

**AREA PLAN COMMISSION MINUTES
SEPTEMBER 5TH, 2006**

PUBLIC HEARING OF THE AREA PLAN COMMISSION OF GRANT COUNTY was held on Monday, September 5th, 2006 at 7:00 P.M. in a regularly scheduled meeting on the first floor of the Grant County Office Complex at 401 South Adams Street, Marion, Indiana. The following members were present: Dennis Fox, John Bonham, Myron Brankle, Rana Vetor, Mark Bardsley, and Dick Treon, Vice-President. Absent were Bob Highley, Dick Trobridge, Kim Windle, and Tony Manry, President. John Woodmansee arrived at 7:09 pm and Keith Roorbach left at 7:10 pm, and Karen Owen left at 7:35 pm. Staff present was Tanya Ford, Executive Director, Joella Meeks, and Brenda Harrison.

Motion was made by John Bonham to approve the June 26, 2006 minutes as presented. Myron Brankle seconded. All members present voted yes; motion carried.

Motion was made by John Bonham to approve the July 13, 2006 minutes as presented. Myron Brankle seconded. All members present voted yes, except Keith Roorbach, who abstained; motion carried.

Motion was made by Rana Vetor to approve the August 7, 2006 minutes as presented. Dennis Fox seconded. All members present voted yes, except Karen Owen, who abstained; motion carried.

Tanya Ford stated that there were no regular petitions, and that if any one wanted to speak that they needed to sign in and state their name and address for the Board. She also, stated that the sound system was not very good, and asked that the speaker stand by the tape recorder and speak loud enough for the tape to pick it up. It was recommended to the Board that they give 20-25 minutes to speak to each person on the docket.

OTHER BUSINESS:

Advisory Committee Membership

Tanya Ford stated that the Advisory Committee Membership corrected itself and would not be heard.

Other Amendments

Tanya Ford requested that the Amendments be continued to the October 2nd meeting.

Motion was made by Dennis Fox to continue Other Amendments to the October 2nd meeting, John Bonham seconded. All members present voted yes; motion carried.

Rogers Anderson – shed

Roger Anderson, 1604 E Olive Drive, Marion, stated that he came in to get a permit, and he was denied. He asked for the reason why and he stated that Mrs. Ford replied “because I’m the boss and I’m denying it.”

Tanya Ford stated that he came in for a permit for a shed. The shed is a non-conforming structure, and it appears that it is in the right of way of an alley or close to the alley and not meeting setbacks. She stated that if he were doing routine maintenance there wouldn't have been a problem, but when he came in he was adding trusses to the flat roof of the shed, and one of the walls was falling down.

Tanya Ford stated that Mr. Anderson did not like the explanation she gave him on why she couldn't issue a permit and he asked who was over her and she replied to him that she was the boss and she had the final say.

Karen Owen stated that she had confidence in Mrs. Ford, and never heard of her being rude to customers.

Mr. Anderson stated that it was probably a misunderstanding, because he had had a bad day, and did not understand why he couldn't get a permit. He told the Board that he appreciated them taking time to listen to his concerns.

Phil Stephenson – Airport issues

Phil Stephenson, 122 E 4th Street, Marion, represented the Marion Airport Aviation Board. Mr. Stephenson stated that they had concerns regarding Cingular Wireless wanting to make their tower, on Old Kokomo Road, 267 feet which is higher than they already are. The problem is that anything built within 3 miles of the Airport and is 200 feet or above would pose a potential risk to the Airport. The Aviation Board is concerned that pilots making visual landings would be in danger. Towers 200 feet or below are hazards because those are not required to have the warning lights at the top. If it were an overcast day the tower would not be seen until the pilot was 2 – 2 ½ miles out. He stated that he wasn't trying to prohibit the construction of towers, just stating concerns.

Tanya Ford asked a question about the FAA. That once we have something from the FAA that the Airport has no say at the local level.

Mr. Stephenson stated that if you were in the slope area, at that point the FAA has control. We actually had Ameritech build a tower on December the 23rd, and once the FAA was called the tower came down on the 24th. The FAA is a government agency that can throw into effect huge per day fines.

Dick Treon asked for the average height of the cell towers we're approving, are they restricted.

Tanya Ford stated that it was based on the number of carriers they allow and if they max out at 350 feet, then they can get a variance. 200 or above is pretty much the norm, a lot of carriers like to keep it at 199 feet.

Mr. Stephenson stated that he was afraid that if the tower was raised in height to 267 feet, that the company would come back to have it raised to 300 feet.

Tanya Ford stated that the company has decided to stay the same height and to co-locate. There is a letter from the FAA to approve the permit on file.

Mr. Stephenson thanked the Board for their time and for listening to him.

Karen Comer – CFOs

Karen Comer, 5040 W 900 S, Fairmount, President of Indiana Farm Bureau, stated that she had a group of 8 people wanting to speak.

Eric Wright, 564 Circle Drive, Fairmount, from Grant County Farm Bureau stated that Grant County Farm Bureau and Indiana Farm Bureau are concerned about the CAFO/CFO

policies being developed by the local government. Many farmers have to change with economic challenges that face them today. When farming businesses do financially well, the other local businesses do financially well.

Facts that Grant County needs to consider when developing their policy for livestock operations, these facts are from the 2002 census for Grant County.

- ❖ There were 598 farms
- ❖ Total of 198,446 acres of farmland
- ❖ Which provided 364 jobs
- ❖ Counts for \$501,012,000 in value of land and buildings
- ❖ Which counts for \$64,608,000 in value of machinery
- ❖ Agriculture represented 13% of real property value compared to industrial which is 12.9%
- ❖ Doubling pork production means going back to the old days. In the 1950's Indiana was home to 6 million pigs, today there are approximately 3 million.
- ❖ Approximately one 4,000 head swine barn pays \$8500 in property taxes.

Livestock operation help pay a big part of local property taxes needed for schools, roads, and mobile services. When livestock leaves or can not expand in our county the economy drops.

The Grant County Farm Bureau does not support or disapprove the proposed dairy for the Van Buren Area. The reason why we are here today is only to encourage the Area Plan Commission and the County Commissioners to not set such high restrictions on CAFO's and CFO's in our county which would keep them from existing and expanding.

Brant Huston, 5208 N. Austin Drive, Muncie stated that he has worked at the Matthews Feed & Grain since 1994, when he was hired to expand the operation. Matthews Feed and Grain started in 1920 as a co-operative, and later become a stockholder owned corporation, most of the stockholders are local farmers. Matthews Feed & Grain in the last ten years has become the biggest profit center for the company. In 1996, they started manufacturing feed at the new feed mill facility. At maximum efficiency, they are able to produce 10 tons of feed. They started new construction, at a cost of 2.2 million dollars, two weeks ago. Why is the hog production expanding in Indiana? We have all the resources to raise hogs, land, corn, soybean mill, and two major packing plants. In the last ten years we started losing our small local independent hog producers; this was because we had a surge of out of state finished hogs going straight to our packing plants. This was devastating to our local economy, because these hogs did not use any of our corn, feed, buildings, or growers to raise these hogs. We average 46,000 bushels of corn a month, and currently we are running 100,000 bushels of corn through our feed mill. Our corn projection needs for the current customer base we have now is over 1.2 million bushels. Over the last 12 months, we have gone from 450 tons a week to over 1000 tons a week. They will have the ability to grind over 6 million bushels of corn a year.

Dick Treon asked what the market area of Matthews Feed & Grain is.

Mr. Huston stated the market area for the Matthews Feed & Grain is North of Wabash, East to the Ohio State Line, and South to Madison and Tipton counties. In the last year and a half they have stretched out farther, but mainly concentrate on local business.

Greg Thompson, 5384 S. Strawtown Pike, Marion stated that he was the Vice President of First Farmers Bank and Trust, Converse. He said that First Farmers Bank and Trust has had

many years of experience lending to CAFOs, and that he has had over 20 years experience before they were called a CAFO.

The banking community takes CAFO's very seriously for three reasons:

1. Market Risk – Variation of sales price for livestock.
2. Management Risk – When you have a large number of animals confined in one location, the level of management and supervision must be elevated.
3. Environmental Risk – We are aware of IDEM fines for substantial amounts for those operations that have not followed the regulations. We are also aware of IDEM forcing substantial changes on an operation or even closing a facility until changes (which can be expensive) are made.

Financial risk to a bank for environmental issues can be reduced. The bank can require the construction of a facility to be of the highest standards as required by IDEM. This means more reinforcement rods in the pit walls, heavier test weights of concrete and monitoring the facility on an ongoing basis. This is to prevent any problem that can reduce the value of the collateral or reduce the income the farmer and bank depend on.

The numbers of people that qualify for a CAFO are reduced because of the resources required:

- 1) Cash resource. 25% equity is required in the form of cash or other equity, such as real estate. With some CAFO's costing up to \$14 million, a 25% down payment requirement is a limiting factor.
- 2) Management Resources. Lending to people that are experienced with large numbers of livestock, or in many cases, they will receive management input and oversight from a larger, experienced enterprise with knowledge in care of animals and the environmental issues. This management oversight is more intense because of the high value of the animals under care of the producer. They do not want their animals at risk or do not want the facility closed due to environmental problems.

Mr. Thompson stated that a CAFO is not an investment taken lightly by the Bank, because of the risks associated with it, but we strongly feel it provides an opportunity for a farmer to stay on the land. It will provide for their future and livelihood for themselves and their family. They and their children will drink the same water as the animals, breath the same air. They will not deliberately do anything to jeopardize their animals or their family's health.

Rana Vctor asked Mr. Thompson about monitoring the businesses.

Mr. Thompson stated that they go out and make farm visits, checking things out to make sure they are in good standing, because they have a lot of hours invested in them.

Rana Vctor asked if they brought in professionals, or called in IDEM.

Mr. Thompson stated that they monitor by visual experience, and if necessary would call IDEM.

Gary DeDecker, 12400 W 1200 N, Gaston, stated that his grandfather immigrated to the United States in 1913. He joined the military when WW1 started, and in 1920 became a naturalized citizen. His grandfather started a farming operation in Van Buren. His family moved to southeastern Grant County in 1935, and has been there ever since. They have had a dairy operation until 1963, when he went into the service, they sold out. When he came back from being in the service they went into the hog business. He now lives in Delaware County with the hog operation in Grant County.

His pork operation consists of 4000 head finisher, and has invested in over \$600,000 in buildings and equipment. He markets over 10,000 head of pigs annually to an integrator at \$1,428,000 worth. His operation employs three family members, his son, nephew, and himself. He hopes that his twin grandsons would come into the operation someday.

His pork operation pays \$5800 in property taxes a year on buildings and equipment; his annual electric bill is about \$4500; and hires one consultant at an expense of about \$1000/year. He farms about 2700 acres of corn, soybeans, wheat, and etc. a value of \$1,120,000. His operation generates about 1.4 million gallons of manure, which he uses as a commercial fertilizer on 235 acres of crop and saves him \$17,600 in commercial fertilizer. Mr. DeDecker stated that he is careful in how he handles the manure and doesn't want to waste a valuable resource. He also stated that he writes checks to over 10 businesses in this area. In which 90% of his income is spent in Grant County. He is PQA (Pork Quality Assurance) certified, which is the best management of manure, livestock management, husbandry, and livestock.

Mr. DeDecker stated that his view on environmental compliance is to let IDEM handle any and all appeals. To stay in compliance is to do regular soil tests annually, manure management plan, manure testing annually, and water runoff testing annually, apply records, perimeter tile around the outside of our buildings and do a water test on every three years.

Mr. DeDecker stated that he hopes the Area Plan realizes the importance of the livestock industry in Grant County.

Bob Jackson, 789 E Old Kokomo Road, Marion stated that his family has been dairy farming for 50 years. That they milk 600 cows in their operation, which amounts to 40, 000 lbs of milk per day. This will provide 80,000 cartons of milk for school children per day or 5000 homes with a gallon of milk per day.

Mr. Jackson stated that they have invested \$500,000 in buildings and \$700,000 in equipment for their dairy operation. Their operation employs 14 full time and 2 part time members of our community. The dairy operation pays \$18,000 in property taxes each year, and their annual electric bill is \$19,000, and the gas bill is \$15,000.

Mr. Jackson stated that they work with two consultants with an expense of \$3500. He also stated that they farm over 1400 acres of corn and soybeans, etc. with a sales value of \$248,000.

The business writes checks to over 30 businesses in the county. The dairy generates enough manure to fertilize 400 acres of crops without additional commercial fertilizer.

The dairy annually purchases these by-products:

Agricor – hominy feed	\$16,000
Beanmeal	26,000
Distillers Grain	19,000
Brewers Grain	35,000

And the dairy uses \$16,000 worth of sand for bedding the dairy cows. Bacteria do not grow in sand and is the softest bedding for cows.

Chris Duckwall, 7554 E 600 N, Van Buren stated the he was a 4th generation farmer in the Van Buren community. He has been a grain farmer and hog producer for 30 years plus. He currently has a 1000 head contract hog building, and in March he started the permitting process and is in the final stages of having an IDEM permit to expand his hog facility to 8000 head. He currently has a contract with a family owned hog producer that is time sensitive and if the contract is lost due to the county's moratorium, a substantial loss of income will be incurred.

The property taxes for this expansion estimate at approximately \$17,000. 1400 acres of corn is needed to feed the facility, and 1170 tons of SBM to feed our facility. Agriculture pays a large portion of property taxes in Grant County.

In the United States, we have the luxury of knowing our meat and food is safe due to strict quality control. He stated that we can't risk losing food production to other countries that do not have the same quality control of our food as we do.

Several area businesses have left Grant County, for one reason or another, over a long period of time. Our AG community has been a constant business in Grant County. We don't want to see agriculture over regulated in our county, over regulating could stifle agriculture growth in Grant County, which in turn will hurt economic growth. He stated that whether we are livestock farmers or grain farmers we have a commitment not only to our heritage, but to this community to provide a safe quality food product that our consumers can afford.

IDEM regulates our state with a non-biased educated knowledge of what our state needs to operate at an environmentally safe level.

Jason Sweet, 8625 W 697 N, Converse stated that he farms with his brother, and that they both are Purdue graduates, and both have families. He also stated that he is co-managing the family livestock farm, which has been established for 70 years.

They currently have 200 sows from farrow to finish. He is currently converting to contract feed operation. Old barns have 2000 spaces, which is not enough to generate income for two families.

He is proposing to build two 2400 head finishing facilities, which is a million dollar investment in Grant County. Proposed property taxes will be \$8,000 - \$10,000.

In 1998, he built a 1000 head finisher and had no problems from the county or IDEM in getting permits.

He stated that he has already signed a contract to take hogs August 2007. Costs of construction for the new facilities have increased \$20,000 in a 6 month period.

Harold Turner, 10390 E 200 N, Van Buren stated that he was born and raised in Grant County. His father and grandfathers were Grant County farmers. He has been in a family partnership since 1976. They are one of the few remaining swine farrow to finish operations in Grant County, and a totally independent producer with sole ownership of the hogs.

He stated that he believes as farmers and livestock producers we are vital to Grant County economy.

He stated that the majority of his hogs were delivered to the Excel buying station in Fairmount, IN. He does business in Grant County with the following businesses: Beacon Credit Union, Agricor, Matthews Feed & Grain, Koenig Equipment, Midland Impact, Inc., and Farm Bureau Insurance.

He stated that even though we are not considered a large operation by today's standards, we still have a positive input on Grant County business.

He is asking the Grant County Commissioners not to impose more regulations in addition to IDEM's CAFO/CFO state requirements so that we may continue to compete efficiently as part of Indiana agriculture.

Rana Vctor made the motion to adjourn the meeting. John Bonham seconded. All members present voted yes; motion carried.

Meeting adjourned at 8:02 pm.

Dick Treon, APC Vice-President