



# CALAMCO PROGRESS

SUMMER 2009 ▶ A PUBLICATION OF CALAMCO

## MESSAGE TO SHAREHOLDERS



**W**hat an amazing year this is turning out to be! Earlier this year, as we braced for severe drought and the resulting water restrictions for agriculture throughout California, we were forced to revise our budget outlook. Fortunately, late winter storms provided much needed precipitation in Northern California,

helping to raise water reserves enough to lift any restrictions on growers in the northern part of the state as they prepared for spring planting.

The last minute lift in water restrictions, along with ideal weather conditions, resulted in a very busy season for our Northern California aqua facility located in Sycamore, in the heart Colusa County, as well as for ammonia shipments from Stockton to various aqua converters throughout the northern region.

As we enter the second half of our fiscal year, fertilizer prices continue to remain much lower than the record high levels experienced last year. The global economic downturn continues to have a direct impact on fertilizer demand worldwide, not only for agricultural use; the industrial market has also seen a significant decline in nitrogen demand. In addition, new ammonia facilities in Egypt and Trinidad along with production in Australia that has recently come back on-line is adding to an already existing glut in world nitrogen supply, creating added pressure on pricing. As a result, we may see countries such as the former Soviet Union curtailing production until the market stabilizes.

During the sluggish summer months, nitrogen prices may decline a bit further. However, most suppliers predict that the market will stabilize as we approach fall, with commodity prices strengthening, helping to reinforce global demand for fertilizer inputs.

*BOB BROWN, PRESIDENT/CEO*

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CHIEF EXECUTIVE OFFICER*  
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**Sig Christierson**

**Greg Dexter**

**Alan Freese**

**Jeff Roesler**

**Case Van Steyn**

## CALAMCO Awards Scholarships



*Matthew McGowan of Chico*

We would like to congratulate the recipient of CALAMCO's 2009 \$1000 Scholarship, which has been awarded to Matthew McGowan of Chico. Matthew is a 2009 Graduate of Chico High School, graduating with a 4.23 grade point average! Matthew was accepted to both U.C. Berkeley as well as U.C. Santa Barbara, and has chosen to continue his education at U.C. Santa Barbara this fall. Matthew is extremely interested in science and chemistry in particular. He would like to study chemical and genetic engineering and hopes to someday work in research and development, with the desire to create crops with stronger herbicide or pest resistance, as well as crops with higher yields.

We were extremely pleased to receive a large number of excellent applications and

were very impressed by all of this year's applicants. They were all very deserving individuals that have worked very hard throughout their academic career, and plan to further their education in agriculture at a variety of universities.

Due to the fact that we did receive an incredible number of amazing applications this year, we decided to award an additional \$500 scholarship to two of the remaining applicants. The recipients of the \$500 scholarships are Scott McArthur, of McArthur, CA who plans to study Chemical Science or Ag Science and Thomas Fry Jr. of Chowchilla, CA, who wants to major in Mechanical Engineering in Agriculture.

Congratulations to all the above scholarship recipients!

## CALAMCO Receives Pinnacle Award From Union Pacific Railroad

In 1996, Union Pacific initiated the Chemical Transportation Safety Pinnacle Award as part of their non-accident release (NAR) reduction program. The award was designed to increase shipper awareness of NARs by recognizing those shippers who take an instrumental role in preventing NAR incidents. The award program is open to all chemical shippers, and annually honors those companies which have successful prevention and corrective plans and a rate of zero NARs for shipments of regulated hazardous materials.

Based on UPRR's car handling statistics, customers are divided into four different categories, which are based on the number of cars shipped per year. A total of 40 companies are chosen each year to receive the award. Approximately 1100 eligible customers were judged based on safe-loading techniques, securement of the shipments and no non-accident releases. CALAMCO is proud to be one of Union Pacific Railroad 2009 Pinnacle Award recipients.



## Sig Christerson Appointed to Board of Directors For District 4

As reported in our Spring 2009 issue, Alan Freese, who served as a Director in District 4, was elected by growers in District 1 to represent them on the CALAMCO Board. Due to re-districting, Alan, as a resident in Solano County, now resides in District 1.

Since there was one year left on Alan's term as a Director in District 4, which is up for election in 2010, a special meeting of the Class "A" Board of Directors was held via conference call on Wednesday, May 6th, during which Sig Christerson was appointed to serve as a Director for the interim period. Sig was born and raised in Salinas, and graduated from California State Polytechnic University, San Luis Obispo in 1967 with a BS degree in Agriculture Business Management. He is the President of Major Farms, Inc. in Salinas, and has been a shareholder in CALAMCO since 1995.

Sig has been actively involved in his local farming community, serving on a wide variety of Boards over the years, such as Western Growers, California State Board of Food and Agriculture, Monterey County Farm Bureau (President 1986-1988), a variety of water Boards, as well as serving as Chairman of the Board of Directors Grower-Shipper Vegetable Association of Central California from 1995-1996, to name a few.

We are very pleased to have Sig represent shareholders in District 4 on CALAMCO's Board of Directors, which encompasses the Coast and Imperial Valley.

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## CALAMCO Establishing Advisory Committee

The Board of Directors and management have decided to establish an advisory committee in order to provide input from a broader base within the California agriculture system on operational issues, as well as to act as a platform in which potential company changes impacting the dealer/grower network can be discussed. This could also serve as a stair-step approach to serving on the Board as a Director.

The proposed committee would be comprised of the current Board of Directors as well as one additional representative from each of the four districts to represent the Class A "grower" members, as well as two additional Class B members; one from within the J.R. Simplot Company, as well as one fertilizer dealer representative.

The first meeting is scheduled to be held August 24-25 at the Westland Water District Corporate office in Fresno, in conjunction with a tour and presentation by a representative from the Water District. If you are interested in serving on the Advisory Committee, please contact our office or the current director in your district for more information.

## Rick Rominger Recognized for Years of Service



CALAMCO's Board of Directors and management presented Rick Rominger with a special plaque to signify his service as a director on CALAMCO's Board. Rick was first elected as a director representing District 1 in February of 2001, however he decided not to run for another term when elections were held in his district earlier this year. CALAMCO's management and staff along with the Board of Directors would like to thank Rick for his years of dedication and service as a director.

## Jack Forney Retires



After 21 seasons of working at CALAMCO's Sycamore aqua facility, Jack Forney celebrated his retirement at a surprise luncheon held in his honor on May 27th. Jack began his career with CALAMCO in 1989, following his retirement from the U.S. Postal Service. The intense spring season in Northern California's rice country lasts approximately six to eight weeks, and it is extremely difficult to find employees that are not only dependable and reliable, but are willing to return seasonally year after year. We have been extremely fortunate to have Jack as a valued and dependable employee for all these years. He will be greatly missed, but we wish him all the best in his retirement.

# Heat Injury Prevention

Now that summer is upon us, precautions must be taken to protect ourselves, and our workers, from the summer heat. Everyone may be at risk when temperatures rise above 85 degrees. Heat-related illnesses can cause serious injury and even death if unattended. In fact, extreme summer heat causes more fatalities in the U.S. per year than any other weather-related factor; however, the following preventative measures can help you to avoid heat related injuries.

- 1. Drink plenty of fluids.** In hot environments, it is possible for the body to lose one liter of fluids per hour. Thirst is not a good indicator of fluid loss. Don't wait until you are thirsty to drink fluids.
- 2. Be aware of your environment.** If you work in the heat or around heat sources, take whatever steps are possible to control the heat externally.
- 3. Take frequent breaks.** As the temperature increases, more frequent breaks are needed to stay cool.

- 4. Wear proper clothing.** Loose, lightweight fabrics encourage heat release.
- 5. Acclimatize.** It takes at least 7-10 days to get used to working in a hot environment.
- 6. Stay in shape.** A healthy heart and good muscle tone work more efficiently and generate less heat.
- 7. Eat light during the workday.** Hot, heavy meals add heat to the body and divert blood flow to aid with digestion. Normal dietary intake typically replaces all salt lost during the day, so there is no need to take salt supplements.

**8. Be aware of special heat stress risk.** Caffeine, alcohol, diabetes, or medications for high blood pressure and allergies can increase the risk of heat stress.

When the body is unable to cool itself through sweating, serious heat illness may occur. The most severe heat-induced illnesses

are heat exhaustion and heat stroke. If action is not taken to treat heat exhaustion, the illness could progress to heat stroke and possible death.

Cal/OSHA has a proposal up for adoption June 18 which seeks to revise their heat illness standards. Specific requirements will be in effect when the temperature reaches 85 and 95 degrees. Above 85F shade will be required; above 95F will require effective communication, a "buddy system", observing employees for symptoms of heat illness, reminders to drink water, and close supervision of new employees.

Heat illness is a serious issue, and all employers need to be aware of the requirements to insure the well-being of their employees.



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