

# DAIRY: Opponents are concerned over possible water pollution from waste

Continued from 1A

will now run through 5 p.m. Friday, Nov. 4. Comments can be emailed to Matthews at [wmatthews@oda.state.or.us](mailto:wmatthews@oda.state.or.us), or faxed to 503-986-4730.

If someone has already submitted comments, they do not need to send them again, Matthews said.

## Expanding operations

Lost Valley Ranch is proposed by California dairyman Greg te Velde, who purchased 7,288 acres along the southern boundary of the Boardman Tree Farm east of where Homestead Lane intersects with Poleline Road.

For 14 years, te Velde has run the Willow Creek Dairy on land leased from Threemile Canyon Farms, producing 70,000 gallons of milk per day to Tillamook Cheese at the Port of Morrow. Now, he wants to move and expand his operation, with more than triple the number of cows.

The application for Lost Valley Ranch includes an Animal Waste Management Plan, describing how waste will be managed on site. The plan calls for six main lagoons, adding up to 260 acre-feet of storage. All lagoons would have a double liner with leak detection to protect against material leaching into the groundwater.

The nitrogen-rich waste would then be recycled and applied at agronomic rates — based on soil testing — to irrigate 5,900 acres of farmland growing animal feed, such as corn silage and alfalfa. Whatever is left over would be used to make animal bedding or transferred off site, according to the application.

A methane digester might also

**“The size of this facility is just staggering. This is essentially going to be a sewer-less city.”**

— **Tarah Heinzen**, staff attorney for Food & Water Watch

be considered to mitigate air pollution, te Velde said, though that's not in their immediate plans. He figures it will cost about \$4,000 per milking cow just to get the dairy up and running. The state CAFO permit does not require any air pollution measures.

Most of the environmental concerns raised by the public have already been addressed in the application, te Velde said.

“I don't think there are any new issues that came up,” he said.

After some initial trepidation, the Morrow County Court has also come out in support of Lost Valley Ranch. Local officials had expressed concern about the development of a second large dairy within three critical groundwater areas, as well as impacts to nearby irrigation canals and concern for animal mistreatment.

In comments filed Aug. 24, the court said it trusts those issues will be addressed during the permit review process.

“The positive economic impacts that the proposed dairy would have on our region, coupled with the review and oversight provided under the ODA permitting process, brings the county court to the conclusion that it is in the best interest of the Morrow County community to approve this application,” they wrote.

## Environmental concerns

Other groups are pushing back against the proposal, urging the agencies to reject the Lost Valley permit over threats to the environment and public health.

Tarah Heinzen, staff attorney for Food & Water Watch based in Washington, D.C., was the lead author for 16 pages worth of comments filed on behalf of nine organizations, including: Food & Water Watch; Columbia Riverkeeper; Friends of Family Farmers; the Northwest Environmental Defense Center; Oregon Physicians for Social Responsibility; the Sierra Club; Friends of the Columbia Gorge; the U.S. Humane Society; and the Center for Biological Diversity.

If approved, Lost Valley Ranch would generate waste on par with a mid-size city, Heinzen said. Meanwhile, the area is home to the Lower Umatilla Basin Groundwater Management Area, where the level of nitrates in the groundwater already exceeds the federal safe drinking water standard.

The potential for further water pollution is significant, Heinzen said, and Lost Valley's application too vague to assure the facility can handle such a large volume of waste.

“The size of this facility is just staggering,” Heinzen said. “This is essentially going to be a sewer-less city.”

According to their comments, the nine groups claim that CAFOs produce more than 300 million tons of waste across the country each year, which can include things like salmonella and E. coli making their way into nearby waterways. Yet the Oregon CAFO permit lacks surface water monitoring required under

the federal Clean Water Act.

There are also no controls on regulating air emissions from the facility, said Lauren Goldberg, staff attorney for Columbia Riverkeeper.

“We were taken aback by the lack of critical public health, air and water pollution controls,” Goldberg said.

In 2008, the Oregon Dairy Air Quality Task Force issued a final report to ODA and DEQ finding that dairies have the potential to emit several kinds of harmful pollutants, such as ammonia and methane. It issued a list of recommendations to create a dairy air quality program by 2015 — none of which have been implemented so far, Goldberg said.

## Best management practices

The state has also failed to consider the combined effects of having Lost Valley Ranch so close to Threemile Canyon Farms in Morrow County, Goldberg said.

DEQ and the Southwest Clean Air Agency, however, issued a Columbia River Gorge Air Study and Strategy in 2011 stating that Threemile Canyon is “continuously addressing its air emissions by applying new technologies and adaptively managing its dairies with best management practices.”

That includes using manure as fertilizer and compost for agricultural crops on the farm, and building a methane digester to generate power. In the same report, DEQ said implementation of the Dairy Task Force's recommendations was dependent on receiving funding from the Legislature, which never came through.

“In the meantime, the Oregon dairy industry has identified voluntary (best management practices)

being utilized by various dairy operations in Oregon,” the report states.

Objections to Lost Valley aren't limited to environmental impacts. Ivan Maluski, policy director for Friends of Family Farms, is critical of how factory farming has harmed smaller farms and ranches across the state.

When Threemile Canyon arrived in Oregon in 2002, Maluski said the state lost roughly nine dairy businesses per month over a period of five years, even as the overall number of dairy cows increased. Lost Valley Ranch is easily the largest dairy proposal since Threemile Canyon, he said.

“All farms have been the backbone of Oregon's economy for several generations,” Maluski said. “I think we need to do what we can to make sure we're not putting those operations out of business.”

Public comments against Lost Valley Ranch also address the facility's “unreasonable” water withdrawals, amounting to more than 3.2 million gallons per year, and a lack of outreach to environmental justice communities, including the Confederated Tribes of the Umatilla Indian Reservation which maintain treaty rights on the land.

“You see really diverse interests that are converging around a shared opposition to this project,” Goldberg said.

There is no timetable for approval or denial of the CAFO permit, Matthews said. ODA and DEQ could also request further modifications in the proposal to satisfy conditions.

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# PERS: Hermiston School District is facing an increase of about \$1.2M per year in contributions

Continued from 1A

many of their employees are on the more generous Tier 1 benefits earned by those hired before 2003 — but the average increase is about 3.62 percent.

The need for higher contributions from employers comes from a combination of factors. About 70 percent of the system's revenue comes from investment earnings, which have been falling below the assumed 7.75 percent. Retirees are also living longer than expected, and the Oregon Supreme Court struck down reforms that lowered costs in 2015-2017, ruling them an unconstitutional breach of contract with public employees.

## Umatilla County

Umatilla County Commissioner George Murdock said he, county counsel Doug Olsen, finance department head Robert Pahl and assistant Marie Simonis held a meeting Tuesday morning to look at how PERS and other issues will affect county government. PERS contributions for 2017-18 will cost the county \$450,000-\$500,000 of general fund dollars, he said, and the amount will only continue to grow.

The county's contribution rate for its longest-serving employees will go from 10.93 percent to 15.94 percent. New employees have a bump from 4.21 percent to 7.61 percent. And police and fire, including sheriff's deputies, will

increase from 8.32 percent to 12.38 percent.

Murdock said the group plans to talk to the full board of commissioners in two weeks. And this fall, every department will undergo an audit to review structural and fiscal management.

“We're doing all this this fall,” he said. “Spring is too late to begin making wise decisions for how to balance the budget for the following year.”

He also said there is no point in “crying or whining about the problem.” The county, he said, has to focus on finding a solution.

## Cities

Based on the 2017-2019 rates released Friday, Hermiston Finance Director Amy Palmer said the city's PERS contributions will have an annual increase of \$228,365 over the 2015-2017 rates.

That information is a factor in the budgeting process for 2017, although Palmer in an email said that there was only so much planning the city could do before the rates were released on Friday.

“We did know increases were coming, but it's difficult to prepare until you know what it is going to be,” she said.

In Pendleton, Finance Director Linda Carter said the city will see about a 5 percent increase in its PERS payments.

Many public employers in the state have at some point started picking up employees' 6 percent match in lieu of giving them a

raise, but Carter said city of Pendleton employees are still paying into the PERS system out of their own pockets, separate from what the city is paying.

## School Districts

Hermiston School District is facing an increase of about \$1.2 million per year in PERS contributions in the coming biennium. The money represents a 4.8 percent increase in payments.

“It will have some pretty significant impacts on us, but luckily it is not unexpected,” said director of business services Katie Saul.

Based on preliminary estimates released months ago, she said the district had been expecting about a 4 percent increase, although they knew it could be higher. She said significant increases in PERS contributions have become the new normal and are “always at the forefront of our mind” during any financial planning.

The school board established a PERS reserve fund of \$2 million and used about \$900,000 of it in the 2009-2011 biennium to help soften the blow when major increases hit. Saul said since then a combination of circumstances, including a healthier state school fund and higher than expected enrollment, has allowed the district to return the reserve fund's balance to almost \$2 million again.

“Looking at it ahead of time, we knew these rates were coming and knew we had to be fiscally responsible

to prepare,” she said.

It will be up to the school board and budget committee to decide if — or how much — the reserve fund will be used to balance out the extra \$1.2 to \$1.3 million per year the district will need to come up with during the next biennium.

At Pendleton School District, Director of Business Services Michelle Jones estimated the school district will have to come up with an additional \$800,000 per year in PERS contributions

to meet the 4.67 percent increase they are facing.

“When we start talking budget for next year, we'll address that,” she said.

The increase in the district's rates would have been about twice as high, Jones said, if it weren't for the PERS bonds the district took out and placed into a side account in 2002 to help offset costs.

“Because those did well for several years, that's helped us out,” she said.

Like Saul, Jones said

her district has been well aware that an increase in PERS contributions was coming and that future bienniums will come with further increases for public employers across the state.

“That just seems to be the path we're on right now,” she said.

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# FARM: 84 percent of Oregon farms are listed as sole proprietorships, instead of being incorporated

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From 2010 through 2015, 25 to 40 percent of farmland sales in Washington, Benton, Clackamas, and Polk counties were to business entities. Ten to 15 percent of farm sales in those counties involved out-of-state buyers.

Meanwhile, land prices are increasing. The average estimated market value of an acre of farmland with buildings in 2012 was \$1,882, compared to \$1,534 in 2002, according to the Census of Agriculture. “Realtors and land seekers are seeing much higher land prices, especially for irrigated land near urban areas and along

transportation corridors,” the researchers concluded.

McAdams, of Rogue Farm Corps, said there's evidence to suggest farmers themselves aren't prepared for the turnover. Instead of being incorporated or formed as LLCs, 84 percent of Oregon farms are listed as sole proprietorships, the simplest and cheapest form of business organization. But it means the farm is tied to an individual, which can complicate succession, McAdams said.

The statistic “suggests that the vast majority of Oregon farmers may not have created thorough plans to smoothly transfer their businesses and

assets to the next generation,” the report said.

The authors concluded that land-sharing models, farm conservation easements, working lands easements, and other creative leasing arrangements may lead to better outcomes both for retiring farmers and those looking for a foothold in the profession. Other programs could connect beginning farmers with experienced ones, allowing them to explore innovative land access arrangements, the researchers said. Nonprofit farm incubators also offer low-cost access to land, and enable beginning farmers to gain experience, they said.

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