

Irrigation district accused of cheating Oregon farmers

Lawsuit seeks injunction, \$2.9 million in damages for lost water

By MATEUSZ PERKOWSKI
Capital Press

Several growers in Northeast Oregon are accusing the Westland Irrigation District of cheating them out of water to benefit larger farms.

A federal complaint claims the district unconstitutionally deprived the plaintiffs of water and seeks \$2.9 million in damages as well as an injunction requiring the Westland Irrigation District to enforce the plaintiff's water rights and properly deliver water.

Plaintiffs include ELH LLC, Oregon Hereford Ranch LLC, Paul Gelissen, Maurice and Lucy Ziemer, Frank Mueller, Craig and Cynthia Parks and Richard and Kristine Carpenter.

Mike Wick, the district's general manager, said it would be premature for him to discuss the lawsuit.

"Our board hasn't had a chance to meet to discuss the complaint," he said.

The Westland Irrigation District will hold a special executive session about the litigation that's scheduled for July 5 in Echo, Ore.

According to the complaint, the district "facilitated large scale theft" over the past six years from 10 farms with senior water rights, which own between 58 acres and 837

acres each, to deliver water to three operations with more than 5,000 acres.

The lawsuit claims those three farms with junior water rights — L&L Farms, Eagle Ranch and Amstad Farms — diverted more water than they were allowed.

The district used several methods to make the over-pumping possible, including fraudulent accounting and improper contracts, the complaint said.

"Defendant's misappropriation of plaintiffs' senior water rights has deprived plaintiffs of the opportunity to double crop their farms and shifted that lucrative opportunity to junior water rights holders in violation of Oregon water rights law."

Capital Press was unable to reach a representative of L&L Farms as of press time.

David Prior, whose family owns of Eagle Ranch, said he hadn't heard about the litigation.

"We don't have any information because we're not in the lawsuit, so I can't comment," he said.

Skeeter Amstad, whose family owns Amstad Farms, said it's too early for him to comment on the lawsuit but said his company is transparent in its water use and has done nothing wrong.

"We work extremely hard to get water through all the legal channels," he said.

Dixie Echeverria, co-owner of plaintiff ELH LLC, said she was alerted to the problem

when her company didn't receive all the water to which it was entitled during the spring.

Westland Irrigation District didn't provide answers to her questions and the Oregon Water Resources Department's local watermaster refused to intervene in the dispute, she said.

The lawsuit was filed to ensure senior water rights in the district are protected, Echeverria said.

Litigation filed by farmers against their own irrigation district is rare, according to an Oregon water law attorney who didn't want to be named.

An irrigation district's board of directors is supposed to ensure proper water allocations, but these governing bodies are often dominated by the largest landowners, the attorney said. "That's potentially a problem."

If the board's directors refuse to take action or are accused of wrongdoing themselves, farmers have few alternatives aside from litigation, the attorney said.

State watermasters regulate at the point of diversion from a public water source, but they aren't involved in internal water distribution, the attorney said. "They leave that to the district to manage."

The same plaintiffs who filed a federal lawsuit against Westland Irrigation District have also filed a state lawsuit demanding that the Oregon Water Resources Department regulate water rights within the district.

WSDA director ousts state vet

Vacancy leaves 'big hole' for livestock industry

By DON JENKINS
Capital Press

Joe Baker was dismissed Tuesday after 20 months as Washington state veterinarian, apparently falling short of Department of Agriculture Director Derek Sandison's expectations.

Sandison evaluated Baker and decided to make a change, a WSDA spokesman said.

The department gave no other reason for Baker's dismissal. Efforts to reach Baker were unsuccessful.

The spokesman said the department has not named an acting state veterinarian.

As state veterinarian, Baker managed WSDA's Animal Health Program, a vital government office for the livestock and poultry industries.

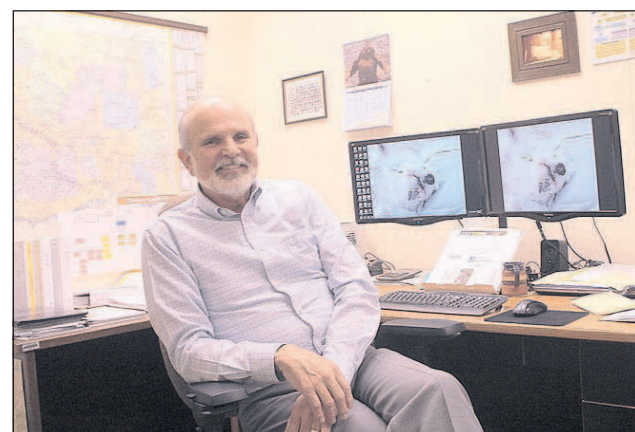
During his tenure, WSDA was faced with containing bird flu, guarding against livestock diseases circulating in the West and implementing changes in how the state traces the movement of livestock in case of a disease outbreak.

Washington Cattlemen's Association Executive Vice President Jack Field said he was surprised by Baker's dismissal.

"I thought he did well," Field said.

Field, however, said he thought Baker was handicapped in his ability to leave Olympia to meet producers because of a vacancy in the assistant state veterinarian's position.

"I think that might have been a challenge," Field said. "Obviously, that reduces visibility. Whether it's the state



Don Jenkins/Capital Press

Joe Baker sits in his office in Olympia in this file photo from 2015. Baker was dismissed July 5 after 20 months as Washington state veterinarian.

veterinarian or our own vet, when you have a chance to interact, you can build a bond and have a closer relationship.

"I think we need both a state veterinarian and assistant state veterinarian, so we have the Olympia office covered, and the ability for the state veterinarian to get out," he said.

Field said he hoped WSDA will fill the position quickly.

The vacancy "leaves the industry in a big hole right now. We've got a lot going on," he said. "The good news is we have a strong core of regional vets."

The Washington State Dairy Federation had a good relationship with Baker, Jay Gordon, the group's policy director, said.

"I always thought Dr. Baker did a pretty fair job, but for whatever reason, the department wants to go in a different direction," Gordon said.

Rep. Joe Schmick, R-Colfax, said he too was surprised by Baker's dismissal. Schmick and another lawmaker recently asked Baker to meet with ranchers in Pull-

man to talk about bluetongue virus.

Schmick said Baker had valuable experience responding to disease outbreaks in New Mexico.

"I think his addition to that meeting was very valuable," Schmick said. "He brought a lot to the table." Baker earned a bachelor's at Washington State University and then his doctorate from WSU in 1977.

Before coming to WSDA, he had spent much of his career in New Mexico, including a stint as interim state veterinarian.

He also had been a field veterinarian; headed New Mexico's Food Safety, Meat and Poultry Inspection Division, and had held positions with the New Mexico Livestock Board.

He joined WSDA in November 2014, hired by then-Director Bud Hoyer, who resigned five months later.

Baker was a strong advocate for vaccinating horses against West Nile virus and in a recent interview was critical of the horse industry for not following health requirements when transporting horses between states.

Organic premiums prone to volatility

Prices for organic food higher, but how much varies

By MATEUSZ PERKOWSKI
Capital Press

Organic foods consistently cost more than their conventional counterparts, but the size of those premiums can fluctuate widely, according to a USDA study.

The organic label was associated with premiums of 20 percent or higher for most of the 17 products analyzed in the recent USDA Economic Research Service study, which tracked price differences between 2004 and 2010.

However, the price premiums for most products tended to bounce up and down rather than increase or decrease over time, even as organic sales expanded.

"The basic conclusion is there really isn't a trend," said Andrea Carlson, an ERS economist who co-wrote the study.

Premiums for organic products often tended to rise and fall regardless of price changes for conventional foods, suggesting the two markets may operate independently of each other, she said.

Fresh fruits and vegetables are the largest organic sector by sales and also had some of the greatest swings in price premiums.

Potato premiums, for example, ranged from 10 to 35 percent above the conventional price, while salad mixes ranged from 40 to 60 percent above the



Mateusz Perkowski/Capital Press

Workers pack organic red peppers at the Organically Grown Co.'s warehouse in Portland, Ore. Organic foods are consistently priced 20 percent or more above their conventional counterparts, though the premiums fluctuate over time.

conventional price.

In some cases, though, there was a downward trend. The premium for spinach fell from about 55 percent to less than 10 percent while the premium for canned beans dropped from 100 percent to under 60 percent.

It's possible that farmers achieved a more efficient "economy of scale" with certain foods, allowing supplies to rise and sales to grow while prices declined, said Carlson.

Even so, it's unclear why the premiums for other products did not also decrease even as they became more popular, she said.

Given the volatility of supply and demand in fresh fruits and vegetables, prices are also prone to vary sharply, said David Lively, vice president of sales and marketing at the Organically Grown Co., a produce distributor.

"Our prices definitely whip all over the joint," said Lively.

There are times when the organic market is affected by conventional prices, such as when conventional prices for a certain crop get so high that organic farmers sell through conventional channels, he said.

However, this type of "re-routing" can be logistically challenging and risks disappointing existing customers, Lively said.

For the most part, though, the organic and conventional markets are essentially parallel, with their own supply and demand dynamics, he said. "They don't necessarily relate to each other."

The USDA study tracked retail prices, but those don't neatly square with the prices received by farmers, Lively said.

Some larger grocers are willing to sell certain organic foods for a lower profit margin to attract customers, he said. "Retailers can really have a big impact on it."

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<p>JD 6125M, 1967 hours, open station, MFWD, H340 loader, 2 remotes, 18.4-34 rear tires....\$72,000 Donald DA778051</p>	<p>JD 3039R, 168 hours, Cab, MFWD, Hydrostatic trans., 540 PTO, JD H165 loader.....\$32,500 Central Point EH140427</p>	<p>Challenger MT755B, 6739 hours, Cab, 24" tracks, PS trans, 3pt hitch, 4 remotes, ballast package.....\$127,000 Merrill NTBC1048</p>
<p>JD 6125R, 380 hours, premium cab, IVT, MFWD, headland mgmt., dual PTO, 3 remotes.....\$105,000 Salem 795991</p>	<p>JD 8230, 4397 hours, Premium cab, MFWD, IVT, mid loader valve, 480-38 single rear tires.....\$75,000 Donald 27577</p>	<p>CaseIH 435, 2745 hours, Cab, 4WD, PS trans., 710-38 duals, 4 remotes, 55 gpm pump, diff locks.....\$194,500 Four Lakes 117203</p>
<p>JD 7230R, 508 hrs, Premium cab, MFWD, IVT trans., AT ready, 2630 Disp., Receiver, 520-46 duals\$209,500 Salem 82541</p>	<p>JD 9400, 11140 hours, Cab, 710/70R-38, PS trans., 3-pt hitch, no PTO, new rod and main bearing.....\$45,000 Fall River Mills OP020839</p>	<p>Case IH MX125, 1,274 hours, Std. cab, MFWD, PS trans, dual PTO, 16.9-38 singles.....\$63,250 Madras E09936</p>
<p>JD 7330, 2982 hours, Open station, ROPS, PQ trans., JD 7415L loader, 3 remotes, dual speed PTO.....\$70,000 McMinnville OD021808</p>	<p>JD 8970, 7936 hours, 4WD, PQ trans., 4 remotes, bareback, 20.8-42 duals.....\$57,400 Harrisburg 0H001147</p>	<p>JD 4430, 11394 hours, Cab, 2WD, Power Shift trans., 2 remotes, 14.4-38 rear single tires.....\$14,500 Madras H008820R</p>
<p>Case IH 9370Q, 7100 hours, 36" tracksm Quad trac, 5 remotes, bareback, recon undercarriage.....\$68,000 Donald E0072664</p>	<p>Case IH 535, 2600 hours, 4WD, PS trans., 800/70R-38 duals, 4 remotes, bareback, leather seat.....\$170,000 Walla Walla 108988</p>	<p>Case IH MAX140, 4240 hours, premium cab, MFWD, 18x6 PS trans, 540/1000 PTO, 4 remotes, 480-42 singles.....\$68,750 Hillsboro ZBBL11889</p>
COMBINES	COMBINES	COMBINES
 <p>JD 5680, 958 hours, Rahco 35% leveler, 635F flex cutting platform w/cart.....\$506,000 Colfax 755717</p>	<p>JD 9870, 1389 hours, Level Land, small grain, 650/85-38 duals, straw spreader.. \$209,000 Four Lakes 80741568</p>	<p>JD 9650STS, 3112 hours, sm grain, 18% Hillco leveler, grass seed combine, 914P BPU. \$118,000 Tangent 05700523</p>
<p>JD 9770STS, 3079 hours, small grain, 35% Rahco leveler, 630R platform & cart.....\$225,000 Colfax OS730470</p>	<p>JD 5690, 350 hours, small grain, 28% Hillco leveler, 24.5-32 duals, 4WD, Countour Master.....\$500,000 Moscow D0765122</p>	<p>JD 9760, 2767 hours, Rahco 18% sidehill leveler, duals, 4WD, straw chopper, contour master.....\$167,000 Tekoa 05715882</p>
<p>JD 1670, 1127 hours, small grain, MacDon BPU platform, rasp bar cylinder, straw chopper.....\$197,600 Donald 0A084501</p>	<p>JD 9750, 3500 hours, small grain, Hillco 28% Leveler, 24.5-32 tires, 630F platform and cart.....\$198,500 Moscow 691274</p>	<p>JD 4995, 2100 hours, cab, 16' 995 rotary cutterbar platform, V10 conditioner. \$60,000 Pomeroy 5X340905</p>
<p>JD 5670, 280 hours, small grain, Rahco 18% 4-way leveler, 615P BPU platform.. \$370,900 Tangent 765553</p>	<p>JD 5670, 1045 hours, small grain, Hillco 28% leveler, Prodrive, 24.5-32 tires..... \$400,000 Moscow C0755421</p>	<p>JD R450, 415 hours, Cab, 16' 995 Rotary cutterbar platform, V10 conditioner. \$109,000 Madras CD390755</p>
WINDROWERS	WINDROWERS	WINDROWERS
<p>JD A400, 1611 hours, Cab, 16' double auger sickle platform, V10 conditioner . \$53,500 Merrill AA360142</p>	<p>MacDon 9000, 1950 hours, Cab, 14' sickle bar cutterbar, no conditioner. \$35,000 Moscow 90643</p>	



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