

WSDA moves to shut down slaughterhouse, again

Business owner pushes back

By DON JENKINS
Capital Press



Courtesy of WSDA

Livestock are penned at Rickson Livestock in Auburn, Wash., in this photo taken in November by the Washington State Department of Agriculture. A judge Dec. 7 ordered the owner, Rickson Vilog, to remove the animals by Dec. 22 or face fines. Vilog has been butchering animals for two years without a license, according to WSDA.

After that, Vilog faces fines of \$100 per day for each animal. The order was the latest

action in a dispute that goes back to 2011 when Vilog was first cited for food-safety violations.

The violations included unclean equipment and the lack of an approved waste disposal system. The business has failed every inspection since then, according to WSDA.

WSDA revoked Vilog's custom-slaughter license in 2014 and fined him \$6,000. He paid \$281 toward the fine, according to WSDA.

The department estimated Vilog has slaughtered and processed at least 500 animals since last summer.

WSDA spokesman Hector Castor said the department has tried to help bring the business into compliance with health rules.

"We've bent over backwards trying to assist him," Castro said. "He's just flouted the law and continued to operate."

Vilog said in an interview Friday that he has about 125 cattle and a total of about 75 sheep, goats and swine on his property.

"I have to do something for a living," he said. "So we're going to be going to court again."

He disputed WSDA's contention that his slaughterhouse is unsanitary. He said he caters to ethnic groups who want fresh meat.

"If I don't do it, they'll do it in their backyards," he said.

Vilog's attorney, Raphael Igwens Nwokike, said he will file a motion to modify the order. He said he will propose that Vilog move the smaller animals off the property, but be allowed to keep the cattle.

Vilog would move the cattle away from the slaughterhouse and not process any meat until he's able to satisfy WSDA's licensing requirements, Nwokike said.

"I hope I can help this client get back into business," he said.

Vilog said he's trying to resolve septic tank issues that he blamed for being unable to regain his license to butcher animals.

Environmental suit seeks 'best-management practices' for Washington farms

By DON JENKINS
Capital Press

A federal lawsuit against the Environmental Protection Agency calls for Washington state to adopt agricultural "best-management practices."

Northwest Environmental Advocates alleges the EPA has violated the Clean Water Act by failing to make the state implement so-called

BMPs to protect Puget Sound and coastal watersheds.

Until those practices are in place, the federal government should cut by at least one-third the \$5 million the state receives annually for two water-quality programs, according to the group, which filed the lawsuit Dec. 7 in U.S. District Court in Seattle. The lawsuit also names the National Oceanic and Atmo-

spheric Administration.

Northwest Environmental Advocates Executive Director Nina Bell said her group wasn't looking to dictate farming practices, but collectively BMPs, even if voluntary, must improve water quality, she said.

"All we're saying is, the state needs to figure it out," she said. "And if the state doesn't figure it out, the fed-

eral government needs to step in and crack the whip."

The EPA declined to comment. Efforts to obtain comment from Ecology were unsuccessful.

Ecology updated in 2015 its overarching plan to keep sediment, chemicals and animal waste from running into waterways. The plan applies to sources that aren't required to have a permit, such as res-

idential areas, logging sites and farms.

The EPA approved the plan, but also asked Ecology to press ahead with developing BMPs for farms and ranches.

Ecology is expected to announce this month the process it will use next year to develop those practices. Ecology says the practices will be voluntary and won't amount to

new regulations.

Washington Farm Bureau First Vice President Aaron Golladay credited Ecology's current administration with good intentions.

"My fear is it's going to be hijacked by environmental groups, 'This is what you have to do, period,'" said Golladay, co-chairman of Ecology's Agriculture and Water Quality Advisory Committee.

USDA urges against Supreme Court review of wetland lawsuit

American Farm Bureau Federation claims regulators make law behind closed doors

By MATEUSZ PERKOWSKI
Capital Press

The USDA is urging the U.S. Supreme Court not to review a lawsuit in which a farm family challenges a wetland determination on its property.

South Dakota farmer Arlen Foster and his family have asked the nation's highest court to reconsider an appeals court ruling that let USDA's wetland determination stand.

Because roughly an acre of their land was determined to be a wetland, they can't farm it without disqualifying the operation from federal crop insurance and other USDA programs.

The case has implications for farmers nationwide because it relates to federal agencies interpreting and applying regulations without input from the public, according to the American Farm Bureau Federation.

"As they tend to their land, and try to stay in compliance with the laws that are on the books, farmers should not also have to worry about new laws being cooked up by agencies behind closed doors," AFBF said in a legal brief. "Reasonable people should not be expected to order their farms or

affairs around legal interpretations they do not even have constructive notice of."

The USDA counters that the lawsuit doesn't merit Supreme Court review because the agency used a reasonable interpretation of its own regulations in declaring a portion of the Fosters' property a wetland.

Under federal law, property is considered a wetland if it has the soil, hydrology and plants consistent with wetlands.

The USDA's Natural Resources Conservation Service determined that the Fosters' parcel had wetland soils and hydrology.

Since the property had been altered from its natural state, the agency compared it to a similar site 33 miles away to determine it contained wetland plants.

The Fosters argue that USDA relied on a "remote comparison site, preselected 10 years prior and without notice to the Fosters or an opportunity to be heard," which violates their right to due process.

A federal judge in South Dakota and the 8th U.S. Circuit Court of Appeals sided with USDA in the case, ruling to defer to the agency's expertise.

The Fosters and AFBF argue that the Supreme Court should overturn these decisions because such a great level of deference effectively allows federal agencies to make new laws in secret and then foist them on farms and other regulated entities.

Simplot accuses partner of mismanagement

Lawsuit filed against farmer Frank Tieg and affiliates

By MATEUSZ PERKOWSKI
Capital Press

The J.R. Simplot Co., a major agribusiness firm, is accusing its business partner, Washington farmer Frank Tieg, of grossly mismanaging two joint venture food processing companies.

A complaint filed by Simplot in federal court claims that Tieg is on the verge of driving the two companies, Pasco Processing and Gem State Processing, out of business.

"Simplot seeks the immediate appointment of a third-party receiver to operate the Pasco Group and Gem State," the complaint said. "Otherwise, it is highly likely that the Pasco Group and Gem State will soon fail."

A spokesman for Tieg said he has no comment on the lawsuit.

According to the complaint, Tieg has forced Pasco Processing of Pasco, Wash., to buy unnecessarily large amounts of crops from his farm affiliates, saddling the company with \$36 million in excess inventory.

Similarly, the complaint alleges that Tieg coerced Gem State Processing of Heyburn, Idaho, to buy inferior quality crops from his affiliates, including rotten potatoes, often at above-market prices.

Ownership of both operations is evenly split between Tieg and Simplot, but they're operated by sub-



Mateusz Perkowski/Capital Press

The National Frozen Foods Co. facility in Albany, Ore., is part of a joint venture between the J.R. Simplot Co. and farmer Frank Tieg, which is now the subject of a lawsuit.

sidiaries owned by Tieg — Washington Potato Co. and Oregon Potato Co., according to Simplot.

The complaint claims that Tieg's poor management has caused Gem State to suffer \$5 million in losses during its 2016 fiscal year while Pasco Processing is expected to have a cash deficit of \$14 million by the end of the year.

The National Frozen Food Co., a subsidiary of Pasco Processing based in Seattle, Wash., recently overdraw its checking account by more than \$3 million, threatening the possibility of not meeting payroll and having checks to farmers "returned for insufficient funds," Simplot said.

"A company that cannot meet the fundamental functions of paying employees and purchasing raw materials is unsustainable and cannot survive without intervention," the complaint said.

Contrary to contracts with Simplot, Tieg's subsidiary companies have refused to communicate or turn over financial records related to their management of Pasco Processing and Gem State

Processing, the complaint claims.

The complaint also alleges Tieg has tried to conceal significant worker safety problems cited by state and federal regulators.

Tieg and his subsidiaries have also encountered serious

food safety problems, such as foreign materials ending up in processed food products, the complaint alleges.

The complaint alleges that Tieg violated operating agreements with Simplot and unjustly enriched himself, among other charges.

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