even when there had been a small turnout, good questions were asked and a lot of value was gained by both the company and the neighbors.

Q: Suggestions for publicizing progress on lagoon cover installations included stories in the newsletters and before-and-after letters to neighbors.

Q: Ron Hinds described a community survey recently completed for Grand River Mutual Telephone Company. He noted that a question about where people get their information about the company from showed that #1 was a personal letter from the company, #2 was the “stuffer” in the phone bill, and #3 was the company newsletter. Newspapers and radio ranked #8 and #9, respectively. Cliff Gauldin said that PSF had done a community survey in 2000 but had not scheduled a follow-up survey because of budget constraints.

Q: Paul Thomas reported that one “good neighbor” activity by PSF had resulted in making a good friend of Coles Creek Nursery near Bethany – the pumping of water to help irrigate the company’s inventory. Homann said that PSF tried to do this whenever and wherever resources allowed; there was some wear and tear on the pumps due to the sand and rocks associated with fresh water but that was the only real cost to PSF. Thomas also said that there is great awareness on the west side of the company’s operations about PSF’s impact on the region. People were first concerned about the environmental impact, but that they’re encouraged to see the company meeting EPA and DNR requirements.

The panel discussed what might be done with the survey results. Discussion of additional phone calls will be made at the next meeting; a summary could be placed on the PSF web site; the information could be shared with neighbors via the newsletter or letters; and PSF could also use it with employees. Glynn Young will follow-up with the other panel members on their results and compile the information into a report for PSF.

Next Meeting

The panel agreed that the date of the next meeting will be Thursday, Dec. 4.

The meeting was adjourned at 9 p.m.

Respectfully submitted,

Glynn Young,
Facilitator