

ARKANSAS COTTON GROWER'S ORGANIZATION, INC.

Minutes of the
January 24, 2001 Meeting

Arkansas State Plant Board
Little Rock, AR

Members present were Joe Burns, Mark Bryles, Perry Stratton, Trent Felton, Ritter Arnold, Don Alexander and Hal Hyneman. Jack Carey and Charles Tilmon were not present.

Others present were Cal McCastlain, attorney for ABWEP; Doug Ladner, Mike Catanach, Danny Kiser, David Murray, Joel Pietsch, Patty Carr, JoAnn Arnn and Toni Graham, ABWEP; Ken Pierce, USDA-APHIS; Cecil Williams, Ag Council of AR; David Blackburn and Scott Longing, ASPB; Michael French, Bill Robertson, Don Johnson and Gus Lorenz, U of A CES; Jeremy Greene, UAM CES; Gene Martin, AR Farm Bureau; Bill Yearian and Randy Luttrell, U of A; Jim Plato, Plato Industries; Ronnie Antici, Griffin LLC; Richard Myers, UAP Mid-South; Benny Fratisi and Thomas Dial, cotton farmers, Jefferson County.

Chairman Burns called the meeting to order at 10:10 a.m.

Scott Longing, David Murray, Joel Pietsch, Toni Graham, Michael French and Jeremy Greene were introduced.

Approval of November 28, 2000 meeting minutes

Chairman Burns asked if there were any additions or deletions to the November 28, 2000 minutes. There were none. Perry Stratton made a motion that the minutes be approved as mailed. Ritter Arnold seconded and the motion carried.

Gene Martin led in a word of prayer.

Technical Committee Report

Dr. Yearian reported that a sub-committee of the Technical Advisory Committee met Friday, January 19, 2001. It was the consensus of the group that we probably have had the winter we've all been talking about and it possibly has had the same affect as a good initial fall diapause.

The Technical Advisory Committee met Tuesday, January 23, 2001, and Wednesday, January 24, 2001. They suggested that the Program, with the cooperation of the Extension Service, initiate a grid trapping program in Mississippi County to delineate exactly where the infestations are and the level of infestation that will result following this winter. This fall with that information the committee will go over the data and come up with an estimated eradication cost that can be supported in Mississippi County. Yearian stated that this was the committee's recommendation to the full Board.

It was also brought up at Wednesday morning's meeting that the Board might want to consider the possibility of contacting the Southeast Foundation about picking up Mississippi and Craighead counties in conjunction with Missouri. It was suggested that they have the infrastructure, so they could move much more rapidly into that area and take advantage of the winter. Concern was that ABWEP could not get the infrastructure in place for this year, and to try to do so would jeopardize other active zones.

Alexander asked why he thought the Southeast has an infrastructure that they can move into Arkansas quickly enough to start next summer.

Yearian said they have been in the business so long that they can draw from so many sources.

Ken Pierce said the Southeast is extended out as far as they can be to do a spring program in Missouri. They have a lot of infrastructure, but they are using it all just to do Missouri in a spring program, which is something they don't normally do.

Yearian also reported that at the meeting on Tuesday Dr. Teague and Dr. Tugwell strongly suggested that for this year we include all of Poinsett County with the Ridge Zone. It is their opinion that there are good over wintering habitat sights in eastern Poinsett County. If we don't take care of it along with the Ridge, that will serve as a focal point for production of weevils to move out and infest Mississippi County and even back on to the Ridge Zone. The Program does not feel that it would put an undue burden on them to go ahead and incorporate all of Poinsett County this year.

Yearian asked if there were any questions.

Hal Hyneman asked about the possibility of using mist blowers up and down the length of the river on the east side to hold weevils down in that area, because those weevils will just come right back into the eradicated area.

Hyneman also asked if the rationale exists to pull Poinsett County in because there are good over wintering sights, if there anything this program could do, and does it make any sense, to pull a mile to the east of the river in up through Craighead and into Mississippi County?

Yearian said anything like that would help, but he wasn't sure it could be done without a referendum.

Ritter Arnold asked for clarification of the recommendation.

Yearnian said eastern Poinsett County to Highway 135.

Arnold asked how long we are likely to have the residual affect of this extremely cold weather.

Yearian said he thought there would be a benefit all this year, and maybe some next year.

There was discussion on how to get a referendum passed in Mississippi County.

Copies (Attachment 1) of information regarding high density populations and low density populations were provided.

Copies (Attachment 2) of information compiled by Gus Lorenz and Don Plunkett on the cost of boll weevil control in the Southeast and Central Zones prior to eradication were provided.

Cal McCastlain said that for clarification the Board needs to decide on two things. One is going forward and collecting the data. The grid trapping needs to be done to have good data as it's presented. Two, today may not be the decision point, but at some point we probably need to be clear about what our short-term position is on moving forward with the referendum. In any event the trapping and data gathering need to go forward

Ladner stated that he thinks Extension will have to play the lead role in bringing the groups together and as far as the data gathering, the Program will provide total support.

There was more discussion of concerns over Mississippi County. After which Ritter Arnold made a motion that the Board direct the staff to meet with members of the Technical Advisory Committee, as well as representatives of cotton growers in Mississippi County, to put together a recommendation to bring back to this Board. Trent Felton seconded.

In discussion following the motion, Mark Bryles asked Dr. Yearian if he had any objection to having growers at a Technical Advisory Committee meeting. Dr. Yearian said he had no objection and he said he hoped it would be a productive meeting, emphasizing that the farmers and the committee needs to listen to what each has to say.

McCastlain made the following statement. One thing, and this is the legal stand on what you all have said on the need for data, the key being the infestations and where they are. Also our fixed overhead, what it costs to run the program. My point is in this fiscal year we've got to get our data, determine what it will cost to go up there and run the program, present that to Mississippi County farmers, and say that we are prepared to hold a referendum for them by this certain date. Vote on it. Then you'll know what will or won't pass. We've got to move forward.

Don Alexander stated that this motion should be presented in a fashion that this is it. We're going to have to make other decisions if we can't come to a consensus with a referendum, then this Board will be forced into a position of building buffer zones, quarantine the areas. We cannot afford to put into jeopardy the rest of the cotton growing area of the state. We cannot keep revisiting it on and on and on. It's got to come to a conclusion and be over with and he thinks that this needs to be presented in that fashion. If we can't come to a consensus, then here are our options and quarantine is one of those options.

After some discussion of quarantine and comments regarding lack of needed data, a vote on the motion was called for. Motion passed unanimously.

Perry Stratton introduced Benny Fratise and Thomas Dial, cotton farmers from Jefferson County.

Benny Fratise addressed the group concerning problems the farmers in Jefferson and Lincoln counties encountered last season.

Doug Ladner said that the number one thing on Danny Kiser's agenda this year is to keep from having the problems that were encountered in Jefferson and Lonoke counties. He said measures were being taken to see that field people are as qualified as they can be. The data, even from Jefferson County, is very positive. We've done a lot of good there even with all the problems we've had. We've done better in other counties, where we haven't had those problems. Ladner thinks things are improving in Jefferson County and there will be a strong employee training program before the new season begins.

Stratton said one of the big concerns of the farmers in Jefferson County is that they didn't get the response they should have gotten at the time they voiced complaints. He hopes this will be straightened out this season, and complaints will be taken seriously.

There was a brief discussion of what is currently being done to try and improve the quality of people that are hired.

Chairman Burns stated that he appreciated Benny Fratise's comments.

USDA report

Ken Pierce reported that the federal money is in place, and it's a matter of getting paper work done in the different states, to get the money released here to use in the program.

He said he got 32 toolboxes with tools for the expansion. He picked up three fork lifts, a John Deere tractor that's in good shape that can be turned into a mist blower type hi-boy, and a four-door cooler. He got 2 new diesel engines that fit some of the military trucks that are being used in the field.

Director's Update

Copies of the news letter (Attachment 3) for the Northeast Ridge Zone were provided. Ladner said we are in the process of developing a newsletter for the Southeast and Central Zones to give them an update on what happened last year and where we are going next year.

Ladner stated that there have been a couple of meetings with USDA and other directors of the programs relative to long-term maintenance costs. There are a lot of concerns about how long there will continue to be maintenance cost. It looks very positive, the process is to move the maintenance toward Mexico as the zones clean up and to have a running buffer line. We are hoping that it would either be a cost per bale assessment over the whole program, or the feds will come with a program.

We are in the process of leasing vehicles. We have to get over 100 vehicles as we go into the Ridge Zone, and then continue in the Central Zone this year. We are looking at leasing so that we can make some interest off of that money over a period of time.

We sold our 4-wheelers and a highboy to Oklahoma. We are getting out of 4-wheelers and going to mules. Mules won't go as fast, are safer, and they are 4-wheel drive.

We are getting ready to begin training. We will hire 24 new full time people because of the expansion and we're putting one new Work Unit in the Central Zone. In the Southeast we will replace nine people due to promotions.

Another person will be hired to help Danny, because we need quick response when there are complaints.

New Business

Cal McCastlain stated that he had two matters that involve farmers speaking of production damage due to missed in-season sprays. Both are in Jefferson County. Copies (Attachment 4) of a summary chart of the information the grower (Clint Gasaway) provided were distributed. McCastlain said it would be his recommendation that the Board direct him, or one other representative, to get with Mr. Gasaway and try to ascertain some more facts. While the end of the year information is complete, there is a lot about in-season operations we need to determine so we can make a decision on that.

Don Alexander said he had a problem with discussing the issue without Mr. Gasaway's being present. He said the Board would have to rule eventually and he didn't want to be prejudiced before he hears Mr. Gasaway's side of it.

McCastlain said it would be his recommendation to get as many facts as we can and present it at the next meeting or whatever procedure the Board suggests. Chairman Burns asked Alexander to contact Mr. Gasaway to represent himself at the next meeting. Ladner said he would like for Mr. Gasaway to talk to the program people. They will be prepared to present the program side and Mr. Gasaway will be there to represent himself.

Copies (Attachment 5) of the correspondence that McCastlain has received concerning G & M Planting Co. were distributed. There was no disagreement on the amount of damage to the yield.

RESOLUTION TO PROPOSE SETTLEMENT WITH
G & M PLANTING CO.

After considerable discussion, the following motion was duly made, seconded and unanimously approved:

Arkansas Boll Weevil Eradication Foundation (the “**Foundation**”) is willing to resolve all issues with G & M Planting Co. on the following terms:

1. Accept 33,325 pounds of lint cotton as the amount of lost lint in issue.
2. Place G & M Planting Co. in the same position on said lost lint as it would have been in had said amount of lost lint been marketed through Stapleton’s marketing pool and subject to the same gin rebates as all other cotton produced by G & M Planting Co.
3. The Foundation will make payments to G & M Planting Co. on the same net amount per pound and net amount per bale paid to G & M Planting Co. from Stapleton and G & M Planting Co. gin upon receipt of sufficient information identifying the net amounts paid G & M Planting Co.
4. The Foundation’s attorney, Cal McCastlain, is authorized and directed to submit this proposal to G & M Planting Co. If this proposal is agreed upon, the officers and the executive director of the Foundation are authorized and directed to execute such documents as are necessary to complete the agreement and the intentions of this Resolution.

Motion made by Stratton and seconded by Alexander.

Gene Martin attended a session Monday afternoon with Rodney Baker and Bob McGinnis. They met with Senator Beebe. Discussion centered around the general improvement funds. This year the amount is much less than what has been available in the past. To get \$5 million for Boll Weevil appropriations is going to be tough and are going to have to be shared. The message from Senator Beebe was the governor must be a partner in the project. They split the general improvement funds between all the legislators, both House and Senate and half of it goes to the governor. There are more funding options than there will be money available for. Now we are to the point where there will have to be some contacts made with the governor. We need to be talking to our representatives and senators.

The next meeting was set for March 1, 2001.

The meeting adjourned to executive session at 12:50.

The meeting reconvened at 1:10. Personnel matters were discussed.

The meeting was adjourned at 1:15.

JOE BURNS, Chairman