

# Permit will cost from \$263 to \$2,373 annually

LAGOONS from Page 1

The state Department of Agriculture currently regulates how dairies manage manure. Officials say the WSDA program will stay in place, though it's unclear how the two programs will co-exist. Officials say they will work to avoid dupli-

cating regulations.

Washington Cattlemen's Association Executive Vice President Jack Field said beef cattle operators with lagoons might have to update their CAFO permits every time they expand their herds.

"The best thing for a cow-calf producer is to not get un-

der the permit," he said. "This changes the universe in which an operator lives."

DOE officials stressed Tuesday that the proposal will go through months of public comment before the agency develops a final rule.

Puget Soundkeeper Executive Director Chris Wilke

praised DOE for moving to regulate lagoons, but he criticized the agency for not proposing stronger actions. Under the proposal, lagoons will not have to be lined for at least five years. Also during that time, DOE would not require testing to learn whether a lagoon is polluting groundwater.

"It's clear there's a need for more monitoring," Wilke said. "The fact we have unlined lagoons that we know leak is unacceptable."

Even more than lagoons, DOE officials said they are concerned about manure spread on fields sinking into groundwater. Gordon said regular testing

of fields at various depths could be expensive.

The permit will cost from \$263 to \$2,373 annually, depending on the number and size of animals on the operation. There is no minimum number of animals before a producer would have to obtain a permit.

# Drought could reduce value of Washington's ag output

DROUGHT from Page 1

## Worst since 1977

The 2015 drought is unusual in several ways. It is by far the most severe since 1977, when a dry winter and spring spread across the state. By the time the rains finally arrived, they quenched all of the state except the northeast corner, which remained in extreme drought until winter, according to the Palmer Drought Severity Index, a comprehensive measurement of moisture.

This year, nearly the entire state is gripped by extreme drought. Farmers on the normally wet westside of the Cascade Range are as short of surface water as their counterparts on the normally drier eastside.

Water regulators on both sides of the Cascades are cutting off some irrigators to preserve minimum river levels to protect fish, wildlife and scenery.

"As a lifelong Washington resident, I don't think I've ever prayed for rain," said Tom Buroker, the state Department of Ecology's Northwest Region director. The department is responsible for all of the state's rivers.

Washington's 2015 drought has grown so deep and widespread it may do what the 2001 and 2005 droughts couldn't — reduce the value of the state's agricultural output.

## Agricultural impact

The Washington State Department of Agriculture estimated three months ago that statewide crop and livestock losses would total \$1.2 billion because of the drought.

Since then the weather has gotten hotter, drier and the drought has grown more widespread. Dry conditions now challenge every farmer, from cranberry growers on the Pacific Coast to wheat farmers in the rolling Palouse. In the 1977 drought, Washington's agricultural output declined by \$49 million, or 2.5 percent compared with the year before, according to the U.S. Department of Agriculture. Wheat yields were down 40 percent, and because the water outlook was so bleak in the spring, many acres of row crops were not planted.

Yet irrigated crops — those for which water could be obtained — fared better than expected. Fruit growers and livestock producers saw their incomes rise.

## Help from state

To help irrigation-dependent farmers, state officials responded aggressively to the drought in 1977. The Legislature appropriated \$33 million for drought relief, roughly equivalent to \$118 million in today's dollars.

Lawmakers this year approved spending \$16 million over the next two years. The money became available 3 1/2 months after Gov. Jay Inslee's initial drought declaration.

Individual farmers and ranchers may have suffered in



Photos by Don Jenkins/Capital Press

Skagit County, Wash., farmer John Thulen says the drought has been another challenge to manage. His family has been farming in northwest Washington since 1881. "There must have been some years where all the mules died," he says. "If I thought the sky was falling, I should get out of farming. It's a blip."

2001 and 2005, but droughts in those years didn't prevent the total value of Washington's crops and livestock from increasing over the previous years.

This year, measures such as emergency wells and water right transfers have helped reduce damages. Farmers are persevering.

"If I thought the sky was falling, I should get out of farming. This is a blip," said fifth-generation northwest Washington grower John Thulen. His family began farming in Skagit County in 1881. "I'm sure there were years where all the mules died."

## Other factors

The 2015 drought has not lent itself to a straight-forward narrative. The USDA's weekly crop reports throughout the summer have relayed concerns that heat is stressing crops, but they also say that some irrigated crops are doing well.

A spate of media reports in July about a pending rise in the price of craft beers was countered by a press release from the Washington state-based Hop Growers of America that the hop supply likely will increase this year because of more acreage.

The state will start getting a clearer picture of the drought's impact as preliminary yield reports are released this month for apples, grapes, pears, peaches and hops, said Dennis Koong, deputy regional director for the USDA National Agricultural Statistics Service.

For some producers, other factors may trump the drought in determining the value of their 2015 production.

Grays Harbor County dairyman Jay Gordon, who is director of governmental relations for the Washington State Dairy Federation, said falling global dairy prices will drive down income, regardless of



An irrigation ditch carries water from the Skagit River to northwest Washington farmers. The river is too low this year for farmers to draw from it continuously.

the drought's impact. "We're going to see a drop in revenues in 2015, but you can't say, 'Oh, it's just because of the drought.'"

WSDA doesn't plan to revise its estimate of drought losses, which was made before Washington's hottest and third-driest June ever.

The calculation was done at the request of DOE, and Inslee cited the figure in mid-May when he announced the drought had grown into a statewide emergency.

It's a rough estimate, assuming heavy losses in the Yakima Valley and lesser across-the-board losses elsewhere. The number, nevertheless, served a purpose by drawing attention to the potential economic damage of a

drought.

Ten years ago, the state faced another drought and illustrated the imperfect science of forecasting losses.

WSDA projected in 2005 that agriculture would lose up to \$299 million because of the drought, but USDA reported 1 1/2 years later that 2005 was a record-setting year for crop and livestock values, increasing by 9 percent over the year before to \$6.41 billion.

In 2001, also considered one of the state's worst droughts, Washington's total agricultural production was \$5.53 billion, the highest in four years.

Several factors, however, point to 2015 being different:

- The weather grew hotter and drier: Washington's

drought began with a small snowpack, but calling it a "snowpack drought" only tells part of the story. The warm winter extended into a hot summer. The state's overall winter precipitation was near normal, but it's been a dry spring and summer.

For months, climatologists said Washington could expect high temperatures and normal rainfall. Now they're saying the next three months will be both hot and dry.

Inslee and others warn the drought foreshadows climate change. This drought, however, can be linked to a weather phenomenon unrelated to the build-up of greenhouse gases that many scientists see as driving global climate change.

A mass of warm water that State Climatologist Nick Bond has nicknamed "The Blob" lingers off the coast. Farther out to sea, a strong El Nino brews. Bond predicts those two factors will combine to provide a second straight low snowpack winter.

By comparison, the 2005 drought declaration was followed by heavy spring rains, blunting the drought's impact. The Yakima River Basin got twice its average amount of rain between late March and June.

Wheat production was down that year, but cattle and several crops, including apples, posted record years.

Ironically, in the midst of drought, northwest Washington strawberry growers lost a good portion of the harvest to June rains.

- The drought is statewide: By late July, the entire state was classified as being in a "severe drought" and nearly one-third was in "extreme drought," according to the U.S. Drought Monitor. The percentage of the state in severe drought in 2001 topped out at 74 percent and in 2005 at 52 percent.

In 2001, only half the

state's residents lived in severe drought areas. Everybody feels the heat this year, including Western Washington farmers.

- River levels drop: Low snowpacks signaled trouble months ago for some farmers, particularly in the Yakima Valley and on the Olympic Peninsula.

Problems, however, spread quickly to other regions when rivers and streams everywhere dropped dramatically in late spring. The Western Washington Agricultural Association, which represents northwest Washington farmers, scrambled to find water for two irrigation districts cut off from the Skagit River. The association was successful in leasing water from senior right holders, but only partly.

"If there's anything we learned, it's that we've got to be prepared," said Brandon Roozen, the association's executive director.

- Water is less available: Historically, a big part of Washington's drought response has been to help junior water right holders who grow high-value crops in the Yakima Valley lease water from farmers with senior rights who grow lower-value crops.

This year, not nearly as much water was available to lease, even at prices that were double those in 2005. The rising price of water coincides with the increasing value of Washington's agricultural production, which was a record \$10.2 billion in 2013.

- History repeats itself: The Department of Ecology compiled reports after the 2001 and 2005 droughts. Both reports recommended helping farmers line up water-leasing options that could be exercised in dry years.

"Timing is critical. The drought was declared in mid-March and most crops had to be planted by April and May. It was a challenge to put the buying and leasing program in motion so quickly," the 2001 report stated.

The 2005 report proposed "investing about \$200,000" to purchase water rights in the Yakima Basin to transfer to 134 junior water right holders.

"Once a drought emergency is declared," the report stated, "competition for water coupled with the water community's unfamiliarity with the state water right buying and leasing program significantly limited the state's ability to purchase water at a less-than-premium price."

The report also suggested "standby bonding authority" so that DOE didn't have to use "creative budgeting and accounting approaches during drought emergencies."

The \$16 million the Legislature made available at the beginning of July won't have much, if any, influence on limiting damage from this year's drought.

In mid-May, Inslee praised ecology's director, Maia Bellon, for patching together a response without an appropriation. "It's taken some creativity," he said.

# Exporters are buying significantly less hay than a year ago

HAY from Page 1

Grain, hay — you name it — will be impacted," he said.

Mike Hajny, vice president of Wesco International Inc. in Ellensburg, a big hay exporter to Japan, said he hopes that 2014 hay works its way through the system within 60 to 90 days.

Meanwhile, exporters are buying significantly less than a year ago, 40 to 50 percent less in some areas, Hajny said. Calaway said he's prob-

ably down 15 to 20 percent on purchases of the 2015 crop.

There's 2014 product still being held by U.S. growers and exporters and in the yards of importers overseas, Hajny said.

It takes time for that hay to get consumed but some overseas buyers "are coming through and inspecting product. They are pleased with the quality," he said.

Prices have dropped because of the backlog. Premi-

um alfalfa in the Columbia Basin is \$180 to \$190 per ton, down from \$220 to \$230 last year, Hajny said. Premium Timothy is hovering around \$200 a ton; it was closer to \$300 last year, he said.

Demand for hay from domestic dairies is flat but domestic beef producers are buying more because pastures are drying up from drought, Hajny said.

"Beef guys are feeding hay 60 to 90 days earlier than normal. It's all over the West

Coast and into Canada," he said.

Hajny owns 100 pair of registered Black Angus cows and calves and said he's already feeding hay.

"We normally go out on fall pasture Timothy stubble from October to January. There will be virtually none of that this year due to drought," he said.

Beside beef cattle needing more hay, over supply due to the export backlog is somewhat held in check by less

production in Washington's Kittitas and Yakima valleys and in California because of drought.

Second-cutting Timothy is down 80 to 90 percent in the Kittitas Valley around Ellensburg because of drought, Hajny said. Irrigation water to 60,000 acres served by the Kittitas Reclamation District was shut off Aug. 6, 2 1/2 months ahead of normal.

Hajny has ballparked that loss at \$7.6 million, figuring 20,000 acres at 2 tons per

acre and \$190 per ton.

Despite less production, Calaway said he doesn't foresee any shortage.

"You can't have currencies getting weaker — Japan's yen and now the yuan — without it affecting exporters in the U.S. Our strong dollar coupled with some surplus of grain is driving down the price of seed," he said. "One drought in one area of the country won't stop this trend. It will take a bigger event."