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Idaho

Idaho cattlemen hail proposed processing plant

By SEAN ELLIS Capital Press

KUNA, Idaho — A new \$100 million beef processing plant in Southwestern Idaho will save livestock producers in the region a lot of money on freight.

The facility, which is expected to open in the fall of 2016, was announced Jan. 6 by J.R. Simplot Co., which will partner on the venture with Texas-based Caviness Beef Packers.

Idaho has been without a major slaughter facility since 2011 and dairy and beef cattle producers currently have to send most of their cows out of state to be processed.

"One of the biggest costs we have is freight because all our cows are shipped out of state to be processed," said Blackfoot rancher Chris Dalley. "That (will make) a huge difference on the price of our animals."

The 300,000-square-foot facility near Kuna will have the capacity to process 1,700 head a day.

"That's a lot of cattle. It will be a top-of-the-line deal," Dalley said.

Thousands of cows leave the state each year to be processed in Texas, Arizona, California, Nebraska and other places, said Idaho Cattle Association President Carl Lufkin, who said his freight bill amounts to about \$10 per hundredweight.

"I think it will be a real boost to producers in Idaho to have this plant here," said Lufkin, a Leadore rancher. "It's super-good news for the industry, particularly in Idaho."

"It will definitely make things easier for producers in the state,' said Rogerson rancher Jared Brack-

The plant will primarily harvest cull cows and bulls from Northwest dairy farms and cattle ranches throughout the Intermountain West, according to a news release. It will

include hide and rendering processing and also be able to process nichefed beef programs.

The pre-packaged boxed beef the facility produces will be marketed to food-service and retail outlets.

Idaho producers have been without a major beef processing plant since the XL Four Star Beef facility in Nampa shut its doors in June 2011. Swift & Co. had closed that plant in 2005 and XL reopened it in

Simplot also closed its Nampa beef slaughter plant in 2003 and Tyson Foods closed its Boise facility in

Kuna area dairyman Lou Murgoitio said it costs him about \$2,800 to ship a 48,000-pound load of cows to Fresno, Calif.

The savings on freight costs for Idaho producers resulting from the new facility will be significant, said Murgoitio, whose operation is located about 10 miles from where the facility will be built.

"It's monumental for the state of Idaho ... when it comes to the freight side of it," he said of the facility, which will operate under the name, CS Beef Packers LLC. "It's a very major plant (and) it's what Idaho's needed for quite a while."

Otter's proposed budget includes \$1.53 million more for ag research

By SEAN ELLIS Capital Press

BOISE — Gov. Butch Otter's proposed fiscal year 2016 budget includes an additional \$1.53 million for agricultural research and extension and an extra \$600,000 for secondary ag education pro-

It also includes more monev for wolf control efforts and rangeland management programs, as well as an additional \$750,000 for sage grouse preservation efforts

The additional \$1.53 million for University of Idaho's agricultural research and extension budget completes the governor's "5 in 5" promise to reinstate, in five years, the \$5 million in ongoing funding UI's College of Agricultural and Life Sciences lost during the last recession.

"I made them a promise and this will complete my promise," he told reporters Jan. 12 after his annual State of the State address. "The work they do has helped us an awful lot. A big part our economy is agricultural products."

Idaho Farm Bureau Federation spokesman John Thompson said it's good news to see the additional money for CALS includ-



Otto Kitsinger/Associated Press

Idaho Gov. Butch Otter delivers his State of the State address in the House chambers at the state Capitol on Monday, Jan. 12, in Boise.

ed in the governor's proposed budget but cautioned that the legislature still has to approve it.

"They've been hit hard and we'd like to see that funding reinstated," Thompson said.

Otter's proposed budget includes an additional \$400,000 for a wolf control board that was created last year. The board received \$400,000 in state money in fiscal 2015 to help fund lethal wolf control efforts and lawmakers who pushed for the board's same amount for five years. "Right on schedule," Sen.

Bert Brackett, the Republican rancher from Rogerson who carried the bill that created the board, said about the governor's \$400,000 request for fiscal 2016.

The governor's budget includes \$151,000 to fund two full-time rangeland management positions at the Idaho State Department of Agriculture to help manage the increasing number of range photo monitoring requests the ISDA is receiving from livestock producers who graze cattle on public lands.

Otter also asked lawmakers for \$221,000 to fund rangeland resource management and forest research economist positions.

Idaho Cattle Association Executive Vice President Wyatt Prescott said the funding for wolf control, sage grouse protection and rangeland management efforts shows that the governor, a rancher, understands natural resource issues and how they impact the state.

"It just reiterates the governor's commitment to common-sense management of wolves and our wildlife," he said. "That's reflective of the administration's ability to fully understand the issues at hand and how they affect not just our industry, but the entire state.'

During his state of the state address, Otter gave a shout-out to the five rangeland fire protection associations that have been formed in southern Idaho since

His budget includes an additional \$120,000 to train and equip the associations, which consist largely of ranchers and farmers, to help the U.S. Bureau of Land Management fight rangeland fires.

Idaho farm gate receipts, net income set records in 2014

By SEAN ELLIS Capital Press

BOISE — A strong performance by Idaho's livestock sector drove total farm gate cash receipts in the state to a record \$9.7 billion in 2014.

That was a 16 percent increase over the previous record of \$8.4 billion set in 2013 and it was the fourth straight year of record farm cash receipts in Idaho.

"It's been a phenomenal year for Idaho agriculture, maybe the best ever," University of Idaho agricultural economist Garth Taylor told lawmakers Net farm income in Idaho

totaled \$4.53 billion in 2014, a 46 percent increase over 2013 and the second straight record year for that category. Net farm income in Idaho

increased 48 percent in 2013 compared with 2012.

Those estimates are contained in UI's annual, "The Financial Condition of Idaho Agriculture Report," which was released this week. They are based on a calendar year.

"Agriculture today is bigger

than it ever has been in the state of Idaho in real dollar terms," Taylor said. The increases this year were

so large that UI economists had to rebuild their graph charts, said UI Teton County extension agent Ben Eborn. "We had to increase the

size of them by a third because the ... numbers wouldn't fit on them," he said.

The gains were driven mostly by a large increase in cash receipts among Idaho's livestock sector. Receipts for cattle and calves increased 29 percent to a record \$2.46 billion and milk receipts increased 26 percent to a record \$3.25 billion.

Cash receipts for "other" livestock, including sheep and goats, increased 14 percent to \$225 million. Combined, livestock re-

ceipts increased 27 percent to a record \$5.9 billion, far surpassing last year's record of \$4.7

Crop cash receipts increased 2 percent overall, despite revenue declines among many major commodities, including wheat, barley, dry beans and potatoes.

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Pipeline could spare irrigators curtailments

By JOHN O'CONNELL Capital Press

HAGERMAN, Idaho -Groundwater irrigators subject to the Rangen, Inc., trout farm's delivery call say they're on schedule to finish construction of a pipeline to transport mitigation water just in time to avoid curtailments throughout the Eastern Snake River Plain.

Idaho Department of Water Resources Director Gary Spackman ruled last winter junior groundwater irrigators west of the Great Rift near American Falls owe Rangen 9.1 cubic feet per second of water to offset decreased spring flows caused by their pumping. Complicating matters, a district judge's subsequent order expanded the call

Spackman allowed the pumpers to phase in the obligation over five years, beginning with 3.4 cubic feet per second in 2014. He granted them credit for 3 cubic feet per second of the first year's obligation, recognizing Idaho Ground Water Appropriators' past recharge and mitigation efforts. But he set a Jan. 19 deadline for them to provide the remaining 0.4 cubic feet per second of their obligation and avert curtailment of groundwater irrigators junior to 1985.

Though irrigators don't start watering crops until early April, dairies and commercial, municipal and industrial users would still be affected by winter curtailment, said IGWA Executive Director Lynn Tominaga. IGWA's 2015 obligation for 5.6 cubic feet per second of water is due on April 1.

IGWA has been rushing to build a \$3 million, 1.8-mile pipeline to transport spring water from Magic Springs trout farm to Rangen. "If they get a curtailment letter, it's go-



Courtesy of SPF Engineering

Plastic pipe is positioned into place to be buried. The pipeline to transport mitigation water owed by junior groundwater irrigators to the Rangen, Inc., trout farm in Hagerman is on schedule to be completed before a Jan. 19 deadline.

ing to be a wakeup call for a lot of people who never thought they'd have to supply water to an entity 120 miles away when the water wouldn't get there for between 100 and 200 years," Tominaga said.

Bob Hardgrove, principal engineer with Boise-based SPF Engineering, said a construction project that would normally take six months has been condensed to two

"When I texted the contractor this morning, he was cautiously optimistic that it's going to happen," Hardgrove said. "We got very lucky on the weather.

To save time, construction supplies were pre-ordered before J.C. Constructors of Meridian was chosen as contractor, and a 400-horsepower pump station was assembled in the factory, to be delivered next week to Magic Springs as a single unit.

Hardgrove said the 24-inch pipeline has a 10 cubic feet per second capacity. He said 1.5 miles of high-density polyethylene pipe has already been assembled and buried. Basalt was blasted to install another 1,000 feet, and insulated, steel pipe awaits completion over a cliff and rock field.

"I said (to the contractor), 'I want you to do the work in a third of the time, work through the winter and holidays, and oh by the way, if you don't get it done, it shuts down half of the state's agriculture," Hardgrove said.

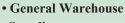
Rangen attorney Fritz Haemmerle couldn't be reached for comment but has described the pipeline as a "Band-Aid solution" in the past, concerned it doesn't address the underlying problem of "unmitigated" groundwater pumping.



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