

TULARE COUNTY TABLE GRAPE PEST AND DISEASE CONTROL DISTRICT

SPECIAL BENEFIT ASSESSMENT DISTRICT

ENGINEER'S REPORT FISCAL YEAR 2005/2006

April 25, 2005

**Prepared by
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**TULARE COUNTY TABLE GRAPE PEST AND DISEASE CONTROL
DISTRICT**

SPECIAL BENEFIT ASSESSMENT DISTRICT

BOARD OF DIRECTORS

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Art Foster, District II

Clarence Robbins, District III

Max Jehle, District IV

Bob McCloskey, District V

N|B|S

Greg Ghironzi, Director

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1. ENGINEER'S LETTER

WHEREAS, on March 1, 2005 at least 15% of the owners of table grape acreage in Tulare County submitted a petition to form a Table Grape Pest and Disease Control District to the Tulare County Board of Supervisors under the Table Grape Pest and Disease District Law (*Food and Agriculture Code* Section 6047.60 et seq.);

WHEREAS, on March 22, 2005, the Tulare County Board of Supervisors held a hearing to consider formation of the Tulare County Table Grape Pest and Disease Control District hereinafter referred to as the "District" under the Table Grape Pest and Disease District Law;

WHEREAS, the District Board of Directors (the "Board") directed NBS to prepare and file a detailed engineer's report describing the special benefit, as defined in Article XIIIID of the California Constitution. The engineer's report shall also provide evidence upon which the Board may find that a special benefit exists. The engineer's report shall also describe each parcel of property proposed to be subject to the assessment, the amount of the assessment of each parcel for the initial fiscal year, the maximum amount of the assessment that may be levied for each parcel during any fiscal year, the duration of the assessment, the basis of the assessment, a schedule of the assessment and a description of the requirements for written and oral protest and the protest threshold necessary for requiring abandonment of the proposed assessment. Unless otherwise excluded, the assessment shall be levied on each parcel within the boundaries of the district;

NOW THEREFORE, according to the *Food and Agriculture Code* Section 6047.97 the following assessment is made to cover response to, managing and controlling the effects of the spread of glassy-winged sharpshooter and other designated pests and diseases that attack table grape plants, collecting and disseminating relevant information and scientific studies concerning the pest or pests to table grape growers in the district, charting and determining the extent and location of any Pierce's disease infestations and infestations of other designated pests and diseases, and reimbursing the county or counties in which the district is located for expenses incurred in connection with providing services under this article that are not otherwise reimbursed.

SUMMARY OF ASSESSMENT

DESCRIPTION	AMOUNT
Total Costs	\$262,985.76
Rounding*	(0.00)
Total Apportionment from County	\$262,985.76
Total Assessor's Parcels to be Assessed	1,079
Total Acres to be Assessed	32,873.22
TOTAL ASSESSMENT PER ACRE	\$8.00

* Assessment Rounded to the nearest even cent for County tax roll purposes.

I, the undersigned, respectfully submit the enclosed Engineer's Report and, to the best of my knowledge, information and belief, the Engineer's Report, and Assessments have been prepared and computed in accordance with the order of the Board of Directors of the Tulare Table Grape Pest and Disease District.

NBS

2. MISSION STATEMENT OF THE DISTRICT

The purpose of the District is to monitor, research and support the control of any pest or disease, including but not limited to glassy-winged sharpshooter and Pierce's disease, which endangers the commercial production and/or viability of the table grape industry in Tulare County.

Scope of Tasks

This District provides an organizational structure, which allows table grape growers to take a leadership role and provide direction in partnership with the government agencies who are involved in developing pest and disease control programs.

GWSS/ PD:

- The District will actively support the current GWSS/ PD control programs by USDA, CDFA and the Counties. The District shall encourage and foster inter-government coordination in order to maximize the effectiveness of the efforts of all who are involved in the control program. The District will augment, not supercede or replace the work funded by the government. The District will provide leadership and organization, to ensure continued government support and involvement.
- The District will fund research that promises realistic solutions to the pest and disease problem. The status of past and current relevant research will be actively monitored.

OTHER NEW PESTS AND DISEASES:

- The District will actively investigate new pests and diseases entering the state, especially the Central Valley, for any potential threat they might pose to the table grape industry. The District will develop response strategies in coordination with government agencies and research institutions. The response may include coordination of research, coordination of governmental eradication programs or implementation of a first rapid response plan.

Other Incomes

The District will search out grants and other funding sources whenever possible to accomplish core objectives.

Outreach

Educational programs will be developed for the District's constituents and the public. This will include organizing meetings, producing informational fliers, writing press releases and other activities. The District will communicate and coordinate activities with other groups representing the table grape industry (Table Grape Commission, California Grape and Tree Fruit League) as well as other involved industry groups.

3. BACKGROUND DATA

Tulare County Ag Commissioners SB 1604 Report:

REPORT ON PRESENT CONDITION OF GLASSY-WINGED SHARPSHOOTER AND PIERCES DISEASE INFESTATION AND OTHER GRAPE PESTS AS REQUIRED BY THE TABLE GRAPE PEST AND DISEASE DISTRICT LAW

Glassy-winged Sharpshooter (GWSS)

Tulare County has been actively employing control and suppression methods for the GWSS for the past several years. Cooperative efforts involving the United States Department of Agriculture (USDA), California Department of Food and Agriculture (CDFA), University of California Cooperative Extension (UCCE), Tulare County Agricultural Commissioner/Sealer, and the Kern/Tulare GWSS Task Force have resulted in significant progress toward the goal of suppressing GWSS in commercial crops.

In 2003, the GWSS program was expanded to include an area-wide control project. Tulare County was divided into zones that could be effectively managed utilizing the available funds. Five such zones were established and monitored for GWSS populations using a trapping grid of one trap per 40 acres ... a network of some 6,000 traps.

From July 2003 through December 2004, 56,592 acres of citrus were treated in Tulare County. Citrus groves from the Lindsay area South to the Kern County line were treated for GWSS populations for the first time under the area-wide GWSS management program. This resulted in a reimbursement to citrus growers of more than \$4.8 million to cover the cost of these grower-applied treatments.

The area-wide management program will continue for the current year. GWSS populations are at a very low level currently. The program's goal is to keep these levels down. Most areas show a reduction of greater than 50% when compared to those of the 2002 season. The harvests of grapes, citrus, and nursery stock have been able to continue without significant disruption.

Pierce's Disease (PD)

Pierce's Disease has long been known to exist in Tulare County. Although growers have previously found ways to manage or live with the disease, the arrival of GWSS, which spreads PD efficiently, may now threaten more than 74,000 acres of grape production. The combination of Glassy-winged Sharp Shooter, Pierce's Disease and grapevines has resulted in the widespread death of grape vines in other locations.

Vine Mealybug (VMB)

Vine Mealybug is emerging as a serious vineyard pest across the major grape growing districts in California. VMB was first identified in California in 1994 in the Coachella Valley and is currently found in many of California's grape-producing counties, including Tulare.

VMB negatively impacts crop quality and yield by contaminating clusters with egg sacs, larvae, adults, and honeydew. Excessive feeding on the leaves can cause premature defoliation of the vine whereas feeding near the fruit allows for the entry of fungi that can rot entire clusters. VMB is particularly troublesome because it excretes significantly more honeydew than other mealybug

species, reproduces more quickly, and over winters below ground where it is protected from pesticides, cold weather, and biological control organisms. Due to its cryptic nature and rapid rate of reproduction, even a small infestation of VMB can quickly spread and result in large economic losses if left unchecked. Once established in a vineyard, VMB is nearly impossible to eradicate. Control with conventional insecticides is difficult and at times cost prohibitive.

Aside from chemical treatments, there are two additional keys to control VMB: sanitation and biological control. Biological control of VMB is an active area of research in California. Resident natural enemies play a key role in the suppression of the pest in other countries. However, none of these species currently provides effective economic control or is capable of reducing the spread of VMB to new areas within the San Joaquin Valley.

In the past year, there have been extensive field tests of pheromone trapping, a technique considered to be an excellent method of detecting incipient infestations. Pheromone traps are currently being used to monitor VMB males in nurseries and newly infested areas of the state. David Haviland and Walter Bently, both of the UCCE, have been working with this grape pest in Tulare County.

Petition Verification

Pursuant to Table Grape Pest and Disease District Law (Food and Agriculture Code section 6047.60 et seq.) a petition to form a District was submitted to the Board of Supervisors on March 1, 2005 by table grape growers of Tulare County. The Tulare County Agricultural Commissioner/Sealer was able to verify that the petition met the requirements of the Food and Agricultural Code has been signed by at least 15% of the owners of table grape acreage in Tulare County.

District Boundaries

The boundary of the proposed Table Grape Pest and Disease Control District is intended to include all of the table grape acreage within Tulare County. Most existing table grape acreage is found from Richgrove in the Southeast part of the county to Kingsburg in the Northeast part of the county. The major concentration of acreage lies in an area ranging from South of Hwy 190 to the County Line, between Highways 99 and 65. Another, although smaller, concentration of acreage is north of Ave 368 to the County Line, between Highways 99 and 63.

Register of Table Grape Owners

The register of table grape owners is being submitted with this report. This list was developed using the Tulare County Assessor's Final 2004 parcel data (Williamson Act parcels only). The registry contains 1,079 records and lists the owner name, address, and acreage of each owner.

Recommendation

Because of the potential for significant, even potentially devastating, losses posed by Glassy-winged Sharpshooter, Pierce's Disease and other grape pests to the County's third-leading agricultural crop, it is my recommendation that your Board proceed with the formation and organization of the District.

Respectfully submitted,
Gary W. Kunkel
Agricultural Commissioner/Sealer
BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF TULARE

STATE OF CALIFORNIA

IN THE MATTER OF THE FORMATION OF) Resolution No. 2005-
THE TULARE COUNTY TABLE GRAPE PEST)
AND DISEASE CONTROL DISTRICT)

The Tulare County Board of Supervisors hereby finds, determines and orders as follows:

1. The public hearing for the proposed formation of the Tulare County Table Grape Pest and Disease Control District was duly opened for public comment, objections, protests and requests for exclusion; oral testimony and written evidence were considered during the public hearing; any comments, objections, protests, and requests for exclusion were duly considered and acted upon by the Board; and the public hearing was duly closed.

2. Notice of the public hearing to determine the formation of the proposed district was duly given for two successive weeks on March 3 and 10, 2005 in two newspapers of general circulation (i.e., the Visalia Times-Delta and the Tulare Advance Register).

3. Pursuant to State CEQA Guidelines section 15378, subdivision (b)(5), the proposed activity is not a project subject to the California Environmental Quality Act (CEQA) because the formation of the district is an organizational or administrative activity which is political in nature or does not cause any physical changes in the environment. Thus, the Board declares that the proposed formation of the district is not a project subject to CEQA.

4. Alternatively, pursuant to State CEQA Guidelines section 15061, subdivision (b)(3), the project is subject to the General Rule Exemption such that it can be seen with certainty that there is no possibility that the activity in question (formation of district) may have a significant effect on the environment because the proposed activity merely establishes political boundaries and does not authorize any physical changes in the environment. Pursuant to Food and Agricultural Code section 6047.79, subdivision (a), the newly appointed board of directors will be authorized to administer the affairs of the district, and such affairs, as they affect the physical environment, will be evaluated by the board of directors when a project is proposed, and appropriate action under CEQA will be taken at that time. Thus, the Board declares that the proposed formation of the district is exempt from CEQA.

5. The Board considered the Agricultural Commissioner's register of all table grape acreage owners within the proposed district, and such register specifically described the net acreage of land devoted to the growing of table grapes by each owner.

6. The Board also considered the Agricultural Commissioner's report describing the present condition of the glassy-winged sharpshooter and Pierce's disease infestations, or infestations of other designated pests and diseases, and any proposed program that may warrant the Board's proceeding with the organization of the district, and the Commissioner's recommendation as to the advisability of the creation of the district.

7. The Board hereby accepts the Agricultural Commissioner's report recommending the creation of the proposed district and finds and determines that the Commissioner's roster of table grape owner acreage is sufficient and in order. Based on this report, roster and such other substantial evidence, the Board finds and determines pursuant to Food and Agricultural Code section 6047.76, subdivision (a), that that the formation of the proposed district is feasible and in the best interest of the table grape acreage owners of Tulare County.

8. Accordingly, the Board hereby orders the formation of the Tulare County Table Grape Pest and Disease Control District; directs that this order be entered into its minutes; declares that the Tulare County Table Grape Pest and Disease Control District is duly organized; and directs that a certified copy of this resolution be recorded with the Tulare County Clerk / Recorder forthwith.

9. The Board further orders that the boundaries of the district include all of the table grape acreage within the County of Tulare unless otherwise excluded by the Board. Said boundaries of the district are based on the acreage generally located as follows:

Said table grape acreage is located in Richgrove in the southeast part of the county to Kingsburg in the northeast part of the county. The major concentration of acreage is south of Highway 190 to County Line Road (which separates Tulare County from Kern County), and between Highway 99 and Highway 65. The other concentration of table grape acreage is located north of Avenue 368 to County Line Road and between Highway 99 and Highway 63.

The foregoing boundaries are depicted generally in the attached map (made a part hereof) and illustrated in said map as dark polygons. However, the boundaries of said district shall coincide with the table grape owner acreage described in the roster of acreage prepared by the Agricultural Commissioner, unless said roster was otherwise amended by the Board.

10. Notice of inclusion in the District shall be mailed, postage prepaid, by the Clerk of the Board of Supervisors to the address of the owners of the acreage as shown by the last equalized assessment roll. Said notice shall state that the owners of such acreage may request exclusion from the District's Board of Directors on the ground that such acreage shall not be benefited by the activities of the District.

11. Subject to the filing of a certified copy of this resolution ordering the formation of the District, the Board hereby appoints the following five nominees as directors of the board of the Tulare County Table Grape Pest and Disease Control District:

Name of Nominee	Supervisory District
Blake Ueki	1
Art Foster	2
Clarence Robbins	3
Max Jehle	4
Bob McCloskey	5

12. The Board hereby authorizes the Chairman to execute the Notice of Exemption and directs that said notice be filed forthwith with the State Clearing House and the Tulare County Clerk / Recorder.

Upon motion of Supervisor , seconded by Supervisor , this resolution was adopted by the Board of Supervisors at the official meeting held on March , 2005 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: BRAIN HADDIX

COUNTY ADMINISTRATIVE OFFICER /

CLERK OF THE BOARD OF SUPERVISORS

By: Deputy Clerk

4. ESTIMATE OF COSTS

DESCRIPTION	COST ESTIMATE
<u>EXPENDITURES</u>	
<u>WAGES AND BENEFITS</u>	
Independent Consulting – District Manager	\$44,531.00
Contract Secretarial Services	9,940.00
Misc. Related Items	398.00
<u>SERVICES AND SUPPLIES</u>	
Automation	3,976.00
Communication (Cell Phone, Land Line)	3,976.00
Grower Relations (mailings)	1,869.00
Insurance	2,982.00
Interest	199.00
Office Rent/Lease	3,578.00
Building Cleaning	2,068.00
Vehicle mileage for mgr.	5,964.00
Miscellaneous	1,193.00
Postage	1,193.00
Professional – Consulting	11,928.00
Professional – Legal	4,771.00
Professional – Other	7,952.00
Publications / Subscriptions / Memberships	517.00
Supplies – Office	1,988.00
Training	795.00
Travel – Related	3,976.00
Utilities (electric, gas, water)	2,386.00
One time office start up costs	7,952.00
<u>SPECIFIC PROJECTS</u>	
Table Grape Acreage Registry Verification	7,952.00
Engineer's Report for 218 Ballot	3,181.00
Tulare Co Filing and 218 Ballot	15,000.00
<u>CAPITAL ASSETS AND DEBT SERVICE</u>	
Capital Acquisitions	0.00
<u>RESEARCH</u>	
Research	23,896.00
<u>EMERGENCY RESPONSE FUND</u>	
Emergency Response Fund	79,520.00
<u>LINE ITEM RESERVE</u>	
Line Item Reserve	13,200.00
<u>ADJUSTMENT</u>	
Adjustment	(3,895.24)
TOTAL EXPENDITURES	\$262,985.76

5. ASSESSMENTS

5.1. Basis of Assessment

Each of the 32,873.22 acres of planted table grape acreage within the District will receive equal special benefit from the implementation of programs related to Pierce's disease, glassy-winged sharpshooters, or other designated pests and diseases as determined by the District and found by the California State Legislature per the *Food and Agriculture Code* Section 6047.98.

In order to determine the proposed annual assessment rate for each acre of planted table grape acreage, the total estimated annual cost of program implementation and the administration of the District is divided by the projected total number of acres of planted table grape acreage as follows:

Total Estimated Costs/Total Number of Acres = Assessment Rate per Acre

2005/2006

$\$262,985.76 / 32,873.22 = \8.00 Per Acre

In order to meet the costs of inflation, the annual rate for each Acre as determined above, shall be subject to an annual increase not to exceed 2% beginning in Fiscal Year 2006/2007 and shall remain in effect for each subsequent fiscal year.

The maximum amount of the assessment that may be levied for each parcel during any fiscal year is equal to the following:

$$(\text{Assessment Rate per Acre}) \times (2\% \text{ Maximum Annual Increase}) \times$$
$$(\text{Number of Years Since 2005/06}) \times (\text{Number of Acres})$$

The following shows sample maximum Assessment Rate per Acre for the next four fiscal years:

<u>Fiscal Year</u>	<u>Assessment Rate per Acre</u>
2006/2007	\$8.16
2007/2008	8.32
2008/2009	8.48
2009/2010	8.64

The assessment is proposed to be levied for a duration of five years.

5.2. Annual Assessments

The proposed assessment and the amount of the assessment for the Fiscal Year 2005/2006 apportioned to each parcel as shown on the latest equalized roll at the County Assessor's office is listed in Section 8 of this Report as the Fiscal Year 2005/2006 Assessment Roll of the District.

The estimated costs are spread over the table grape acreage within the Special Benefit Assessment District as follows:

DESCRIPTION	AMOUNT
Total Costs	\$262,985.76
Rounding*	(0.00)
Total Costs to be Assessed	\$262,985.76
Total Acres to be Assessed	32,873.22
TOTAL ASSESSMENT PER ACRE	\$8.00

* Assessment Rounded to the nearest even cent for County tax roll purposes.

6. REQUIREMENTS FOR PROTEST PROCEEDING

6.1. General Information

On November 5, 1996, California's voters endorsed Proposition 218 – The Right to Vote on Taxes Act of 1996. The express purpose of Proposition 218 is to limit “the methods by which local governments exact revenues from taxpayers without their consent.” Proposition 218, officially referred to as Articles XIII C and D of the California Constitution, requires the preparation of a report which determines the proportionate special benefit for each element of the assessment base, based on each cost element. The amount of any assessment is limited to the “reasonable cost of the proportional special benefit conferred.”

6.2. Procedural Requirements

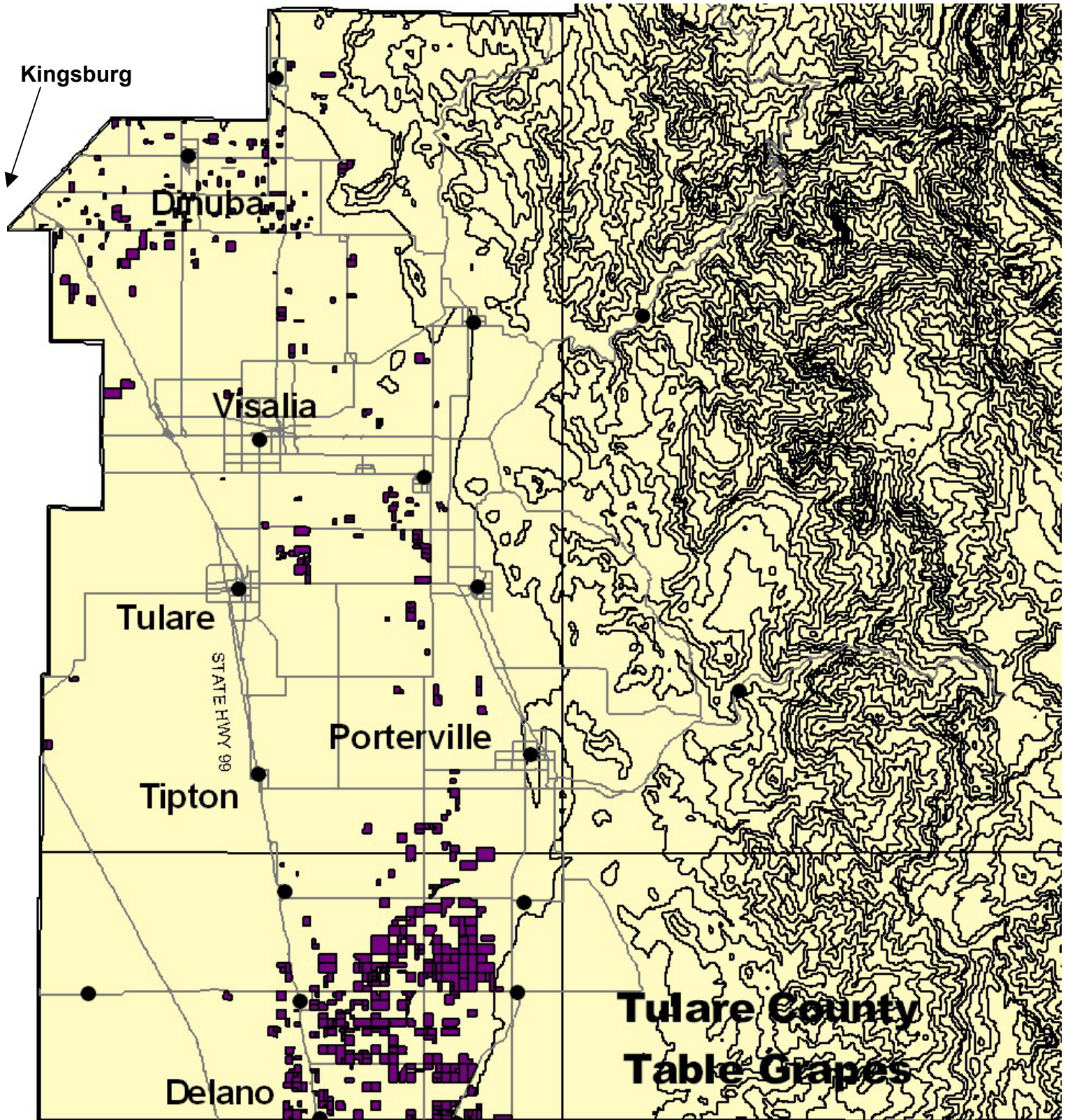
Following the action by the Board of Directors of their intent to request authority to implement specific assessments and the expenditure purposes, a notice is to be prepared notifying all record owners of land affected by the proposed assessment and located within the agency's boundaries, of the proposed assessments. This notice must describe the total assessments, the basis on which the assessment are to be computed, the duration of each assessment, the purposed of the assessments and the relationship of the assessments to the election process. The District must further include on the notice a description of the procedures required to levy an assessment and specifically detail the procedures wherein parties adverse to the establishment of the assessment can record their protest. Also to be enclosed with the notice must be a ballot for use in protesting or approving the proposed assessments.

The District must then hold a public hearing on the proposed assessments. This hearing must precede the ballot tabulation. Each landowner's ballot is weighted based on their proportional financial obligation on which the assessment is based. If a majority of the weighted ballots cast oppose the proposed assessment, the District may not impose or levy the assessment.

Please contact the District to verify a parcel's inclusion in this proposed Special Benefit Assessment District. Your Assessor's Parcel Number and ownership information will be required to verify your parcels' status.

7. TABLE GRAPE ACREAGE MAP

The proposed Tulare County Table Grape Pest Control District is intended to include all of the table grape acreage within Tulare County. Most existing table grape acreage is found from Richgrove in the southeast part of the county to Kingsburg in the northeast part of the county. The major concentration of acreage is south of Hwy 190 to the County Line, and between Hwy 99 and Hwy 65. The other concentration of acreage is north of Ave 368 to the County Line, and between Hwy 99 and Hwy 63. The following map provides a graphic illustration of existing acreage. Table grape parcels are shown as dark polygons.



8. *PARCEL LISTING*

The Fiscal Year 2005/2006 Assessment Roll was prepared and delivered to the Tulare County Table Grape Pest and Disease Control District. Information about individual parcels is considered private and confidential information and will not be part of this public record. If you have a question related to your property's inclusion in this proposed Special Benefit Assessment District, please contact the Tulare Table Grape Pest and Disease Control District. Your Assessor's Parcel Number and ownership information will be required to verify your parcels' status.