

This document is an extract of a larger publication.

civilgrandjury.org is a project of UnGovr.org, a US-based 501(c)(3) nonprofit dedicated to government transparency and public accountability.



4. The people who guard these marijuana gardens are often armed with military grade guns, ammunition and other weapons, many of which have been confiscated during these raids. In 2010, 108 weapons were seized and 103 arrests were made within the State of California (see Attachment A).
5. Arrests are difficult because the raids have to occur during daylight hours. Rough terrain demands the use of helicopters which can provide early warning to the growers.
6. Helicopters are rented and used to locate the marijuana gardens, to transport and rappel personnel to the more remote gardens, and to remove the plants after they have been cut down.
7. People tending the gardens have no sewage or running water for sanitary purposes. Gardens are strewn with raw sewage, trash, and dead animal carcasses. The growers have sophisticated means of watering the illegal plants, and use illegal pesticides and fertilizers that pollute the land and water table used by county residents. Some of the pesticides are not regulated by the United States, so their toxicity is not known.
8. The hikes into the gardens are extremely dangerous and strenuous. Those conducting the raids often have to climb around thick brush, rocks, ravines, and cliffs to get to the plants to cut them down. Injuries have occurred on the way to and from these gardens.
9. Illegal marijuana gardens have been found less than 2 miles from residential areas and school facilities.
10. In 2010, the 227,000 marijuana plants removed from Tulare County had an estimated street value of over 900 million dollars. According to the Sheriff's Department, marijuana is the number one cash crop of Tulare County. The estimated street value of one plant is \$4,000.
11. The plants grown today are bred to produce a more productive crop. Seeds for some crops grown locally in illegal marijuana gardens come from Afghanistan. The marijuana plants are bred to "bud" as many as 3 or 4 times per year, with a growing cycle of as little as 3 months. This puts marijuana on the street at a faster pace.
12. Tetrahydrocannabinol (THC) is the main psychoactive substance found in the marijuana plant. The THC level in marijuana was around 3% in the 1980's, but now the THC level in plants is much higher. Marijuana is a mind-altering drug. Law enforcement officials consider marijuana a "gateway" drug leading to the use of more serious drugs.
13. The County of Tulare receives a negligible amount of money from the federal government to help combat this growing problem.

14. There is a danger to hikers, fishermen, hunters and property owners that unknowingly walk into the gardens in the mountains.

CONCLUSIONS

1. Marijuana is the number one cash crop of Tulare County.
2. There is an urgent need to eradicate this illegal activity in Tulare County.
3. The illegal use of pesticides and fertilizers pollute the local water supplies.
4. Because some marijuana gardens are in close proximity to existing residential and school areas, the situation is even more dangerous to county residents.
5. The Tulare County Sheriff's Department, along with other law enforcement agencies, provide excellent services and are diligently attempting to combat this growing problem with limited resources.

RECOMMENDATIONS

None

RESPONSES REQUIRED

Tulare County Board of Supervisors
Tulare County Sheriff's Department

Attachment A 2010 CAMPAIGN AGAINST MARIJUANA PLANTING STATISTICS

		PLANT SEIZURES BY COUNTY			
County	Plants Seized	County	Plants Seized	County	Plants Seized
1 Mendocino	572,680	15 Monterey	73,128	29 Alameda	23,728
2 Tuolumne	411,004	16 Napa	60,107	30 Alpine	23,065
3 Lake	374,958	17 Fresno	58,824	31 Calaveras	21,760
4 Shasta	325,480	18 Madera	58,650	32 El Dorado	21,051
5 Tehama	312,574	19 Yolo	57,784	33 Santa Clara	18,409
6 Sonoma	311,147	20 Ventura	57,501	34 San Benito	15,367
7 Tulare	227,002	21 San Luis Obispo	56,077	35 Sierra	15,290
8 San Bernardino	171,358	22 Glenn	56,068	36 Del Norte	12,589
9 Riverside	155,209	23 Solano	55,593	37 Santa Cruz	11,312
10 Humboldt	140,911	24 San Joaquin	52,657	38 San Mateo	7,389
11 Trinity	120,431	25 Mariposa	50,719	39 Amador	7,165
12 Kern	103,341	26 Modoc	35,849	40 Marin	5,819
13 Santa Barbara	99,173	27 Colusa	31,278	41 Yuba	2,272
14 Los Angeles	79,769	28 Nevada	24,807	42 Placer	1,019

2010 CAMP Season Summary

Length of Season	108 Days
Total No. of Plants Seized	4,320,314
Estimated Wholesale Value	17.2 billion
Plants Seized on Public Lands	3,174,802 (73 %) Rounded
Plants Seized on Private Lands	1,145,512 (27 %) Rounded
Total No. of Raids	755
No. of Arrests	103
No. of Weapons Seized	108

CAMP Program History

Year	Plants Seized	Year	Plants Seized	Year	Plants Seized
1983	64,579	1991	85,159	1999	241,164
1984	58,493	1992	92,388	2000	345,207
1985	166,219	1993	66,386	2001	313,776
1986	117,277	1994	82,694	2002	354,202
1987	144,661	1995	74,769	2003	466,054
1988	107,297	1996	94,221	2004	621,315
1989	147,518	1997	132,485	2005	1,134,692
1990	79,441	1998	135,960	2006	1,675,681

“I’VE BEEN WORKING ON THE RAILROAD” RAIL LINES AND MEASURE “R”

BACKGROUND

In 2006, Tulare County voters approved Measure “R” by more than 67%. Measure “R” was a half cent transportation sales tax over 30 years to be used for the following:

1. Transit/Bicycle/Environmental (14%) - This category uses funds to “link the regional bike systems, provide increased transit service and [provide] an investment in environmental mitigation”.
2. Administration/Planning (1%) - This category is “directed to program implementation activities”.
3. Regional Projects (50%) - This category provides “benefits for multiple jurisdictions such as interchange improvements, regional widening projects and environmental measures”.
4. Local Programs (35%) - This program allows funding for projects “ranging from pot-hole repair, road rehabilitation and freeway interchange improvements”.

(The above information was taken from the November 7, 2006 Sample Ballot and Voter Information Pamphlet.)

These categories were developed by Tulare County Association of Governments (TCAG) which includes all eight incorporated cities and the County of Tulare. The Regional Transportation Plan prepared by TCAG, is updated every two years with twenty-five years of transportation projects.

REASONS FOR INVESTIGATION

The 2010-2011 Tulare County Grand Jury (Grand Jury) investigated the use of Measure “R” funds for short line freight rail for the following reasons:

1. In 2008, TCAG and member agencies approved an amendment to Measure “R” which allowed a \$3 million Rail Preservation Fund within the Transit/Bicycle/Environmental portion of Measure “R”.
2. The owner of the rail line, San Joaquin Valley Railroad (SJVR), a subsidiary of RailAmerica, received approval from the U.S. Surface Transportation Board to abandon 30.57 miles of rail line located between Jovista and Strathmore. This portion of the rail line was subsequently removed. They also petitioned to have 13.6 miles of track removed between Strathmore and Exeter. There are currently two shippers which utilize this line.
3. TCAG authorized a study from the Sid Craig School of Business at California State University Fresno at a cost of \$3,500 to determine the economic feasibility

of preserving the rail line between Jovista and Dinuba. TCAG also authorized an Eastside Business Plan to be prepared by Railroad Industries Incorporated at a cost of \$94,000 from Measure "R" funds, to determine the feasibility of preserving the rail line. According to the latter study, TCAG is working with existing and potential shippers to save the line from abandonment.

PROCEDURES FOLLOWED

1. Interviewed relevant witnesses
2. Visited the rail line before and after the Strathmore to Jovista section was removed
3. Reviewed relevant documents

FINDINGS

1. SJVR was successful in obtaining from the U.S Surface Transportation Board approval to remove the rail line between Jovista and Strathmore citing the fact that this portion of the line was unprofitable. The Sid Craig Study supported this finding. Based on a list of potential interested shippers, the above study found there is insufficient business activity to support the costs of this short rail line, and the estimated loss per year was over \$680,000.
2. Another company, Patriot Rail, was interested in purchasing the rail line, but negotiations were unsuccessful.
3. TCAG considered a recommendation to purchase the entire rail line from Jovista to Fresno; however, terms could not be reached which were mutually agreeable to TCAG and SJVR. Furthermore, TCAG, as it is currently constituted, does not have the authority to own land.
4. The current configuration of the rail line (75 lb. rail track from Strathmore to Exeter) limits rail transportation to a maximum of 10 mph. With the current shippers and with no renovations to the rails, this portion of the rail line is economically feasible in the short term future.
5. The current condition of the rail line is poor, and for the long term future of the line, the rail line would need to be renovated. The cost to upgrade the current track at 5% of the track per year would exceed \$350,000 (RailAmerica estimates roughly \$450,000 per mile) and routine maintenance costs would also exceed \$350,000 per year.
6. The estimated cost to upgrade the rail line south of Dinuba from 75 lb rail to at least 112 lb rail was \$20 million. This is needed to transport freight at a speed exceeding 10 mph.

In Tulare County, SJVR has plans to upgrade the portion of track between Exeter and Dinuba at a cost of \$1.2 million keeping the 75 lb rail.

7. Measure “R” did not originally contain language regarding the preservation of rail lines when approved by the voters; however, TCAG indicated the rail lines will provide an alternative to trucking which will help preserve the road conditions and improve air quality.
8. ***Any voter approved initiative can be changed if a majority of the City Councils of the 8 incorporated cities and the Board of Supervisors approve an amendment.*** This took place with the short line rail amendment. Measure “R” now contains the following language pertaining to Rail Lines: “For Rail expenditures from the ‘Transit/Bike/Environmental Project Program’ funding may be used for Right of Way acquisition and/or preservation of rail corridors. Preservation of rail corridors by purchase of existing fixtures includes but is not limited to railroad ties, ballast, tracks, and signals are permitted when anticipated commercial operation will result in preservation of the ROW. The purpose of the requirement is to ensure that real-property interest (long term-lease/easement) is maintained for rail use. The expenditure of Measure “R” funds shall not result in a commitment of additional funds. Prior to an agency requesting rail funds from the ‘Transit/Bike/Environmental Projects Program’ a plan must be submitted that demonstrates the economic viability of the rail corridor for which the funding is proposed”.
9. SJVR is a subsidiary company of RailAmerica, which is a company owned by Fortress Investment Groups, LLC. Although the studies indicate that the parent company is a hedge fund wanting to salvage the rails for quick income, the Grand Jury was unable to support that conclusion. The County indicated that this company is responsible for increasing costs to users to a point that drove users from using the rail lines. The components for costs to the shipper are as follows:
- a. Shipping costs are negotiated between the major rail companies (Burlington Northern/Santa Fe and Union Pacific) and the shippers. SJVR does not govern these costs. Major rail company rate increases are passed to the shippers. The major rail companies pay SJVR to bring the rail cars from shippers to their lines.
 - b. The shippers are charged by SJVR when extra services are provided. This includes extra time for loading, picking up cars that have not been loaded and other ancillary services.
 - c. When a shipper’s volume is inadequate to cover the SJVR fixed cost of providing rail service to the shipper, SJVR adds a per rail car surcharge.
10. The County indicated that there is an advantage to having rail lines in the County for shipping purposes. In addition to keeping additional trucks off the County roads, the use of rails for freight also improves air quality, and provides an incentive for manufacturers to conduct business in Tulare County, thereby increasing employment opportunities for County residents. The County indicated that there may be additional funds from sources other than Measure “R” funds for the purchase and rehabilitation of the rail lines such as Air Quality funds.

11. The Grand Jury interviewed management representatives of the Economic Development Corporation (EDC), SJVR, and RailAmerica. These interviews revealed that while the EDC states that rail lines are important to the future economic growth of the county, the EDC is not making sufficient effort to bring SJVR and RailAmerica into the process of recruiting new businesses to the county. EDC would not provide the Grand Jury with requested information regarding potential new rail users.

CONCLUSIONS

According to the studies prepared for TCAG, it was economically infeasible to purchase and operate the short line rail system which included the portion of the system from Strathmore to Jovista. ***The voters of Tulare County did not approve expenditures for rail lines when considering their vote for Measure “R”.***

County organizations do not work effectively with potential shippers and the rail companies to increase the profitability of the rail lines. This would enable the rail companies to improve the lines without the use of government funds.

EDC does not have an effective working partnership with SJVR and RailAmerica to attract businesses into Tulare County.

RECOMMENDATIONS

1. If the County decides to preserve short rail lines, TCAG and its member agencies obtain alternate funding for the purchase and repair of the short rail lines; or alternately request voter input through an election process to approve the expenditure of Measure “R” funds for short rail line acquisition, repair and operation.
2. EDC prepare a plan to establish a more effective working relationship with RailAmerica and SJVR.
3. County organizations work more effectively with potential shippers and the rail companies to increase the profitability of the rail lines

REQUIRED RESPONSES

Tulare County Board of Supervisors

Tulare County Association of Governments

Tulare County Economic Development Corporation

***THIS
PAGE
INTENTIONALLY
LEFT
BLANK***