

FARMERS

Continued from Page 1

The varied circumstances also make projecting prices and availability that much more difficult.

Even if fertilizer had been purchased last fall, it was still double what it was in 2020.

Many who were worried last fall have been reassured by a continuing supply of fertilizer, which had been in short stock for a while, said Doherty, who has been with Illinois Farm Bureau nearly 18 years.

There are a variety of nitrogen sources to be put on crops, and without the enrichment, yields are less. All the prices move in the same patterns.

Doherty, at the time of the interview, was at the U.S. Grains Council annual marketing meeting in Greenville, S.C., which was heavily focused on the supply chain bottlenecks that have dominated the news the past year. Experts have been analyzing the container freight markets, especially on the West Coast.

Illinois ships many of its soybeans in containers to Asian markets by way of the clogged West Coast markets.

“The number of empty containers has increased dramatically because of the change in prices. Overall, that goes back to how much our economy changed due to Covid. That’s a complex discussion, but Covid changed a lot of things in terms of what people are buying, and transportation linkages. The end result, a lot of empty container vessels leaving for the West Coast.”

The experts don’t expect the shipping situation to clear up for the remainder of the year.

Most Illinois corn and soybeans are



Illinois dominates agricultural on the U.S. front.

shipped down the Mississippi to the Panama Canal, or to Cartagena. Columbia, which is Illinois’ fifth-largest corn market.

“We’ll get a lot of product out to world markets even if the West Coast markets of Long Beach and Oakland are as congested as they are,” Doherty said.

Illinois’ central location and river access gives it multiple shipping alternatives.

Last year was one of the more profitable years for corn and soybean production, but expensive nonetheless, and more so for the “triple crop” farmers (wheat being the third).

Those who rotate corn and soybeans have done “very, very well” the last two years.

“That’s played a significant role in the high fertilizer prices. The farmers can afford to pay more, and they can afford to grow more. There will be an increase in acreage due to these high corn and soybean prices.”

South American, meanwhile,

has expanded its crop at least 5 percent in total acreage in recent years, further driving up the demand for fertilizer, and thus the prices.

Still, back-to-back profitable years put Illinois farmers in relatively good stead.

“They will have paid down their debt. They will have made some equipment purchases. They’re going into a leaner year but with more working capital behind them, and more equipment inventory to work with,” Doherty said.

Illinois farm outcomes differ depending on the region — and not just because of weather. The further north you go from Southern Illinois, the more grain farmers rent, rather than own, their farmland.

“It’s about profitability per acre above cash rents, particularly when you get into Northern and Central Illinois, where the average grain farmer is renting 80 to 85 percent of their land. About half of that is cash for rented acreage. Further north, the rent is even higher.”

The price of rent and the cost of resources are fixed costs for those farmers and covering those expenses comes down to crop sales.

There is no such thing as an average farm.

“How well they do financially does vary a lot from farm to farm,” he said.

Overall, the economist is comfortable predicting the average farmer will profit in the coming season.

Many farmers have built up working capital that they can use to supplement family expenses.

Climate will play a part in the outcome, but Doherty says that has had only minimal impact in recent years. Higher temperatures do affect disease control, but farmers have stayed atop the issue so far.

Weather forecasting, some of it highly geographic in nature, is getting better all the time. Farmers can contract with private companies to get reports specific to their individual farm.

As of 2021, there are 71,000 farms registered with the state of Illinois, a number that dwindles by what Doherty estimates as 3 percent to 4 percent per year.

“In all industries, as technology advances, you have consolidation in that industry. Ag is no exception,” he said.

Increasingly, farm families are joining together to operate their facilities. Some farmers till acreage in multiple counties.

“Farms have gotten bigger, but they are still, amazingly enough, almost entirely family owned, small businesses. The biggest of any small-business industry in Illinois is agriculture,” he said.

Helmkamp building new operations center for Illinois American

East Alton-based Helmkamp Construction has begun construction of Illinois American Water’s new operations center in Jerseyville.

The 16,000-square-foot center will consolidate field operations, administrative and operations support staff in a single location at 501 Mound St.

Kyle Ogden, project director at Helmkamp, welcomed attendees at a groundbreaking event this month.

“Thank you to the entire design build team for their work in the design phase and getting us to this point. We are all excited to move into the construction phase and bring this project to life,” he said.

Joining in the occasion was Jerseyville Mayor William Russell.

Helmkamp’s leadership team on the construction includes Project Manager Cole Hagen and Superintendent Randy Houck.

Houck has nearly 18 years of building projects in the field for Helmkamp Construction.

“The design team has a combination of prior experience with both American Water projects and other projects completed in Jerseyville. Between M+H, the engineering firms, and our ability to run highly successful projects, we felt this was a collaboration that would offer the best results for Illinois American Water.”

The design build team on this project includes Helmkamp Construction (General Contractor), M+H Architects (Architect), Heneghan & Associates (Civil Engineer), SSC Engineering (Structural Engineer), and Custom Engineering (Mechanical Engineer).

Construction is projected to be completed by the end of 2022.

The water company plans: Illinois American Water is investing more than \$16 million to upgrade the local water system in Jerseyville. The investment supports continued reliable, safe drink-



Helmkamp Construction and Illinois American Water. Pictured left to right: Mike Farrell, Cole Hagen, Randy Houck, Kyle Ogden, Ethan Steinacher, Nora Cobb, Ric Cooper, Jennifer Doody, Karen Cooper, and Pat Young.

ing water as well as upgrades for enhanced efficiency, safety and security.

“Illinois American Water’s investments are an example of continuous improvements to help meet the demands of today’s customers and for the future. Our team and customers will benefit from the investments being made in Jerseyville,” Gabe Kuykendall, senior operations supervisor for the Jerseyville service area, said. “We are committed to providing our customers with the best product possible at a good value. This includes continued investment in our critical drinking water systems.”

Illinois American Water acquired the City of Jerseyville’s water and wastewater systems in 2020. The infrastructure upgrades at the water treatment plant are part of Illinois American Water’s com-

mitment to the Jerseyville water system.

Upgrades at the Jerseyville water treatment plant will kick off this year. Work includes upgrading the chemical and lime feed systems which were originally installed several decades ago. The lime feed system treats water hardness and controls pH levels for high-quality drinking water, whereas the chemical feed system supports the overall treatment process. Four filters will also be rehabilitated. Security and automation upgrades will allow for remote operations and monitoring at the water treatment plant.

Kuykendall said: “These investments will bring the facility to current industry standards, improve safety and enhance water quality.”

Five Variable Frequency Drives (VFD)

will be upgraded. The VFDs will help control water flow and pressures in the Jerseyville service area. VFDs vary pumping output to match current demands, rather than pumping at one constant speed. This technology helps to reduce energy use and environmental impact.

Illinois American Water previously announced the construction of a new operations and distribution facility in Jerseyville. The new facility is an additional investment of approximately \$8 million. The new facility will support improved operational efficiencies and excellent customer service. The facility will include a customer payment window, maintenance garage with six garage bays, storage of tools and equipment, and dedicated operations and maintenance areas.