



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 3/13/2012

Agenda Placement: 7G

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Greg Clark for David Whitmer - Agricultural Commissioner
Agricultural Commissioner

REPORT BY: Greg Clark, Assistant Agricultural Commissioner/Sealer - 253-6169

SUBJECT: Actions related to European Grapevine Moth Program

RECOMMENDATION

Agricultural Commissioner requests the following actions related to the purchase and distribution of European Grapevine Moth mating disruption pheromone dispensers in vineyards:

1. Approval of Budget Transfer No. AGR002 increasing appropriations in the Agricultural Commissioner's Budget by \$1,326,618 with offsetting revenues in the amount of \$1 million from the California Department of Agriculture and cancelation of \$326,618 from the Agricultural Commissioner Capital Improvement designation; and
2. Approval of and authorization for the Chairman to sign a professional services agreement with Wilbur-Ellis, St. Helena, for a maximum of \$1,326,618 for the purchase and distribution of dispensers for grape growers throughout the valley.

EXECUTIVE SUMMARY

The California Department of Food and Agriculture (CDFA) has received \$1,000,000 from the United States Department of Agriculture for the purpose of purchasing and distributing European Grapevine Moth (EGVM) mating disruption pheromone dispensers to growers whose vineyards are within 500 meters of a previous EGVM detection. CDFA has committed to a funding agreement with the Agricultural Commissioner to purchase and distribute the mating disruption dispensers since most of material will be used by growers within Napa County.

The \$1,000,000 in state funding will provide for the use of mating disruption on 13,575 acres of winegrapes. The Agricultural Commissioner also proposes to expend an additional \$326,618 in order to treat an additional 4,425 acres. CDFA also plans to provide the County with approximately 1,000,000 previously purchased mating disruption dispensers, enough to treat 5,000 acres. As a result, growers will be provided with enough mating disruption dispensers to treat 23,000 vineyard acres.

CDFA has not yet finalized the revenue agreement for these activities. The County expects to receive this agreement in the coming weeks. Although the funding agreement with CDFA is not yet finalized, the Agricultural Commissioner desires to proceed with the purchasing and distribution of the EGVM mating disruption dispensers due to the biological development of the pest and recommendations of a technical working group that mating disruption be deployed prior to budbreak (March 15 - April 1).

The total cost of all materials necessary is \$1,326,618. The Agricultural Commissioner is requesting partial cancelation of the Agricultural Commissioner's Capital Improvement designation to fund \$326,618 of this material with the remaining \$1,000,000 funded by CDFA. The Agricultural Commissioner also requests that the Chair be authorized to enter into a professional services agreement with Wilbur-Ellis, in order to purchase and distribute the EGVM mating disruption dispensers, at a cost not to exceed \$1,326,618.

Wilbur-Ellis is a local vendor and the successful responder to a request for services.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	Funds in the amount of \$1,000,000 will be provided by the California Department of Agriculture. The remaining \$326,618 will come from the partial cancelation of the Agricultural Commissioner's Capital Improvement designation.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Over the last two years the number of European Grapevine Moths (EGVM) trapped in Napa County has decreased from over 100,000 down to 113 moths as a direct result of growers treatments and specifically the use of mating disruption. Mating disruption uses pheromone that makes it virtually impossible for male moths to find female moths to mate with, especially as the number of moths gets smaller and smaller. Mating disruption is essential to eradicating the last vestige of a small moth population and the more mating disruption pheromone present in the environment, the greater the effect will be on eradicating the pest. In 2010 approximately 6,500 acres of mating disruption were used by growers and approximately 13,500 acres of vineyards were treated with mating disruption in 2011. By providing a total of 23,000 acres of mating disruption in 2012, most of the acreage located within 500 meters of a previous EGVM detection will be under mating disruption and provide the program with the greatest chance to completely eradicate EGVM from the County. Given the amount of acres treated in the previous two years, it is unlikely that all of the acreage could be treated without the mating disruption being provided at no cost.

The designated funds, while set aside for use in planning or constructing a building for the Agricultural Commissioner, must be used for any agricultural expenditure in order for them to be considered appropriately expended. In addition to setting aside gas tax funding for use in building facilities, other appropriate uses of such funds would include purchasing office equipment,

specialized vehicles, field supplies and pesticides, safety equipment, etc. These funds are the County's share of unrefunded gas tax funds collected and distributed by the state and is based primarily on Ag Commissioner's Net County Cost. The higher the Department's Net County Cost reflected as a percent of the whole of all counties' Net County Cost, the higher the Department's share of this revenue source. If this revenue is used for a non-ag purpose, the Department's Net County Cost would be reduced and future allocations of this revenue would likely be lower. That is why the funds must be used for an agricultural purpose, whether it is for a future building or for the purchase of mating disruption provided to the agricultural industry.

Is the general fund affected? Yes

Future fiscal impact: None

Consequences if not approved: If this item is not approved, the County will not be able to take advantage of mating disruption supplies primarily funded by the California Department of Agriculture.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The State of California has determined, and the County determines, that the proposed action is exempt from CEQA in that it qualifies for the emergency exception contained in Public Resources Code section 21080(b)(4) and the CEQA Guidelines at 14 CCR section 15269(c). The proposed action also qualifies for the CEQA Guideline Class 8 categorical exemption set forth in 14 CCR section 15308 [Actions by Regulatory Agencies for Protection of the Environment].

BACKGROUND AND DISCUSSION

European Grapevine Moth (*Lobesia botrana*) was first discovered in October 2009 in an eleven acre Chardonnay vineyard in Oakville. This was the first time that the invasive species was found in North America and the crop on the eleven acre vineyard was a complete loss due to the damage caused by the pest. An aggressive detection trapping program was started in Napa County which resulted in information revealing that the moth was widely distributed throughout the county; however, there were several large area or 'hot spots' identified, including the area between Yountville and St. Helena, Third Ave. in Coombsville, and an area north of Calistoga. Over the next year EGVM infestations were found in several other counties, including Mendocino, Solano, Sonoma, Fresno, San Joaquin, Merced, Santa Clara, Santa Cruz and Nevada.

The Agricultural Commissioner, with assistance from UC Cooperative Extension Viticulturist Monica Cooper and Grower Liaison Martin Mochizuki, worked with the local winegrape industry to make them aware of the threat EGVM posed and how best to control pest within the confines of a voluntary treatment program with no funding available to help growers offset their costs. Growers were given three sets of control measures, one involving the use of conventional insecticides, another for growers farming organically. and finally the use of EGVM pheromone dispensers to disrupt mating, which are particularly effective as the population of moths gets smaller and smaller.

In 2010 over 100,000 EGVM were found in monitoring traps and by the end of 2011 the total number of EGVM trapped had decreased to 113. This dramatic reduction was largely due to the cooperation and diligence of growers in performing their pest control in a timely manner. This was particularly impressive in light of current

economic conditions, the cost of the control measures and lack of government assistance. Growers are estimated to have spent \$24 million over the last two years to control EGVM and comply with quarantine requirements, including \$1.8 million for the purchase and use of EGVM mating disruption pheromone. Given the tremendous commitment and expense on the part of industry, efforts were made to find funding that would reduce grower costs and ensure continued participation at a time when the EGVM program is on the verge of eradicating EGVM.

In December 2011 the California Department of Food and Agriculture (CDFA) received \$1,000,000 in funding from the United States Department of Agriculture to be used to provide grape growers whose vineyards are located within 500 meters of a European Grapevine Moth (EGVM) detection with mating disruption pheromone dispensers (the \$1,000,000 will be used to treat approximately 13,575 acres). CDFA proposes to enter into an agreement with the Agricultural Commissioner whereby the County will purchase and distribute the mating disruption pheromone dispensers, since the majority of qualifying vineyards are located within Napa County (approximately 110 acres are located in Sonoma County). CDFA is also providing at no cost mating disruption dispensers it had already purchased for use in urban areas, but instead will now be used to treat approximately 5,000 vineyard acres.

In addition, the Agricultural Commissioner is proposing to purchase an additional 4,425 acres worth of mating disruption pheromone dispensers at a cost of \$326,618. As a result, a total of approximately 23,000 acres of vineyards will be treated with mating disruption pheromone, at no cost to the growers. CDFA is currently finalizing the preparation and review of the documents used to create a funding agreement with the Agricultural Commissioner and which would be presented to the Board of Supervisors for consideration and approval within the next several weeks. However, the Agricultural Commissioner requests that the Board increases the Department's budget allocation by authorizing the transfer of \$1,326,618 with offsetting revenue of \$1,000,000 from CDFA and partial cancelation of the capital improvement designation.

The Agricultural Commissioner proposes to enter into a professional services agreement with Wilbur-Ellis, St. Helena, to purchase the EGVM mating disruption pheromone dispensers. Wilbur-Ellis would then provide the material on a first-come, first-served basis, to eligible winegrape growers as identified by the Agricultural Commissioner, invoice the County on a weekly basis, and comply with other terms and conditions specified in a professional services agreement.

EGVM has shown its destructive potential as evidenced by the complete crop loss of the eleven acre vineyard in Oakville where it was originally discovered. Great progress has been made by industry and the cooperating governmental agencies toward eradicating European Grapevine Moth from Napa County and elsewhere in California. Eradication of this serious pest is a very real possibility and the actions requested of the Board will help in these efforts.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Molly Rattigan