



Yuba Mill

SAVING THE FEED MILL

Richland Electric Co-op Answers a Community's Call for Help

On a sunny weekday afternoon, the Yuba Feed Mill is bustling with activity. Employee Jack Jefferies is helping a farmer load feed in his truck, but that's only a small part of the business being conducted here. Inside the adjoining store, Laura Langer is juggling several transactions at once; she's ringing up one customer's gallon of milk with a phone tucked under her chin, answering an inquiry about a tool part. As she scurries down an aisle to check on the part in question, another customer pokes his head in the door and asks about diesel fuel delivery, to which Langer calls out a ready reply. Back at the counter, she helps a customer navigate her new Smartphone while bantering with one of the regulars who stops in daily for ice cream and conversation. Every person who passes through the door is ushered to a get-well card lying open on the counter next to a pen. Someone in the community is about to have surgery, and Langer makes sure everyone signs the card. Without fail, everyone does. After all, these aren't just customers here—they're all neighbors and friends.

With a population of just over 70, the village of Yuba in the northern end of Richland County is tiny, but the sense of community here is huge. At the center of it is the Yuba Feed Mill, the village's economic and social hub. It's so integral to the community's identity and operation that it's difficult to imagine Yuba without the feed mill.

But that's what almost happened about a year ago, when the feed mill came perilously close to suffering the same fate of many other businesses serving small, rural communities. What saved it is cooperation—among the people of Yuba, who were united in their quest to save their mill; from the directors and employees of Richland Electric Cooperative (REC), who answered the village's call for help in finding a solution; and between two cooperatives that worked together to make the solution happen.

In the Beginning

In many ways, the story of the Yuba Feed Mill—and of the village itself—is similar to that of many other small, rural communities.

“At one point Yuba was a pretty thriving little community, much like a lot of little communities in the area,” Shannon Clark, CEO/general manager of Richland Electric Cooperative, said. “It had a post office, a grocery

store, a couple of taverns, a feed mill, a dance hall. It was a center of commerce.”

As competition from bigger cities lured some of the population away, and with it much of the business, many of Yuba's small stores and taverns closed. Left standing to fill the various needs was the feed mill.

“The feed mill became over the last 20 years the retail center, offering everything from dog food, animal food to ice cream bars to nuts and bolts, lawn rakes, and garden supplies,” Clark said. “You think of Farm & Fleet on a really small footprint, and that's what the Yuba Feed Mill is.”

The 2013 merger between Hillsboro Cooperative and United Cooperative had the Yuba community concerned that their small but significant feed mill wouldn't fit in the newly merged cooperative's business plan. The board of directors at Richland Electric had the same concern.

“Our board actually discussed it when the merger went on,” Clark said. “We talked about what would happen if they decided to close Yuba, because the Yuba Feed Mill is a pretty big electric load for us. But it was more than that. From an economic development standpoint the Yuba Feed Mill has a lot of influence in that community, so we decided to keep an eye on it.”

Serving on the REC board is Don Huffman, whose

brother, Jim, is the Yuba village president, fire chief, town constable, and first responder. “You name it, I’ve done it,” Jim Huffman said. What he was determined to do now was find a way to keep the mill from closing.

“I didn’t want Yuba to be one of these ghost towns,” Huffman said. “You see so many of these little towns that haven’t got anything anymore, and that’s a shame.”

Huffman called a village meeting, attended by almost all of Yuba and friends from beyond the village borders, to discuss the fate of the feed mill and brainstorm ideas for saving it. Several ideas were produced from that gathering, but ultimately the village reached out to Richland Electric Cooperative, with its experience and expertise in economic development, for assistance.

Clark attended the next meeting, and with 17-plus years of experience working with the Richland Center Economic Development Council, was able to listen to the ideas with a more critical ear.

“There were a lot of great ideas, but the realities would not line up to make those happen,” he pointed out.

However, Clark said there was no question Richland Electric would help the village of Yuba find a workable solution.

“How many times do you go into a meeting of a community of 70, and there’s 100 people in the room,

and they’re all looking at you, and they say we will not survive if this feed mill does not stay open? What can you do to help?” he said.

Facilitate, Rehabilitate, or Operate

If a solution were to be found, it had to be found quickly. The feed mill’s impending closing date was only 90 days away. Clark told the gathering that he would

commit a co-op employee to the project for 20 days, and the co-op would examine the feed mill’s financials, sales opportunities, and marketing, and build a business plan. He said he envisioned three possible outcomes: facilitate, rehabilitate, or own and operate. Either REC would play an economic development role, performing the business planning and financing for an interested buyer; buy the mill and rehabilitate it with sound business practices and niche marketing, with an eye toward eventually turning over owner-

ship; or buy the mill outright and operate it.

Assigned to examine the feed mill’s operations and work on a business plan was Trevor Clark, REC’s director of outreach services.

“I was doing a lot of research on what kind of cooperative it is, what they had there, what kind of products they had, what kind of people,” Trevor Clark said. “I ▶



Richland Electric CEO/General Manager Shannon Clark, seated at the head table at left, addresses an early meeting of Yuba village residents, who gathered to brainstorm ways to save the feed mill. (Photo courtesy of Mike Burch, Hillsboro Outlook)



For most Yuba residents, the feed mill is part of their lives. Willard Jindirck said he’s been doing business at the feed mill since it was first built. He’s one of many customers who stop in most every day for an ice cream bar or a cup of coffee and some conversation.



If a Yuba resident has a question of any kind, the feed mill is the place to go for an answer. Here, employee Laura Langer, left, helps a customer learn the finer points of her new Smartphone in between ringing up fuel and tool transactions.

approached it as if we were going to buy it—what would we look at? What are our concerns?”

While Trevor was examining the feed mill and REC was planning for the possibility of assuming ownership, Shannon Clark was also negotiating with United Cooperative, bridging the gap between the people of Yuba and United to work out terms to keep the feed mill operating.

Calls and Negotiations

About this time Clark got a call from Matt Kouba, president of Ark Alloy in Reedsburg, a metal fabricating business. Kouba also owns a well-drilling company in Hillsboro and a company that makes vertical axis wind turbines, and he said he was very interested in adding the Yuba Feed Mill to his business portfolio.

Kouba insisted he was not out to save the community, but with family ties to the area, he recognized the feed mill's importance.

“Truthfully, I didn't want to see what was about to happen, happen,” Kouba said.

However, Kouba's motivation was economic as well. He saw the Yuba Feed Mill fitting right in with his other business ventures.

“We're already on the farm with well drilling and pump installing and things of that nature, so if we're on the farm with fuel—that's where it started—and we add feed to the catalogue, well, it's really just another commodity to manage,” he pointed out.

Rather than negotiate directly with United Cooperative, Kouba worked through Richland Electric, which had established a good working relationship with United, already formed a business plan for the feed mill, and would serve as the project financier, with funding from REC's economic development loan program.

The sale appeared to be heading for a smooth finish, just in time to beat the feed mill's November 21 closing date. Clark met with a representative from United Coop-

erative at a McDonald's in early November and made a handshake deal for the sale of the feed mill, just as REC was negotiating the subsequent sale of the feed mill to Kouba. Clark was prepared to attend a final meeting in Yuba to announce the outcome when he received an 11-hour notice from United of non-compete covenants that would have made the sale unworkable. Devastated, Clark reported back to Huffman that the deal was likely dead.

However, some last-minute negotiations with United Cooperative over the non-compete covenants, just days before the mill was to close, resulted in a deal that was acceptable to REC, as long as Kouba could accept it as well. Late that evening, Kouba made a verbal agreement to the new terms.

The next day, Clark attended the meeting in Yuba, facing a roomful of people who by that point were expecting to hear that the mill would close after all. However, instead of announcing the mill's closure, Clark capped off his remarks by introducing Kouba as the mill's new owner. After a moment's stunned silence, the room broke into cheers and applause. The moment wasn't lost on any members of the REC team, all of whom worked tirelessly on the feed mill project for a whirlwind three months.

“I've worked on a lot of these projects and I've never seen one come back,” Clark said. “This one came back. It's kind of like CPR.”

In keeping with the feed mill's humble, yet significant role in the village, the deed of sale with United Cooperative was signed unceremoniously over a bag of feed on the afternoon of November 19. As the deed was signed, attorneys were working furiously to ready the sales paperwork for Kouba to sign the next day. He signed the paperwork on November 20, the day before the mill was to close.

“We [Richland Electric] bought the feed mill on Wednesday and we sold it all on Thursday, and the feed mill never closed,” Clark said.



New owner Matt Kouba cited the Yuba Feed Mill's long history in the village and its location in the middle of "great farming country" as business advantages. "It's kind of a diamond in the rough," he said.

The Road Ahead

All involved in this project caution that there's work to be done yet as the feed mill is redefined under new ownership. Kouba said he'd like to get a year or two of ownership in before making major changes, but the minor changes have already made a difference. The feed mill now offers Doboy feed, which Jack Jefferies said farmers have especially appreciated, and a roll mill has been added so local growers can bring their own corn to be rolled. An elevator was installed so the corn can be loaded into gravity boxes instead of being bagged. Not only is this more convenient for farmers, but Jefferies also said the new equipment has already paid for itself in the savings from buying whole shell corn rather than rolled corn.

"This is the only mill that grinds in Richland County too," Huffman added. "It also grinds on Saturdays for the people who work during the week and can't get here; we like to help those people too. And they're also talking about putting organic feed in here too, and that would be another plus."

It's not just the products and services that have changed. Langer noted that there's a more optimistic feeling among the people of Yuba who frequent the feed mill.

"They're coming back because they're just so hap-



Village President Jim Huffman led the community's efforts to save the feed mill from closing. "We got together and we saved our mill, and I'm just tickled to death," he said.

py that we're still here," she said of the customers.

As for Richland Electric, members of the team that worked so hard on the Yuba Feed Mill project still express amazement at the fast and frantic pace of that whirlwind three-month time, as well as pride in having played a role in saving Yuba's feed mill and, by extension, the community's heart and soul.

"This is what we are," Clark said. "We are about enhancing the quality of life for our communities."

—Mary Erickson ■

Design Homes, Inc.



Over **40** Stock & Display Homes available immediately and specially discounted!

See Our Large Model Home Displays
Open Everyday!

Display Home Hours:

Mon-Fri until 5 pm, Sat 9-4 pm, Sun 1-4 pm

We Specialize In Custom
Duplexes & Multi-family!

Design your own floorplan!

R-21 Sidewalls, R-55 Ceilings,
20-year Windows, Lennox Furnace
Kohler Plumbing, Tax, Delivery
& Crane Work included

- ✓ Great New Floorplans!
- ✓ Free Whirlpool Appliances!
- ✓ Energy Efficiency Package
- ✓ Lennox Furnace Standard!

Visit our website at:
designhomes.com

Call For A Free Brochure
1-800-627-9443

MN Contractor #20146710

Corporate Office: Prairie du Chien, WI 53821 1-608-326-6041

Green Bay, WI 1-920-339-0633 (limited hours)

Edgerton, WI 1-608-884-6263 ~ Plover, WI 1-715-344-1637

Fond du Lac, WI 1-920-923-4380 ~ Chippewa Falls, WI 1-715-726-9619