

Premium Standard Farms
Princeton, Missouri
Community Advisory Panel
Meeting Minutes: 6/22/06

Members Present: Ron Hinds, Ed Rhoades, Mark Yungeberg, Jack Tucker, Paul Thomas

Also Present: From PSF – Kevin Sanders, Bill Homann, Jason Helton; guest – George Woodward

The meeting began at approximately 7:15 p.m. Jack Tucker was elected chairman.

Approval of Minutes

After review, Mark Yungeberg moved to approve the minutes of the previous meeting, seconded by Ron Hinds and approved by the group.

Presentation

Kevin Sanders, Manager of Repair and Maintenance for PSF Missouri operations, provided an overview of his department. He explained the responsibilities of the work groups within the department including repair and maintenance, utilities, and Johnson Controls. He discussed the philosophy of the department, typical activities, special projects, record keeping, and progress measurements. A number of questions were asked during the discussion.

Hotline Report

Calls to the hotline during this period included one person seeking assistance in pumping water to their private pond; one dealt with a transportation complaint in Daviess County; one was a complaint of odor at the Homan farm; and one caller wanted to be removed from the newsletter mailing list.

Incident Reports

Eight incident reports (one from September 2005, three from December 2005, one from January 2006, two from February 2006, and one from May 2006) were presented to the group for review and discussion. Bill explained that during the next couple of meetings, we would be working through a backlog of reports that have accumulated as the incident review committee was properly investigating and reporting each incident. The group will be working to provide a more timely review to the CAP.

Bill discussed the May 2006 incident that resulted in a notice of violation following a contract pumpers' ruptured hose allowing approximately 1000 gallons to flow into a county road ditch before being stopped approximately 100 yards on the neighbor's property. After the area was properly flushed with fresh water and pumped to adjoining fields, DNR was notified, and a "learning after doing" session was conducted with company and contract personnel. This was the first land application NOV in nearly five years.

Questions were asked by the group on additional reports regarding procedures, existing systems, inspections, and new systems being tested.

Operations Update

Bill provided a brief overview of market prices and conditions as well as company statistics. He discussed PRRS status at Terre Haute, Coffey, and Badger Wolf. He noted that progress was being made at the Crystal Peak fertilizer plant on the continuing challenges associated with the internal recirculating processes and constant methane production.

Bill reported that the previously implemented entry and beginning level wage increase has produced excellent results in reduced turnover. A group member commented on hearing positive comments in the community on this topic. A question was asked on the plant expansion project in Milan. A brief update was given on this and on the major refrigeration project that was being completed at the plant.

Questions/Other Issues

Jason informed the group of a Certificate of Recognition received from USDA Rural Development for the on-going success of the company's Employer Assisted Housing program in Sullivan County.

The group set the next meeting date for July 27, 2006 at 7 p.m.

Meeting adjourned at approximately 9:15 p.m.

Respectfully submitted,
Jason Helton