



Monterey County

Board of Supervisors
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

Legistar File Number: BC 19-048

May 30, 2019

Introduced: 5/9/2019

Version: 1

Current Status: Agenda Ready

Matter Type: Budget Committee

- a. An ordinance repealing Chapter 10.16 of Title 10 of the Monterey County Code relating to Produce Inspection - Head Lettuce. (**Attachment 1**)
- b. Proposed California Environmental Quality Act (CEQA) action: Categorically exempt from environmental review pursuant to CEQA Guideline Section 15309.

RECOMMENDATION:

It is recommended that the Budget Committee receive a report on the following:

- a. An ordinance repealing Chapter 10.16 of Title 10 of the Monterey County Code relating to Produce Inspection - Head Lettuce. (**Attachment 1**)
- b. Proposed California Environmental Quality Act (CEQA) action: Categorically exempt from environmental review pursuant to CEQA Guideline Section 15309.

SUMMARY:

On November 16, 2018, the Agricultural Commissioner's Office received a letter from the Grower-Shipper Association of Central California (GSA) requesting that the County repeal Chapter 10.16 of the Monterey County Code relating to produce inspection of head lettuce because the head lettuce inspection program no longer provided value to the industry (**Attachment 2**). On February 28, 2019, the Agricultural Commissioner met with industry representatives, and they reiterated their request to repeal Chapter 10.16. On March 22, 2019, the Agricultural Commissioner received a revised letter from the GSA clarifying that the industry was requesting repeal of Chapter 10.16 in its entirety (**Attachment 3**). On March 28, 2019, the Agricultural Advisory Committee (AAC) considered the GSA request and voted to recommend repeal of Chapter 10.16 of the Monterey County Code in its entirety to the Board of Supervisors.

DISCUSSION:

Chapter 10.16 of the Monterey County Code was adopted in 1976 at the behest of the grower shipper industry to require uniform compliance with head lettuce standards in the California Code of Regulations (CCR). The Head Lettuce Inspection program began in 1976 as an industry-funded program. Head lettuce was inspected for uniform compliance and quality. The inspection program under Chapter 10.16 is no longer necessary for several reasons. In 1994, at the height of the program, there were 38 Produce Inspectors and 73,347 acres of head lettuce. Over time, the popularity of romaine lettuce has led to a decline in head lettuce production. In 2018, there were six produce inspectors and approximately 40,000 acres of head lettuce. Additionally, the inspection program under Chapter 10.16 is no longer necessary because the grower and shipper industry's quality standards for head lettuce now exceed CCR standards. Lastly, notwithstanding the repeal of Chapter 10.16, the Agricultural Commissioner will continue inspection of production of head lettuce to the extent agreed upon by contract with the California Department of Food and Agriculture.

AAC Recommendation: On March 28, 2019, the Agricultural Advisory Committee (AAC) reviewed and discussed the information received from the GSA in support of the GSA's request to repeal Chapter 10.16 of the Monterey County Code. Upon review and discussion of the information and written materials presented by the Agricultural Commissioner's Office and the GSA, the AAC voted to recommend repeal of Chapter 10.16. Produce Inspection - Head Lettuce of Title 10 of the Monterey County Code in its entirety to the Monterey County Board of Supervisors. Minutes from the AAC meeting on March 28, 2019 are attached (**Attachment 4**).

CEQA Action: Repeal of Chapter 10.16 is categorically exempt from environmental review pursuant to CEQA Guidelines Section 15309 which states,

15309. INSPECTIONS Class 9 consists of activities limited entirely to inspections, to check for performance of an operation, or quality, health, or safety of a project, including related activities such as inspection for possible mislabeling, misrepresentation, or adulteration of products. Note: Authority cited: Section 21083, Public Resources Code; Reference: Section 21084, Public Resources Code.

OTHER AGENCY INVOLVEMENT:

The GSA and the AAC support this recommendation.

FINANCING:

The recommended action will eliminate ten (10) vacant and two (2) filled positions. The balance of the Produce Inspection (Fund 501.BSA 2684) will be returned to participants after FY 2019-20 costs are deducted. The estimated dollar amount of the Produce Inspection Fund to be returned to participants in FY 2019-20 is approximately \$400,000. The proposed action will negatively impact the Agricultural Commissioner's budget in FY 2019-20 and beyond. The program contributes to the administrative/overhead costs as well as shared costs of the department. Last fiscal year these costs were \$273,687 and were budgeted to be \$130,000 in FY 2019-20. The department will delay vehicle replacements and/or filling some vacant positions to meet Net County Contribution (NCC) in FY 2019-20. However, a general fund augmentation may be requested in FY 2020-21 for the overhead costs previously covered by the Lettuce Inspection Program.

Chapter 10.16 authorized the Board of Supervisors to adopt by resolution a schedule of fees to carry out the inspections under Chapter 10.16. With the repeal of Chapter 10.16, the Agricultural Commissioner will no longer collect those fees. Staff intends to return to the Board with a resolution that would repeal those inspection fees.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

☐ Economic Development
☒ Administration
☐ Health & Human Services
☐ Infrastructure
☐ Public Safety

Prepared by: Sheila Salazar, Finance Manager, 759-7381

Approved by: Henry S. Gonzales, Agricultural Commissioner, 759-7325

Attachments:

1. [Proposed] Ordinance Repealing Chapter 10.16 of the Monterey County Code
2. GSA letter dated November 16, 2018
3. GSA letter dated March 22, 2019
4. AAC minutes from March 28, 2019
5. Current Chapter 10.16