



Texas Association of Dairymen

For Immediate Release

January 19, 2006

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TAD APPLAUDS END TO WACO LAWSUIT AGAINST DAIRIES

Litigation was a waste of resources for both sides

A settlement has been reached between the City of Waco and the six Central Texas dairies that remained as defendants in a lawsuit filed by the City in April 2004. The lawsuit originally targeted 13 dairies in the North Bosque watershed.

John Cowan, executive director of the Texas Association of Dairymen, which provided legal assistance to the defendant dairies, issued the following statement regarding the end to the lawsuit:

“The Texas Association of Dairymen is glad to see an end to this lawsuit, and we are very appreciative of the manner and professionalism which the federal magistrate worked to bring about this settlement.

“But TAD doesn’t believe this lawsuit ever should have been filed in the first place. The City of Waco and dairies were making progress toward solving their differences. Instead, what should have been a positive partnership turned into an adversarial situation. The lawsuit cost both sides time and money, hurt an industry that is a major contributor to the Central Texas economy and didn’t make Lake Waco’s water any cleaner.

“For the past year, the region’s dairymen – even those not named in the lawsuit – have found it difficult, and in some cases impossible, to renew or obtain insurance, borrow money from banks, sell farmland or otherwise conduct their business because of the lawsuit and the fear of further litigation.

“They also have not been able to obtain or renew their state operating permits because of opposition from the City of Waco. Ironically, those new permits would have required them to operate under even more stringent rules, some of the most restrictive in the country.

“Dairymen have a vested interest in maintaining the environment – after all, they and their families drink the water and live on the land. They’ve been willing to operate under tougher, new rules governing their industry, and they’ve embraced new technology that lets them do their job to provide food for Texas with less of an environmental impact.

“Water quality has improved substantially in the Bosque watershed over the last decade. With the end of this lawsuit, both parties hopefully can move forward and work together toward a common goal – a clean, safe environment, including drinking water, for all Central Texans.”

The Texas Association of Dairymen (www.milk4texas.org) is a non-profit corporation comprised of dairy cooperatives whose members are individual milk producers in Texas.

(Note: Reproduction of an emailed press release from the City of Waco)

Subject: City of Waco Press Release- Pending Lawsuit Resolved

City of Waco and Dairies Announce Settlement of Entire Lawsuit

The federal lawsuit pending between the City of Waco and six dairy farms in Erath, Hamilton and Bosque counties has been entirely resolved by an agreed settlement. The settlement follows two extended mediations, the first in early November and the second during this month. The two mediations were conducted pursuant to an order of the Court by the U.S. Magistrate Judge Jeffrey C. Manske, along with environmental law professor Jeffrey M. Gaba of Southern Methodist University.

The mediations involved representatives from the City of Waco, each of the six dairy farms, and the parties' attorneys. In addition to the days spent at the courthouse mediating the case, the parties, through Judge Manske and Professor Gaba, engaged in complicated negotiations that took place over the months between the two mediations. In the end, a compromise was reached that will result in dismissal of the lawsuit and withdrawal of the City's permitting challenges at TCEQ to these six dairies only, in exchange for certain operational changes at the six dairy farms. The final terms of the settlement are confidential and have been sealed by the Court.

"We are pleased with this settlement because it accomplishes the City's goal of guaranteeing that the long term future operation of these six dairies will not adversely affect water quality in the North Bosque River and Lake Waco. This is all the City was seeking by bringing this lawsuit against these dairies. This settlement, along with the settlements previously reached by the City with the eight other dairies it sued, advances the City's ability to monitor and protect water quality in Lake Waco," said Larry Groth, Waco's City Manager.

James Bradbury, an attorney for some of the dairy farmers, commented that, "Although we believed a trial would prove the dairies are good stewards of the environment, the farmers are pleased to reach an agreement that will end the distraction and expense of federal litigation and any permit protests by the City against these six dairies."

The parties had previously attempted to settle the lawsuit using a private mediator in 2004, but a final agreement could not be reached. The case had been scheduled to go to trial in May of 2006.

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