

Central Valley Water Board Sends a Postcard

By Paul Sousa, Director of Regulatory & Environmental Affairs

Some dairies in the Central Valley recently received a postcard from the water board. No, the water board did not vacation to Europe for a year. This postcard to dischargers in Priority 2 groundwater basins (Delta Mendota, Eastern San Joaquin, Madera, Merced, parts of Kern County, Tulare Lake, and Yolo) states that new regulations will change your permit requirements and that recipients will be asked to choose how to comply.

We have a precedent from the dairies in Priority 1 zones that received these notices several years ago. With that experience, my main message is that there is no reason to panic. Dairies that are members of the Central Valley Dairy Representative Monitoring Program (CVDRMP) (95%+ of dairies) are automatically enrolled in their local nitrate management zone, which makes the process simple. There will be a cost that will be billed through the CVDRMP, but those costs are not yet known. There should be a better understanding of those costs early next year.

The CVDRMP has been engaged with the nitrate management zones to make certain that dairy interests are represented. This postcard was just a notice of what is to come, so watch for more information on this in the coming months. If you have any questions on this, feel free to contact me at paul@wudairies.com or at the WUD office.

WUD Mourns the Loss of Fellow Dairyman Jimmy Mendoza

Jim was a husband, father, and lifelong dairyman who passed away on August 17, 2023. Born in September 1948, Jimmy was also a devoted husband to Luci Mendoza for 54 years.



Jim's family roots stretch back to the early 1900s in Pt. Reyes. Every day was an adventure for him. He spent many hours swinging through cypress trees and working on the dairy.

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Weekly Update Delivery Options

Send change of address or request for delivery to WUD by phone or email at:
(209)527-6453
info@wudairies.com

Struggling with Depression?

Call 1-800-784-2433 any time, 24x7, for a live, trained person to talk with or to find local resources.

LUC: Lecheros Unidos de California

Western United Dairies is proud to host LUC, a clearinghouse of resources to assist in all aspects of searching for and hiring employees for your dairy.

LUC services are offered in Spanish & English & include:

- Free advertisement of job postings to a wide audience of potential employees
- Phone call interviews with translation services
- Access to a pool of pre-screened employees with dairy experience

For more information, visit:
westernuniteddairies.com/lecheros-unidos

ATTENTION: CDFA is mailing a new survey to ALL Market Milk

California Department of Food and Agriculture is administering a survey to ALL Market Milk producers to gather information on the effectiveness of the Quota Implementation Plan (QIP) and Quota Administration Program (QAP).

Please check your mailbox, and mail that may go to your dairy address for this survey. Your opinion is important, and we urge you to complete the survey as quickly as possible. **The survey closes on September 10, 2023.** If you do not receive this letter shortly, please contact: David Ko at David.ko@cdfa.ca.gov or 916-900-5012.

New on Seen & Herd: DTAP – Navigating Dairy Challenges and Opportunities

In this episode of the *Seen and Herd* podcast, Allison Tristao interviews Kyle Lutz, Technical Assistance Provider of Western United Dairies, about the Dairy Technical Assistance Program (DTAP). The Dairy Technical Assistance Program is funded by the California Cattle Council and assists dairy farmers in navigating regulatory challenges. The program helps farmers with water board requirements, waste discharge permits, groundwater sampling, and other regulatory compliance issues.



Kyle mentions that one of the significant challenges is helping farmers understand groundwater sampling requirements, which vary between different regional water boards in California.

DTAP services are available to all dairy farms in California, regardless of size, trade group affiliation, or milk processor.

For questions about this episode, please contact Kyle at kyle@wudairies.com or Allison at allison@wudairies.com. Listen to the episode on your favorite podcast platform or on our website at wudairies.com.

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(continued) WUD Mourns the Loss of Fellow Dairyman Jimmy Mendoza

In 1966, Jim met his bride at California Polytechnic State University (SLO). By Christmas 1968, Jim and Luci were engaged and married in 1969. Jim joined the National Guard and, after training, moved into the family beach cabin on Tomales Bay until their home on the B ranch was ready to move into. For the next 10 years, Jim and Luci raised their 3 kids out on the Pt. In 1979, they moved to Petaluma and started the JLT Ranch. It was there where Jim and Luci worked endless hours on the dairy. The years were filled with hard work, kids, and community service.

Jim was a board member for many years for the Sonoma County Farm Bureau. He was a member of the North Bay Ag Alliance, Western United Dairymen, Western Organic Dairy Producers, YMI, and Petaluma Elks. One of the original giants of protecting dairy farmers, Jimmy spent his years organizing dairymen up and down the coast of Ca to develop an all-inclusive looking system for farmers milk, which eventually led to the development of the Ca Milk Pooling Act signed by then Governor Ronald Regan. A titan among the first voices of dairy farmer advocates, Jimmy never gave up his activism for a better milk price for dairy families in the state. He never missed a meeting and always showed up.

Jim loved to support his kids, grandkids, nieces, and nephews in their sporting activities. He would drive for hours to see the kids play. He spent endless hours on the golf course and of course, adored his wife unconditionally. Jim loved to travel with his family. On his most recent trip, he took his entire family to the Azores. Jim was a storyteller. He never met a stranger. He had a heart of gold.

Jim is predeceased by his parents, Joe & Scotty Mendoza, and his sister and brother, Sharon & Joey. He is survived by his wife Luci, son J.V., son Jamie (Tammy), and daughter Teresa Hatcher (Kelsey). He is also survived by his 5 grandchildren, numerous nieces, nephews, extended family, and dear friends.

WUD's condolences go out to his family and friends.

KITCHEN TABLE MEETINGS

Orland

SEPTEMBER 5, 2023 | 12:00PM

F-5 Café and Creamery
1165 HOFF WAY, ORLAND, CA 95963

Galt/ Escalon

SEPTEMBER 12, 2023 | 11:00AM

Mountain Mike's Pizza
1255 LILLIAN AVE • ESCALON, CA 95320

Stanislaus

OCTOBER 17, 2023 | 12:00PM

Dinner Barn
3501 DUNN RD • MODESTO, CA 95358

Merced

OCTOBER 24, 2023 | 10:30AM

Vander Woude Dairy Shop Office
1550 RAHILLY RD • MERCED, CA 95341

Humboldt

DECEMBER 5, 2023 | 5:00PM

Fernbridge Cafe
623 FERNBRIDGE DR • FORTUNA, CA 95540

Sonoma/ Marin

DECEMBER 6, 2023 | 11:00AM

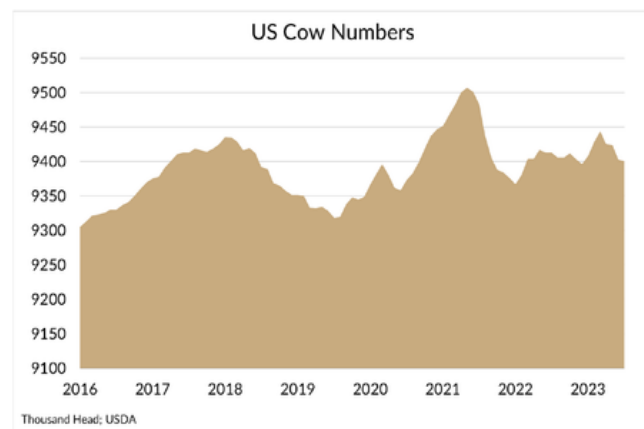
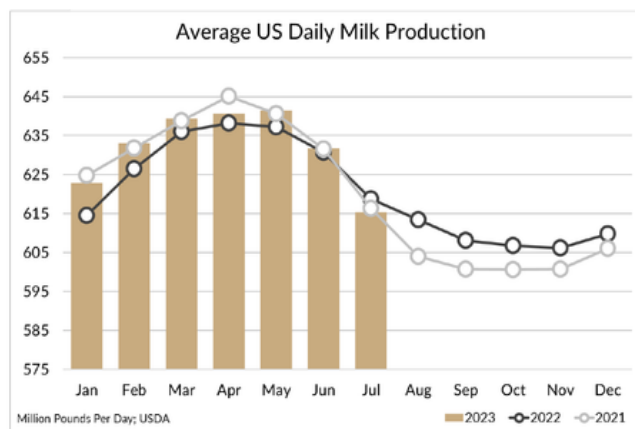
Washoe House
2840 ROBLAR RD • PETALUMA, CA 94952

PLEASE RSVP TO KYLE LUTZ
AT [KYLE@WUDAIRIES.COM](mailto:kyle@wudairies.com)

WEEKLY MARKET UPDATE


US milk production totaled 19.1 billion pounds in July, down 0.5% year-over-year. While that was largely in line with predictions, it was the weakest total since May 2022. Faced with hot weather and tight margins, California's output tumbled 5.5%, the biggest annual drop since 2015.

- The dairy herd reached 9.4 million head in July, down 3,000 cows on the month and -13,000 head versus 2022. Slaughter rates remains aggressive, which could lead to further contraction.
- According to the latest Cold Storage report, US total cheese stocks reached 1.489 billion pounds in July, down 2.2% (-33.2 million pounds) on the year and -1.4% (-21.7 million pounds) versus June. Over the past five years, stocks have increased by 1.9 million pounds.
- Despite the drop in stocks, there's still enough cheese around to push spot blocks below \$2.00 per pound. Prices settled in the mid-\$1.90s, while barrels dipped slightly.
- July US butter inventories totaled 331.6 million pounds, up 5.2% (+16.5 million pounds) on the year, but down 5.2% (-18.2 million pounds) month-over-month. That compares to a five-year-average monthly decline of 8.0 million pounds.
- Spot butter volume remained high, but fell short of last week's record, with 70 loads changing hands. Prices also dipped into the \$2.60-per-pound range.
- WMP prices plunged further at the latest GlobalDairyTrade Pulse event, settling at \$1.11 per pound. That's down 11.7% versus the previous Pulse and -2.6% compared to the most recent main auction. Spot NDM dipped in response, but recovered ground to end the week unchanged.
- Nearby grain futures slipped on the week in the face of mixed demand and weather reports.



Dairy Revenue Protection Program			
	Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)
October - December 2023			
Class III	\$18.44	\$17.52	\$0.21
Class IV	\$18.82	\$17.88	\$0.21
January - March 2024			
Class III	\$18.30	\$17.39	\$0.33
Class IV	\$18.51	\$17.58	\$0.38
April - June 2024			
Class III	\$18.33	\$17.42	\$0.41
Class IV	\$18.81	\$17.87	\$0.56
July - September 2024			
Class III	\$18.54	\$17.61	\$0.43
Class IV	\$19.08	\$18.13	\$0.46
October - December 2024			
Class III	\$18.55	\$17.62	\$0.51
Class IV	\$18.87	\$17.93	\$0.54

*As of 8/25/2023 for 95% coverage, 1.0 Protection Factor



Tiffany LaMendola
209.768.6313

CME Commodity Prices					
	Blocks	Barrels	Butter	NDM	Dry Whey
Aug-21	\$2.0075	\$1.8050	\$2.7400	\$1.1025	\$0.2600
Aug-22	\$1.9475	\$1.8125	\$2.6900	\$1.1025	\$0.2550
Aug-23	\$1.8900	\$1.8050	\$2.7050	\$1.0950	\$0.2600
Aug-24	\$1.9450	\$1.8000	\$2.7050	\$1.0950	\$0.2600
Aug-25	\$1.9450	\$1.8000	\$2.6700	\$1.1050	\$0.2800
Average	\$1.9470	\$1.8045	\$2.7020	\$1.1000	\$0.2630
Weekly Change	-0.0825	-0.0075	-0.0300	0.0000	0.0100

Order 51: Latest Prices					
	May	Jun	Jul	Aug	Sep
Class I LA	\$21.87	\$20.31	\$19.62	\$18.92	\$21.20
Class II	\$19.11	\$18.83	\$19.12		
Class III	\$16.11	\$14.91	\$13.77		
Class IV	\$18.10	\$18.26	\$18.26		
PPD	\$1.55	\$1.51	\$1.76		
Blend: LA*	\$17.66	\$16.42	\$15.53		
Blend: Tulare*	\$17.16	\$15.92	\$15.03		

*Does not include Quota Deduction

USDA Dairy Margin Coverage (per CWT)					
	Month	All Milk	Feed	Margin Estimate	Indemnity Estimate @ 9.50 Margin
2022 Program	Jul-22	\$ 25.70	\$ 15.78	\$ 9.92	\$ -
	Aug-22	\$ 24.30	\$ 16.22	\$ 8.08	\$ 1.42
	Sep-22	\$ 24.40	\$ 15.78	\$ 8.62	\$ 0.88
	Oct-22	\$ 25.90	\$ 15.19	\$ 10.71	\$ -
	Nov-22	\$ 25.60	\$ 14.71	\$ 10.89	\$ -
	Dec-22	\$ 24.70	\$ 14.94	\$ 9.76	\$ -
2023 Program	Jan-23	\$ 23.10	\$ 15.16	\$ 7.94	\$ 1.56
	Feb-23	\$ 21.60	\$ 15.41	\$ 6.19	\$ 3.31
	Mar-23	\$ 21.10	\$ 15.02	\$ 6.08	\$ 3.42
	Apr-23	\$ 20.70	\$ 14.86	\$ 5.84	\$ 3.66
	May-23	\$ 19.30	\$ 14.47	\$ 4.83	\$ 4.67
	Jun-23	\$ 17.90	\$ 14.25	\$ 3.65	\$ 5.85
	Jul-23	\$ 17.87	\$ 13.94	\$ 3.94	\$ 5.56
	Aug-23	\$ 19.93	\$ 13.32	\$ 6.62	\$ 2.88
	Sep-23	\$ 21.33	\$ 12.27	\$ 9.07	\$ 0.43
	Oct-23	\$ 21.57	\$ 12.15	\$ 9.42	\$ 0.08
	Nov-23	\$ 21.65	\$ 12.20	\$ 9.44	\$ 0.06
	Dec-23	\$ 21.52	\$ 12.26	\$ 9.26	\$ 0.24

Estimates only. As of 8/25/2023 and based on futures markets which can change daily.

