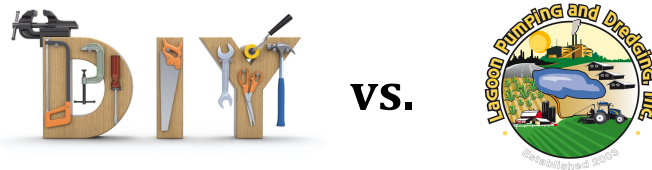


Doing it yourself or Hiring a Pumper



If a Dairy operator has limited experience with pumping operations when they first look at a pumping estimate they would be shocked. Yes, pumping is expensive; but when you look at the cost per cow per year to manage your lagoon levels the cost does not seem unrealistic.

Lagoon Pumping & Dredging has a philosophy of creating customers for life. This means pumping at fair prices and going the extra mile on every job. This allows LPD the privilege of high customer satisfaction and great customer referrals.

Lagoon Pumping & Dredging **DOES NOT** inflate pumping gallons, **DOES NOT** inflate solid levels, **DOES NOT** charge more than what they deliver, **DOES NOT** charge for field layouts, and **DOES NOT** pump over your budget. The price LPD charges is a simple price per gallon. It is easy to understand and creates no surprises at the end.

If the customer is asking for more services then Lagoon Pumping & Dredging will be up front with the cost and make sure the customer knows what and how much to expect. LPD does not believe in springing billing surprises on you. Extra costs would be for **A)** long distance mobilization, **B)** high solid levels when no extra water is available, **C)** extra agitation above what is normal, **D)** water transfer from one lagoon to another, **E)** injecting in-line with the crop rows or harvesting swaths, and **F)** high levels of grass or excessive trash in lagoons.

Hiring a Professional Pumper like Lagoon Pumping & Dredging

Hiring professional pumpers is often the best decision a dairy operator can make. It eliminates the need for capital expenditures on equipment used only once in a while, and the need to train and manage your employees to do an important job.

Hiring professionals allows the dairy operator to get things pumped without having to worry about the details. One call will bring LPD to your assistance. This means helping you determine your solid levels in the lagoon, taking samples of your slurry before and while pumping to each field, helping you determine agronomic application rates, helping to find fields to export or pump your manure slurry to, getting good agitation of the solids and getting the solids effectively removed.

A good pumping operation is expensive: it takes high volume centrifugal pumps, high horse power diesel engines, large diameter fire hoses, agitation boats and force feeders, tractors, hose reels and other pumping equipment. Buying new equipment for a pumping operation is in excess of \$1.5 million dollars.

All Dairy operators like their pumpers to use the best equipment so they can do the best job possible. But many are not aware of what that costs. Pumping is extremely hard on equipment. It costs between 11% and 15% per year just to maintain and keep the

equipment in working order. Also, equipment is being wore out and needing to be replaced every 3 years. This creates very high depreciation expense.

Another high cost is keeping experienced pumping employees. Pumping while it seems simple can be very unforgiving if a pumper does not follow proper operating procedures. Over pressurizing a hose causes ruptures and water hammer (*compressed air over accelerating liquid and causing massive equipment damage and blown underground pipes and hoses*).

A pumper not watching what or how the manure slurry is being applied can cause uneven nutrient application or worse yet crop debris bunching, damaged pivots, damaged drainage risers, damaged irrigation pumps, manure slurry run off and damaged farm equipment.

Managing a pumping operation takes an experienced foreman constantly on the job and experienced employees who know what they are doing. Some times it is best to stick to what one knows best and leave the pumping to the professionals.

Doing it Yourself

At first glance one can surmise that spending the same money on equipment yourself will get you the same job completed at less overall cost.

A small operation could buy vacuum tankers or small slurry wagons and apply their fresh manure on their fields every day. This may seem attractive on the start; but over the long term broken down equipment, cold weather, wet fields, unavailable fields due to growing crops, and labor shortages can create unexpected delays and overwhelm the manure management process.

If you are investing in the “*whole enchilada*” your cost would be in excess of \$1.5 million and would generally only be cost effective if you had multiple dairies you owned and wanted to manage a manure pumping operation in addition to your dairy operation.

When considering pumping your own lagoons, it is best to have high performing employees dedicated to the pumping process; the learning curve and mistakes made by newer, less experienced dairy employees can be very costly. Pulling employees away from the milking operation, animal husbandry or the farming operation has its own costs and challenges involved.

Some of the hidden expenses are the soft costs of the operation. This would entail repairing broken down equipment, managing employees, paying for fuel, tractor maintenance, and the unexpected spills and errors caused by the employees.

What you would be saving over hiring a professional would be the pumper’s profit. This is targeted at 10%, but often due to problems and equipment issues is less than expected. If you spent \$200-\$400 thousand per year on hiring a professional pumper this means you would realistically only save \$20 to \$40 thousand per year. Could you buy the necessary equipment and manage a pumping operation for that amount? If you considered all the costs involved and bought all the necessary pumping equipment it would take you over 40 pump outs to just to break even.