

## Bill would enable California beef research, promotion panel

By **TIM HEARDEN**  
Capital Press

SACRAMENTO — A bill in the Legislature would allow beef producers to set up their own state commission to deal with issues unique to California.

The legislation by Assemblyman Jim Cooper, D-Elk Grove, would enable ranchers to vote to create a California Beef Research, Promotion and Education Commission funded with checkoff dollars.

Under the bill, a producers' referendum would be held to raise the checkoff from \$1 to \$2 per head of cattle sold and enable ranchers to recoup the additional funds if they don't want to participate, explains the California Cattlemen's Association, which requested the legislation.

The bill's passage wouldn't automatically trigger the increase.

"We want to make sure that additional dollar remains solely in California for use ... by California ranchers," said Justin Oldfield, the CCA's vice president of government affairs. "We have various commodity commissions in California. This accomplishes that objective."

Currently, of each checkoff dollar that's collected, 50 cents goes to the California Beef Council and 50 cents goes to the national checkoff administered by the Cattlemen's Beef Board, which is subject to scrutiny by the USDA, Oldfield said.

The additional dollar, if approved in a referendum, would go toward the commission and not be subject to the USDA's oversight, he said. The refund provision would enable the commission to be created with a simple majority vote by ranchers, he said.

The new panel would be better equipped to respond to such developments as when the International Agency for Research on Cancer in 2015 classified red meat as a probable carcinogen, Oldfield said. As it was, the red meat industry responded by pointing to numerous studies that show no correlation between meat and cancer.

"That's something that the commission would be able to fund efforts to respond to ... very easily" without being limited by USDA rules, Oldfield said.

The commission would also be able to tackle industry challenges that are specific to California, providing ranchers with "increased freedom and flexibility to invest in research, promotion and education projects that directly benefit California beef producers," CCA president Dave Daley told members in a legislative newsletter.

As commission members would also be on the Beef Council, the panel would be similar to the California Walnut Board and California Walnut Commission, which work concurrently. While the walnut board has various duties under a federal marketing order, the commission does international marketing and funds research.

## Water regulators rescind \$1.5M fine

WILLIAMS, Calif. (AP) — State water regulators rescinded a \$1.5 million fine levied against one of California's top tomato processing companies they said had been polluting groundwater after the company uncovered documents contradicting officials.

The Central Valley Regional Water Quality Control Board imposed the fine last year against Morning Star Packing Co. for expanding two wastewater ponds from 60 to 100 acres without permission and improperly disposing of millions of gallons of waste.

The company said Tuesday the decision to rescind the fine came after its lawyers received a report through a Public Records Act request that showed water board staff member summarizing a meeting in which Morning Star informed them of the pond expansions at the plant in Williams.

After the water board rescinded the fine, Morning Star agreed to dismiss a lawsuit it filed against the state last July in Colusa County Superior Court, the company said.

In its February decision to rescind the fine, the state board said that the company's lawsuit alerted it to documents that were not included during the administrative hearing when the fine was imposed. It said the documents showed discrepancies with statements made by the prosecution team but didn't give details.

Water board officials didn't immediately return a message seeking comment. The board said last year that its staff discovered the expansion after receiving odor complaints from plant neighbor.

An estimated 266 million gallons of wastewater were discharged from the ponds' unauthorized expansion to groundwater, the board said.

Morning Star Packing Co. is a leading supplier of tomato products with plants in Northern and Southern California.

# U.S. trout sales increase 1 percent

By **CAROL RYAN DUMAS**  
Capital Press

U.S. sales of all sizes of trout were up 1 percent year over year to \$105 million in 2016, with Idaho claiming 48 percent of those sales, according to the USDA National Agricultural Statistics Service.

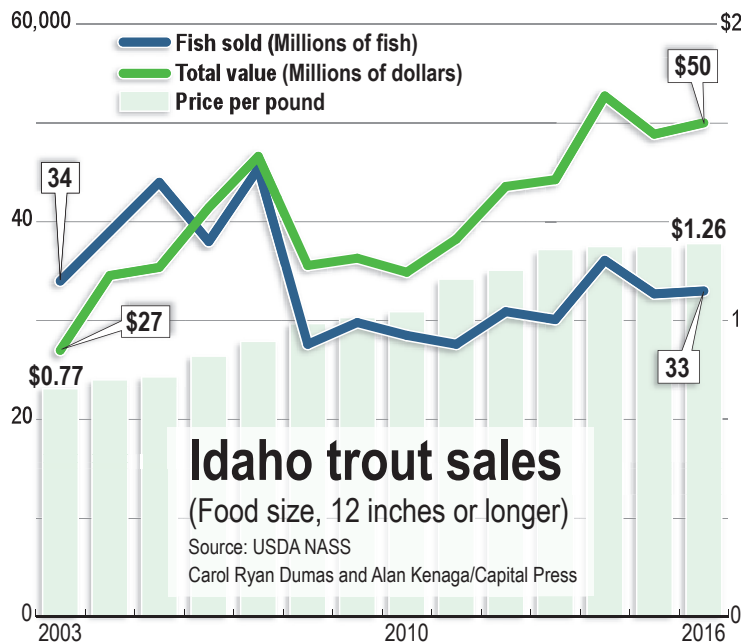
The agency withholds a lot of details for specific states on the different size categories to avoid disclosing data for individual operations.

But in Idaho, food-size trout is king, and those sales accounted for \$50.022 million of the state's \$50.4 million in total sales.

Nationwide, sales of food-size trout — 12 inches and longer — were up 1 percent to \$97 million, with 61 percent sold to processors at an average price of \$1.64 per pound nationwide.

Idaho claimed about 52 percent of that value at an average price of \$1.26 per pound.

The state's share of production of food-size trout, however, was 67 percent on a live weight basis — 39.7 million pounds of the 59.1 million pounds nationwide. Year



over year, Idaho's food-size trout increased 2.4 percent in sales and 1 percent in production.

The difference in price is a factor of markets. For example, if a supplier is selling to a large national chain, pricing can tend to be lower, said Kurt Myers, vice president of sales and marketing for Clear

Springs Foods, the world's largest producer of rainbow trout.

The exciting thing is demand is strong for trout, and seafood in general, he said.

Per-capita consumption of seafood in the U.S. is up substantially, and seafood took the spotlight of all proteins in USDA's latest dietary

guidelines, he said.

U.S. per-capita consumption of seafood in 2015 was 15.5 pounds, up nearly a pound from 14.6 pounds in 2014 and more than a pound above the recent low of 14.4 pounds in 2012, according to the National Fisheries Institute.

"That's encouraging," Myers said.

Rainbow trout is a small, niche market in the seafood category — not even in the top 10 of the seafood products that account for 90 percent of consumption in the U.S. And it's in the top pricing tier of fin fish, with boneless filets selling for \$7 to \$8 a pound at retail, he said.

But it's well received by consumers, and demand is growing, he said.

"There's nothing we've seen that suggests otherwise," he said.

Rainbow trout has a great health story and is domestically produced — compared with the 85 percent of seafood imported into the U.S. It is a mild fish with a lot of versatility, he said.

All of those things speak well to how it is perceived in the market and to subsequent demand, he said.

# Clif Bar grows its production capacity

## Company continues to build network of local organic growers within Idaho

By **CAROL RYAN DUMAS**  
Capital Press

TWIN FALLS, Idaho — The popularity of Clif Bars has hastened the addition of a third production line at the company's Twin Falls bakery, which began operations last June.

The additional production line to make energy and nutrition bars was in the plan from the start, but the company didn't anticipate starting it as quickly as it did.

Strong demand, however, pushed the launch ahead of schedule, said Dale Ducommun, general manager of the bakery.

The bakery produces the original Clif Bar energy bar, Clif Kids ZBars and the company's newest product, Clif Nut Butter Filled bars.

"Business is good, demand is good. People are liking our organic bars and can't get enough," Ducommun said.

Energy bars in general are a hot item, but Clif Bar's use of organic ingredients is a big draw. The company aspires to use 100 percent organic ingredients and is currently able to source 74 percent of its ingredients organically. Some of its 19 brands and 150 products are 100 percent organic.

"We will continue to strive to expand that," said Dean Mayer, Clif Bar communications manager.

In 2016, the company used 113 million pounds of organic ingredients and has used 750 million pounds since 2013.

The company's products would be 100 percent organic across the



Carol Ryan Dumas/Capital Press

Dale Ducommun, general manager of the Clif Bar bakery in Twin Falls, Idaho. The company's expansion to a third production line brought 75 new full-time employees to the Clif Bar ranks, upping the Twin Falls count to 290.

board if supplies were available, Ducommun said.

The pressure is on for organic products, but the availability of organic ingredients isn't keeping up. That's why Clif Bar is excited to be working with its first local grower in Idaho, Mayer said.

The company uses a lot of fruits, nuts and rolled oats and not all of those fit with Idaho's climate, he said.

Clif Bar is continuing to work with local organic growers to help figure out which organic crops will work in their rotations. So far oats are the best suited for local production that matches Clif Bar's needs, Ducommun said.

The company is interested in

evaluating seed cultivars for oats that will perform well in Idaho. It would be a multi-year project, but that's what Clif Bar does — partner with local growers to help them be more profitable in their operations, he said.

The company held a conference for local organic growers last year and is continuing efforts to support growers and expand a local supply network.

"There are more local organic growers than I would have expected," Ducommun said.

The company's expansion of a third production line brought 75 new full-time employees to the Clif Bar ranks, upping the Twin Falls count to 290.

The family- and employee-owned company — based in Emeryville, Calif., with another bakery in Indianapolis — employs a total of 1,090.

It markets its products in the U.S., Canada and 14 other countries, including Germany, Australia and the United Kingdom. Its bars can be found in grocery stores, natural food stores, sports specialty retailers, mass and club stores, convenience stores, drugstores and online.

Founded in 1992, the company celebrates 25 years in business this year and a 10-year compounded annual growth rate in revenues of 18 percent.

# Idaho allows users to exceed recharge water rights

By **JOHN O'CONNELL**  
Capital Press

BOISE — Idaho water managers say they're allowing Snake River users to exceed the upper limits of their aquifer recharge water rights, seeking to maximize the beneficial use of flood-control releases that would otherwise go to waste.

Since March 10, the Bureau of Reclamation has been allowing 15,000 cubic feet per second of water to flow past American Falls Reservoir and Milner Dam, freeing reservoir space for forthcoming runoff from a strong mountain snowpack. Idaho law allows for no water to be released from Milner.

The state has a water right to intentionally recharge up to 1,200 cubic feet per second from the Snake River to help address declining groundwater levels, paying fees to irrigation companies to open their systems and allow the water to seep in through unlined canals and gravel spill basins. All of the other water rights now in priority — most of which are for private recharge — add up to about 3,300 cubic feet per second.

"This year, there will be so much flood water, there will be water nobody has a solid claim to," said Idaho Water Resource Board Chairman Roger Chase. "Where there's extra water and everybody's



John O'Connell/Capital Press

About 1,500 cubic feet per second of water is released below American Falls Dam on March 10, freeing space in the reservoir to capture runoff while avoiding flooding. The Idaho Department of Water Resources is allowing water users with recharge water rights to go over their water right limits to take advantage of flood-control releases.

water right is met, we'll dump out whatever we can dump."

Wes Hipke, recharge coordinator for the Idaho Department of Water Resources, said the state would ramp up to recharging 1,600 cubic feet per second during the week beginning March 12.

"Within three weeks, I have the potential of being around 3,000 cubic feet per second," Hipke said.

"The more we can move off of the system that would otherwise flow out, the better off we are."

Hipke said entities including the City of Blackfoot at Jensen's Grove, the Fremont-Madison Irrigation District, Farmers' Friends Irrigation Co., Enterprise Canal Co. and the Great Feeder Canal Co. and associated canals are already conducting recharge in the

upper valley. He's optimistic up to nine more recharge contracts may soon be signed, though many canal companies must still remove snow from their systems and repair flood damage.

He said the state may also need to tap additional resources beyond the \$1.5 million it has budgeted for this season to pay canal companies to conduct recharge. In early February, Hipke predicted the state would recharge up to 80,000 acre-feet of water this winter and spring. Based on the current outlook and the opportunity to exceed the state's recharge right, Hipke now anticipates recharging up to 196,000 acre-feet.

In the future, Idaho Ground Water Appropriators, Inc., Executive Director Lynn Tominaga would like to see the state allow canal operators to recharge without a right whenever flood-control releases are made, prior to the start of irrigation. Tominaga suggests financial agreements involving recharged water could subsequently be made with either the state or with his organization, for mitigation. In the meantime, Tominaga hopes to find a canal company that will lease IGWA storage water and recharge it toward IGWA's mitigation obligations, knowing the reservoirs are bound to refill.

"It just seems like a waste to have 15,000 cubic feet per second running past Milner," Tominaga said.