COUNTY EXECUTIVE OFFICE

Ralph Cordova Jr.
County Executive Officer

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April 16, 2015

Loren Kaye, Vice Chairman
Carole D'Elia, Executive Director
State of California Little Hoover Commission
925 L Street, Suite 805
Sacramento, CA 95814

Dear Vice Chairman Kaye and Executive Director D'Elia:

This letter and accompanying information are provided as written testimony in advance of the Little Hoover Commission's hearing on the Salton Sea scheduled for 9:00 am Tuesday April 28, 2015 at the University of California Riverside Palm Desert Campus in Palm Desert, CA.

By introduction, I serve as the County Executive Officer of the County of Imperial, California. The County of Imperial is located at the far southeast portion of the State of California. Approximately two-thirds of the Salton Sea is within our County.

On a personal note, I am not only a resident of the County, but a native to the region. I was educated at local elementary and high schools. Other than leaving the region for my undergraduate degree and law school, my entire life has been spent as a resident of Imperial County. Many of my formative years were spent working in the agriculture industry. It is back-breaking work that has shaped both a work ethic and a sense of pride in the region where I choose to live and raise my family.

The purpose in providing you this letter and accompanying materials is to help you understand what is at stake relative to environmental stabilization of the Salton Sea. Simply stated, the economic stability of Imperial County is also at stake. I am not here as an environmentalist nor a scientist. My background is not in those fields and I suspect there are hordes of experts available to you that can testify to the quantitative nature of the environmental sensitivity of the Salton Sea and the region. My goal, on behalf of the County of Imperial and its 180,000 plus residents, is to educate you about our region and communities. This testimony combined with that of others within the region (Imperial and Coachella Valleys) will help you understand the urgency of the issue and the need for immediate and decisive action as to maintain the fragile economic stability of Imperial County.

Imperial County is rich in both cultural and economic history. We are a melting pot of a variety of cultures that include American, Mexican and Chinese along with dozens of others. We work hard each and every day. Our primary economic engine is that of agriculture. Last year, we produced over $2 billion in crops that fed the region, the state, the nation and in many cases the world. We serve as a transportation corridor. Product is moved in a west to east fashion via Interstate 8. We host a south to north international trade corridor providing shipping access from the hundreds of maquiladora's in Mexicali and other parts of Baja California into the United States. Our region also plays a role in defense and homeland security. Naval Air Facility El Centro trains some of our nation's most skilled fighter pilots and is also the winter home of the Blue Angels. We also have a significant presence of the Department of Homeland Security who work to secure our borders and stem the tide of illegal drugs into our country. In regards to the same, our Valley hosts a new 780 bed immigration detention facility that was completed in September, 2014.

We produce more renewable energy in the Imperial Valley than any other region in the United States. We have dedicated over 32,000 acres (51 square miles) and approved over 3,260 megawatts of renewable power production (solar, wind, geothermal, biofuels) to provide the energy needs of 3 million homes.

As the CEO of our County, I am awestruck by what our region does for our great state and nation. We produce and provide some of the most basic needs of society; food, power, trade and security. You would think a region producing the most basic of needs of an economy would be prosperous. The unfortunate reality is we are not. We are a blue-collar region that is working hard each day to meet the economic demands upon us for which there is little provided in return.

We have some 80,000 people in our workforce, yet only 60,000 are employed. Yes, we have a 25% plus unemployment rate. Approximately 1 in 4 jobs in our region is directly tied to agriculture. Median pay (for those with a job) is $30,000 a year ($15 per hour). Median household income is about $43,000. More than 1 in 5 people in Imperial County live in poverty. Sadly, almost 1/3 of our children live in poverty. Today, nearly 55,000 Imperial County residents depend on Medi-Cal for health services. Threats to public health due to deteriorating air quality will only make matters worse. If those impacts on public health materialize, our resources will be depleted and we will be forced to turn to the State of California to sustain the well-being of those who desperately need access to healthcare. This is the economic reality in a region that feeds our great state and nation, provides homeland security and defense training and produces enough energy to meet the needs of 10 million people. Last year was a solid year for our region... we built about 175 new homes and our median home price rose to $169,000, but even those slight improvements will be jeopardized if the Salton Sea continues to decline.

Our region is one that celebrates its successes and counts new jobs one at a time. The entrepreneurial spirit is alive and well. Over 3,200 sales and use tax permits are held in the region (meaning people that sell products to others). Our children are doing better each year in school when compared to other districts. As a native to the region, I can tell you first-hand, we don't often look outside for help. We take responsibility for ourselves, our communities and our neighbors. We take great pride in ourselves for being self-reliant.

It is ironic that the Little Hoover Commission is discussing the Salton Sea and potential environmental and economic impacts. A century ago it was blue collar workers risking their life to create a stable water supply that created the Salton Sea. I suspect that descendants of those very workers live within our region producing food, renewable energy and keeping our borders safe. The irony is that today, we ask you to consider the impact a failed Salton Sea will have on keeping our blue collar economy from failing too.

The Salton Sea is an issue outside of complete local control, yet continued inaction threatens the livelihood of every one of our county's residents, along with the negative implications for the entire region and the State of California. It threatens the health and safety of over $2 billion in crops and livestock being produced. It threatens our ability to produce renewable power. The potential air impacts of a failed Salton Sea may create a region so unlivable (just within Imperial County) that the United States government would be unable to staff border security, detention facilities and our defense training centers.

As a local government agency, the County of Imperial is limited in its ability to environmentally and economically stabilize the Salton Sea. It is a body of water within two different counties. We must call upon the State of California and the United States Federal Government to provide viable solutions to a potential environmental and economic Armageddon. We recognize that the Sea will never be restored to how it might have been 50 years ago. It will surely be a smaller body of water, but it must also be sustainable. We are willing to do our part. The Salton Sea Restoration and Renewable Energy Initiative that we are working on with our partners at IID promises to create substantial local revenues that could be used to help address issues at the Sea – but we can't do it alone.

My call to action is for you, as the Little Hoover Commission, to make the appropriate discovery and findings which provide the impetus to State and Federal leadership to move forward pragmatic solutions to the long-term stabilization of the Salton Sea. As the County Executive Officer for the County of Imperial, my promise to you is this: If the Salton Sea is environmentally (and economically) stabilized, our region of 180,000 people will use its natural, land, intellectual and human resources to continue to feed our great state and nation, provide renewable power to the western states, help secure our borders, train those serving our military and maintain important transportation corridors.

I am available for additional information and/or other questions you may need answers to and can be reached by email at ralphcordova@co.imperial.ca.us or by phone at (442) 265-1001. Thank you.

Sincerely,

Ralph Cordova, Jr.
County of Imperial,Executive Officer

Attachments:
2015 Imperial County Economic Forecast
2013 Imperial County Agricultural Crop & Livestock Report

2015
Imperial County
Economic Forecast

Development Management Group, Inc.
economic development ■ fiscal & economic analysis ■ development management

2015 IMPERIAL COUNTY ECONOMIC FORECAST

Economic Forecast 2015
Final Report
January 5, 2015

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Development Management Group, Inc.
economic development ■ fiscal & economic analysis ■ development management

January 5, 2015

Mr. Ralph Cordova, Chief Executive Officer
County of Imperial, California
940 Main Street, Suite 208
El Centro, CA 92243

RE: 2015 IMPERIAL COUNTY ECONOMIC FORECAST

Dear Mr. Cordova:

On behalf of Development Management Group, Inc. (DMG Economics), I am pleased to provide you with this 2015 Economic Forecast for Imperial County. In providing this to you, it is important to note that funding for this project was made available by the Southern California Association of Governments (SCAG). Information contained in this report was featured at the SCAG Economic Summit in December, 2014.

If I can be of further assistance in presenting this report to your Board of Supervisors, senior staff or other appropriate members of your team, please contact me at (760) 272-9136 or by email: michael@dmgeconomics.com. Best wishes to you, your team and the residents of the County of Imperial in 2015.

Sincerely,

Michael Bracken
Managing Partner & Chief Economist

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Economic Brief

The last year has seen significant changes in the Imperial Valley economy. First, agriculture production (livestock and crop) topped $2.0 billion for the first time in the history of the region. Unfortunately, this success may be short-lived. About 26% of agriculture production in 2013 came from feeder cattle (beef) ($552 million). This was driven by demand from National Beef that operated a processing facility in Brawley. In May, 2014 National Beef ceased operations and moved out of the State of California. This resulted in the complete elimination of beef-livestock production and over 1,300 direct jobs (approximately $40 million annually in direct wages). The full impact of the closing of National Beef and the elimination of the cattle industry will be reflected in 2015, as the industry continued to operate at some capacity during the first portion of 2014.

A new $78 million privately operated federal detention center opened near Calexico (781 beds) while a smaller (544 bed) and older facility closed. There was a net job loss of about 255 jobs as the new facility is more modern and efficient, thereby eliminating the need for as many security guard positions. Overall the new facility has an estimated economic impact on the regional economy of $23.6 million while the previous facility had an impact of $69.3 million. This is a net loss to the region's economy of $45.7 million annually. This may be mitigated long-term as the new facility has the ability to double its size within its existing land footprint and development entitlements.

Solar energy development continues in the region. Over the past five (5) years, some 18,000 acres have been entitled for solar from about one-dozen different projects. At current, about 1/2 of these projects have been built and come online. Thus far in 2014, the County has received three (3) additional applications for solar projects. These are undergoing environmental review.

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1. Introduction to Imperial County

Imperial County is located in the southeast corner of California and shares borders with San Diego County, Riverside County, Yuma County (Arizona) and Mexico (and the region and City of Mexicali). The County has a population of approximately 180,666. This represents an increase of 6,038 from 174,528 (or 3% since 2010). The private sector economy has historically been based on agriculture and geothermal energy generation. In more recent years, there has been increased economic activity in the areas of logistics (to support both the agriculture industry and the maquiladora industry in Mexico) and additional energy production (geothermal, solar and wind).

As with most agriculture dominated regions, unemployment rates in Imperial County are higher than the national average. One of the core questions facing Imperial County is how or when will it develop additional core industry categories that provide year-round employment opportunities at wages that appropriately support families.

2. Status of Economic Recovery

Imperial County has historically struggled with a high rate of unemployment. As of September, 2014 (the latest number available), the unemployment rate in Imperial County was 23.9% This figure is down from 26.3% at this time in 2013 and from historic highs of as much as 32% during the "Great Recession". Puzzling in the analysis is that while the rate of unemployment remains high, the actual number of persons employed has steadily increased over the last few years. This is a statistical anomaly when compared to many other regional or sub-regional economies throughout Southern California. In fact, the September, 2014 data shows 60,100 persons employed (out of a total labor force of 79,100). This is 3,900 MORE jobs than in 2008 (the previous high for the region was 56,200). This also means that when comparing constant periods (September 2013 to September 2014 to allow for the seasonality found in Imperial County employment), 4,300 more people are employed in the region today than just one year ago.

Exhibits A-D provides trend data regarding the labor force, employment, total persons unemployed and the unemployment percentage. Our analysis is that unemployment rates have "topped out" and are likely to stay in the mid 20% range. This said, while the regional economy survived two (2) major employment adjustments in 2014 (National Beef and replacement of a federal detention facility), the resiliency of the Imperial County region can ill-afford to be tested further in the near future.

It also appears as though the number of persons in the labor market is increasing again, after peaking a few years ago. We continue to believe that this is based on the number of persons "re-entering" the workforce in Imperial County whom had previously returned to Mexico (namely Mexicali) during the economic downturn.

SCAG has often posed the question to regional economist, "When will the County recover the jobs lost in the economic meltdown of 2007-2009?" In the case of Imperial County, the jobs lost were restored two (2) years ago. Today, there are 3,900 MORE jobs in the Imperial Valley than there were in 2008 (the previous peak). The question that should continue to be asked is, "When and how will the Imperial County economy be such that unemployment rates, general economic opportunity and poverty rates are at the statewide average?"

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Exhibit A: Total Available Labor Force (Including 2015 Projection)

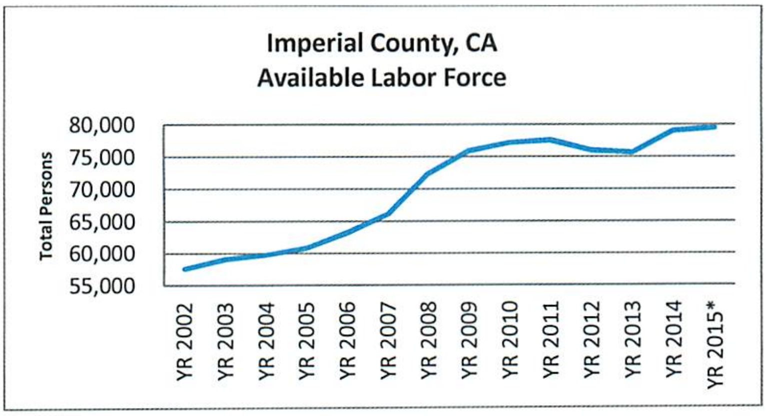


Exhibit B: Total Persons Employed (Including 2015 Projection)

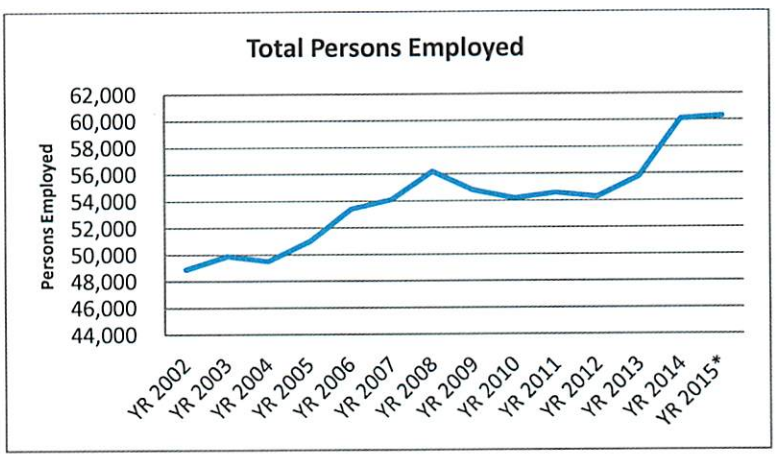


Exhibit C: Total Persons Unemployed (Including 2015 Projection)

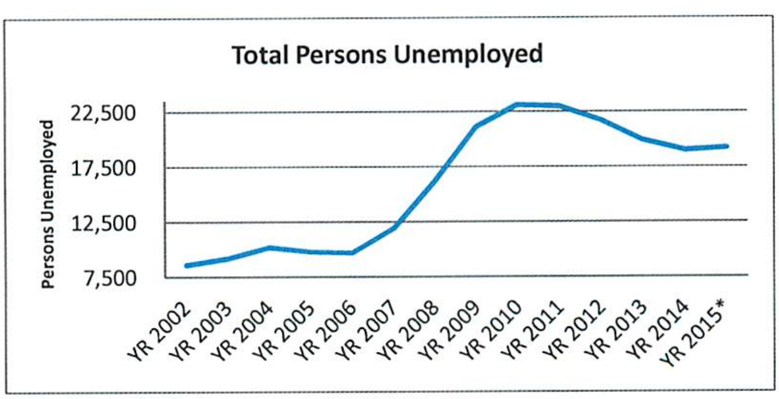
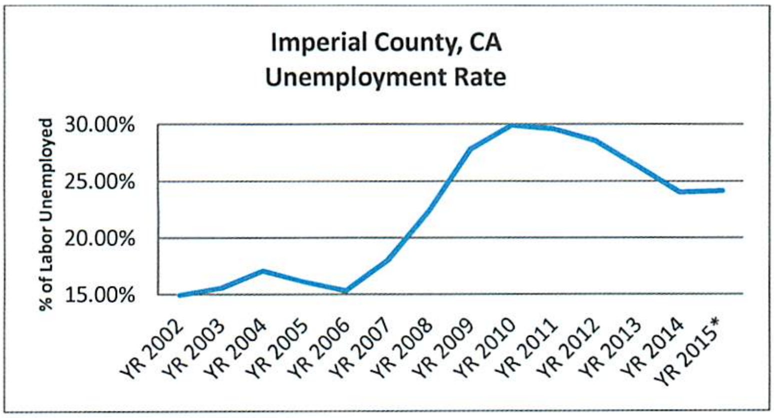


Exhibit D: Unemployment Rate



3. Industry & Occupational Analysis

Economist note: the graphs and analysis that follow in this section are based on minimum current employment of 150 persons within a specific category (position). While this sounds low in terms of pure numbers, consider that the population of Imperial County is about 180,000. Scaled in comparison to Los Angeles County where the population is almost 10 million people, the same minimum requirement would be more than 8,000 positions for a particular job category to qualify for inclusion.

Approximately 30% of the total jobs in Imperial County are within government agencies (local, state and federal). The seven incorporated cities along with the school and utility districts account for local jobs while state jobs are driven by the presence of state prisons and Federal jobs are predominately by border security (Department of Homeland Security). The greatest numbers of private sector jobs are in the agriculture and retail sectors. Exhibit E provides a breakdown of the number of jobs by industry for the most recently available time period.

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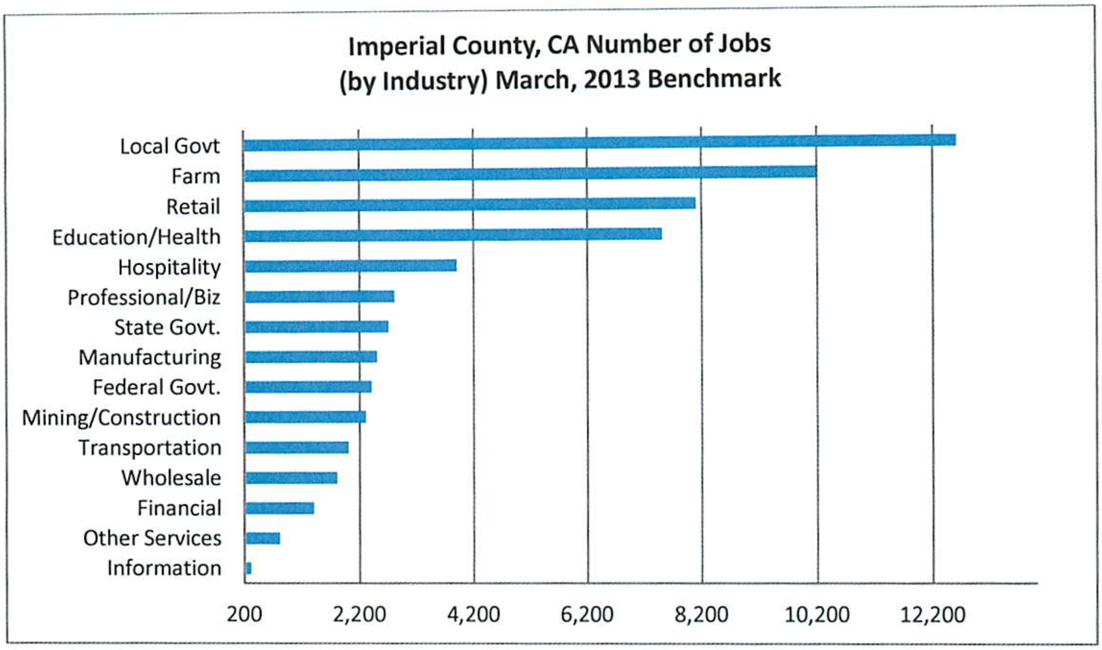
Exhibit E: Distribution of Jobs by Industry



In terms of professional with anticipated growth, Exhibits F provides the total new positions anticipated between 2010-2020. Only those positions in which 150 or more total jobs are anticipated to be generated are included.

Exhibit F: Professions with Anticipated Growth by Total Number of New Positions (2010-2020)

Imperial County Job Growth Projection (150+ New Jobs from 2010-2020)	
Other Personal Care & Service Workers	1430
Retail Workers	990
Personal Care Aides	830
Preschool, Elementary/Middle School Teachers	680
Agriculture Workers	670
Farmworkers and Laborers	640
Retail Salespersons	550
Childcare Workers	540
Building Cleaning/Pest Control	480
Food Beverage Service Workers	470
Business Operation Specialists	420
Law Enforcement Workers	410
Cashiers	380
Maids & Housekeepers	350
Combined Food Prep/Service (Fast Food)	310
Material Moving Workers	300
Motor Vehicle Operators	290

Food Processing	280
Detectives and Criminal Investigators	270
Health Diagnosing/Treatment	250
Nursing/Psychiatric Health Aides	220
Cooks/Food Prep	220
Information Record Clerks	220
Compliance Officers	210
Other Office/Admin Support	210
Other Production Occupations	210
Home Health Aides	200
Material Recording/Dispatching/Distribution	200
Construction Trades	200
Registered Nurses	190
Office Clerks, General	190
Other Repair/Installation Occupations	190
Supervisor of Sales Workers	180
Counselors/Social Workers	170
Vehicle Repair	170
First Line Supervisors of Retail	150
Laborers/Material Handlers	150

Unfortunately, the very jobs which hold the greatest growth potential are also the lowest paying. Below is "Median Pay by Sector (October 21, 2013) State of California Employment Development Department. The figures in parenthesis show the total number of positions held within the region (in thousands) at current (for example there are about 6,800 persons directly employed in labor-farming). Sixty-one percent (61%) of jobs held within these occupational categories pay less than $30,000 annually, while 65% pay less than $40,000 annually.

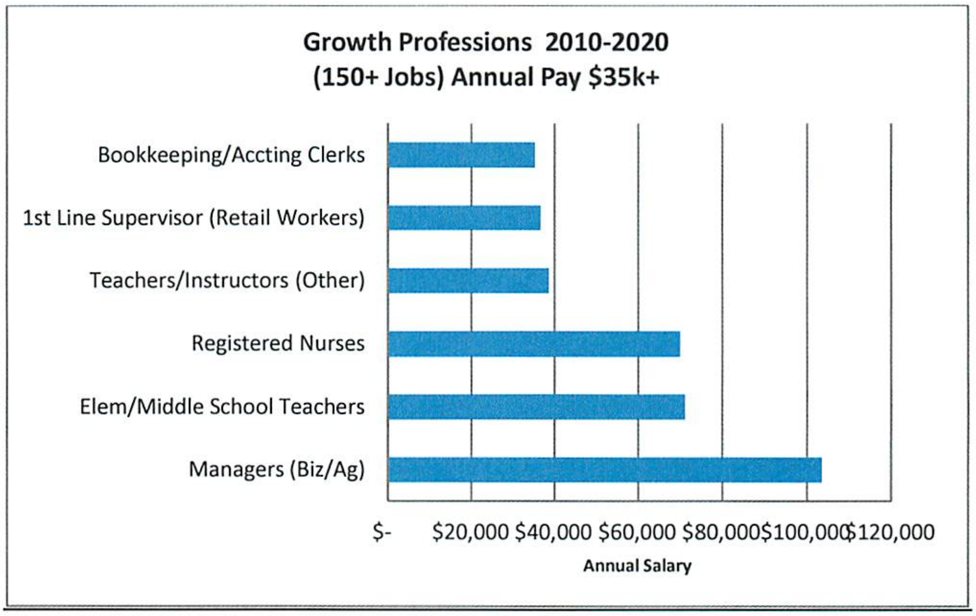
Exhibit G: Median Pay by Sector (2013) with Total Jobs in Parenthesis (in thousands)

Median Pay by Sector		
Management (5.5)	$	91,025
Legal (.2)	$	90,099
Protective Service (3.9)	$	72,526
Computer & Mathematical (.7)	$	71,435
Life/Physical/Social Sciences (.3)	$	69,707
Architecture & Engineering (.4)	$	65,424
Health-Professional (1.9)	$	63,481
Business & Financial (2.2)	$	58,080
Education/Training (3.8)	$	56,381
Community/Social Service (1.1)	$	49,199
Construction (1.5)	$	45,479
Arts/Design/Entertain/Media (.4)	$	39,102
Install/Maint/Repair (2.1)	$	38,749
All Occupations (63.1)	**$**	**30,592**

Production (2.8)	$	30,483
Office/Admin (7.7)	$	29,976
Transportation (3.5)	$	25,336
Health-Support (.8)	$	25,315
Building/Grounds Cln/Main (3.8)	$	22,328
Sales/Related (5.7)	$	21,194
Food Prep/Serving (3.5)	$	19,117
Personal Care/Service (4.6)	$	18,932
Farming (6.8)	$	18,611

In terms of employment opportunities that are expected to generate at least 150 jobs and provide an income of at least $35,000 annually, there are only five categories. Shown below (Exhibit H) they include business/agriculture managers, school teachers, registered nurses, first-line retail supervisors and bookkeeping/accounting professions.

Exhibit H: Median Pay for Occupations of $35k+ Annually (High Growth Occupations)



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4. Agriculture Production as a Leading Industry

Agriculture the largest private sector industry in the Imperial Valley. While the jobs associated with the industry are traditionally low pay, agriculture supports many families in a variety of occupations (direct farming, professional/business (including accountants) and transportation. Since many of the agriculture related companies are family owned, the "private" wealth within the region is often rooted in agriculture. For these reasons, additional analysis is provided on this specific industry.

Exhibit I provides the total agriculture production for Imperial County. In 2013, agriculture production reached 2.158 billion, an all-time high for the region. The overall increase was led by the livestock industry that produced $617.4 million in production value. Of this amount, $552 million was specific to feedlot cattle. As stated above, this industry has all but disappeared due to events that occurred earlier in 2014 when National Beef (a beef processing facility in Brawley, CA) moved their operations outside the State of California. It is likely that for 2014, livestock production will fall to between $200 to $250 million. In 2015, this amount is likely to be less than $100 million.

In looking at future economic prospects for the agriculture industry, the water crisis in California may result in a change in the complexion of the crops produced. As the Imperial Valley is one of the few regions that has a (relatively) stable water source and allocation, higher value crops that historically have been grown in the Central Valley (from Bakersfield to Sacramento) may make their way into the Imperial Valley. If this were to occur, lower value crops (mostly hay/grass crops) would likely decrease production.

Exhibit I: Total Agriculture Production (in billions of $) by Year

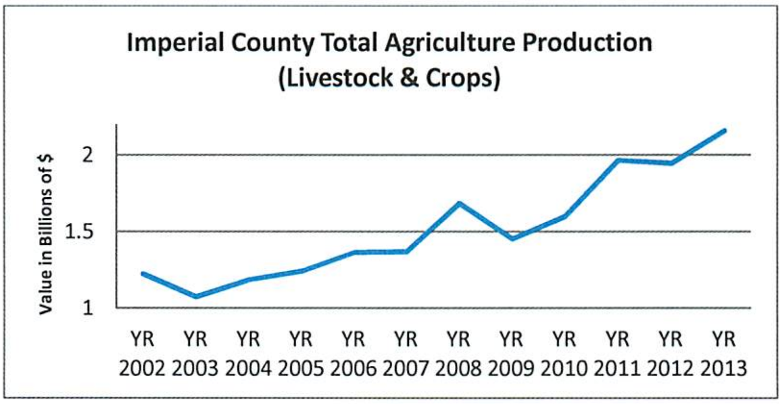
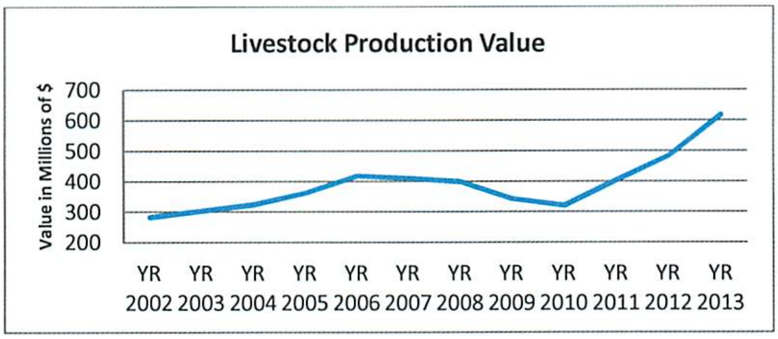


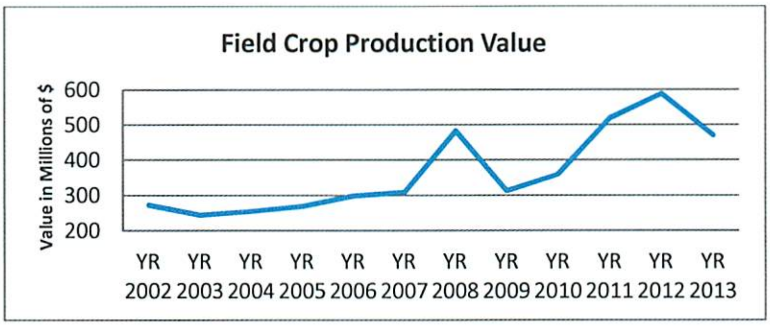
Exhibit J provides historic production numbers for livestock. Much of the livestock production is specific to "feeder beef" which is the raising of calves to prepare them for market. During this time an individual animal may consume approximately 3 tons of feed. Therefore the profit (value) in a particular animal is a function of both market price and the cost of food. In general the value of livestock in Imperial County has increased over the last four years. This is a factor of increased domestic and international demand for cattle (beef) as the world economy has continued recovery. As noted previously in this report, the industry has essentially collapsed in the Imperial Valley as National Beef ceased operations earlier in 2014. Outside of beef, there is a small amount of aquatic-fish farming ($14.8 million in 2013) and feedlot sheep ($4.6 million in 2014) produced in the region.

Exhibit J: Total Livestock Production (in millions of $) by Year



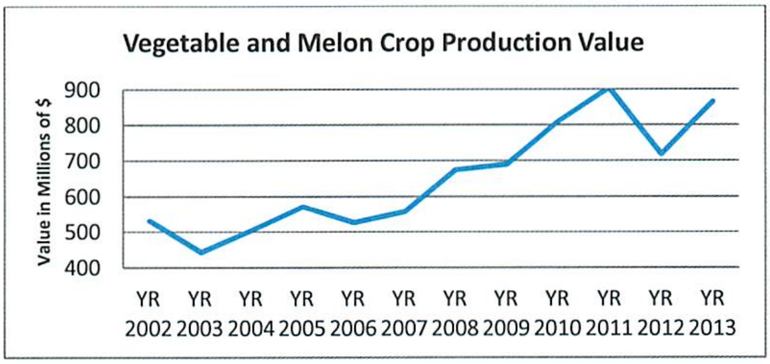
Field crop production within the region continues to be strong ($470.5 million in 2013), but is down from their historic highs found in 2012 ($587.9 million). Leading the way for the region was production of alfalfa hay and Bermuda grass, between them accounting for about half of all field crops (in terms of value). For the year 2013, 322,727 acres were farmed for field crops (504 square miles) By comparison the City of Los Angeles is 486 square miles. Exhibit K provides a historical chart of field crop production in Imperial County.

Exhibit K: Field Crop Production (in millions of $) by Year



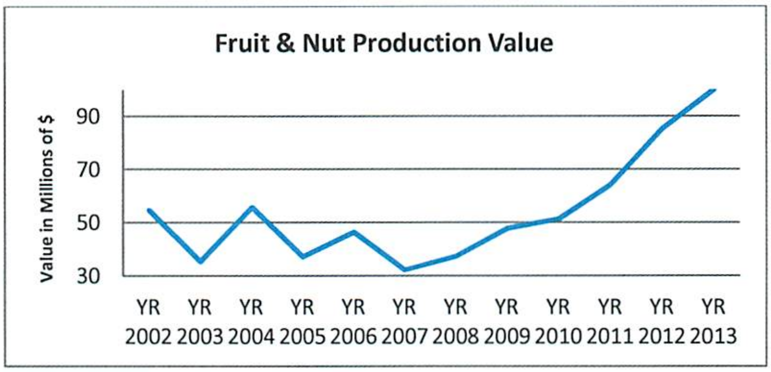
Vegetables and melons accounted for $865 million of production value in 2013, up from $718 million in 2012. Broccoli, carrots, cauliflower, onions and various lettuce varieties comprise much of the overall production for this category. These crops are considered higher value and will likely see increased production if the water crisis in the balance of the state worsens as production moves toward regions that have a more stable water supply. Exhibit L reflects the historic production values for Vegetable and Melon crops.

Exhibit L: Total Vegetable and Melon Crop Production (in millions of $) by Year



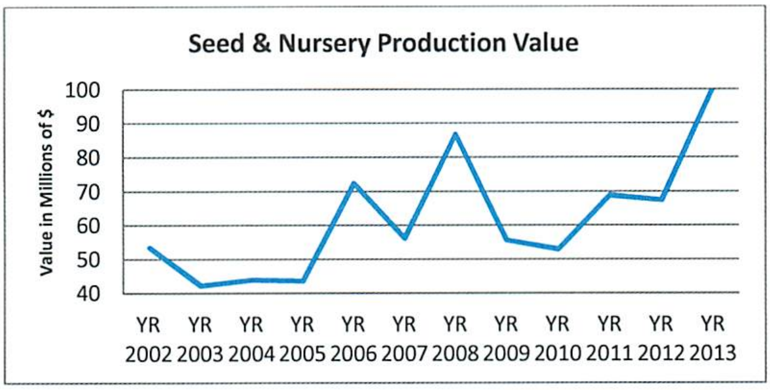
The Imperial Valley is one of the largest producers of dates in the world. In 2013, over $52 million of dates were produced in the region. Other fruit and nut production within the region includes lemons, oranges and grapefruit. 2013 production for the entire category was $100 million an increase of $15 million from 2012 when total production was only $85 million. This category of agriculture has doubled in production in just four (4) years. Exhibit M below shows the substantial increase in production in a short period.

Exhibit M: Total Fruit & Nut Production (in millions of $) by Year



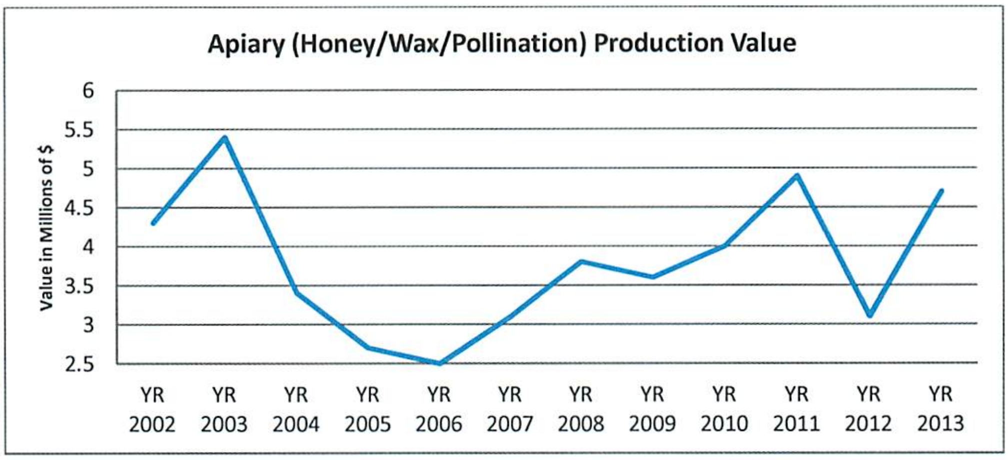
Seed production is a vital component to the agriculture economy. There are farming entities that specialize in the generation of seed that is used locally, domestically and internationally. Further, primary research (interviews) with those in this segment of the industry shows that there is significant technology and testing involved in creating seeds that provide for higher production, greater drought tolerance and overall hardiness. In 2013, some $100 million of seeds were produced, up from $67 million in 2012. Much of the production was specifically for alfalfa and bermuda grass (finished crop in these categories is predominately used for animal feed).

Exhibit N: Total Seed & Nursery Production (in millions of $) by Year



The final segment of agriculture production analyzed was that of apiary which includes honey, wax and pollination (bee) production and use. While this industry only accounted for about $4.7 million of production in 2013 (up from $3.1 million in 2012) the need for pollination and therefore the potential production of honey and wax continue to be of extreme importance to the overall agriculture economy of the region. Exhibit O provides a history of apiary production.

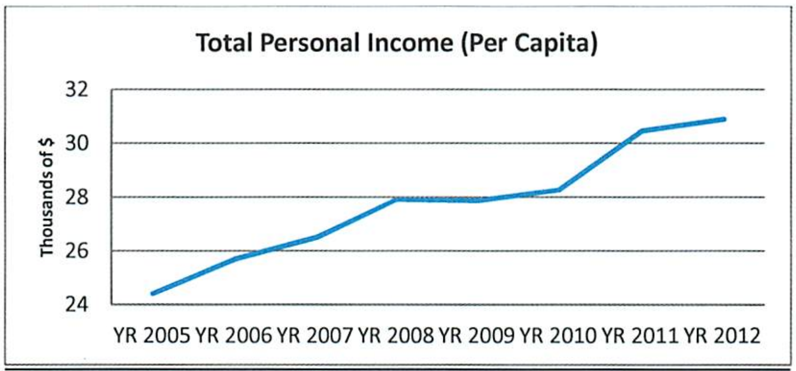
Exhibit O: Total Apiary (Honey/Wax/Pollination) Production (in millions of $) by Year



5. Income/Poverty Statistics

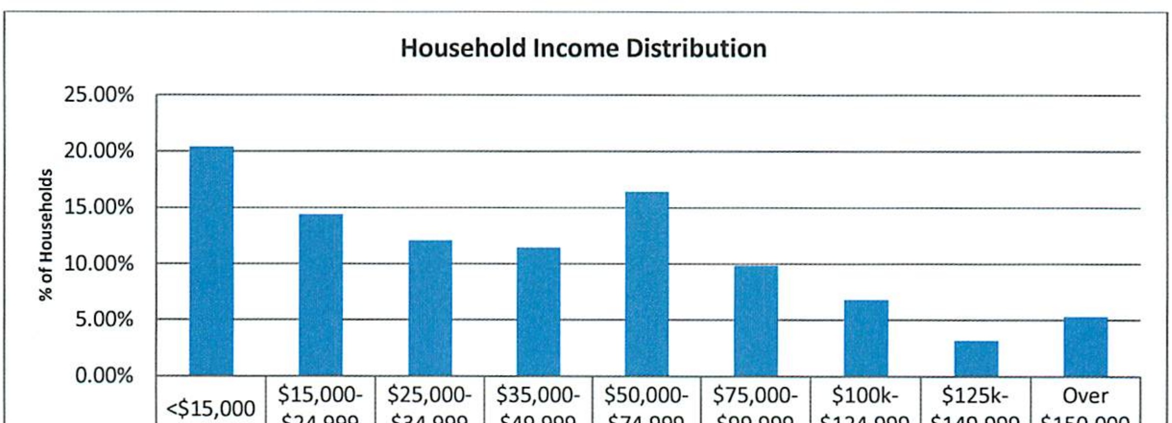
An important benchmark in economic advancement is whether personal incomes are growing. Exhibit P provides information from 2005-2012 regarding total personal income (all sources) in Imperial County. Note that incomes continued to rise during the recession (2008-2009) but did decline by about 3% in 2010. Real Per Capita Personal Income (from all sources) for 2012 topped $30,000. It is noted that the economy of the Imperial Valley is such that per capital personal incomes are not a true statistic in understanding standard of living or poverty as there are a large number of persons with substantial incomes that skew per capita statistics.

Exhibit P: Real Personal Income Per Capita (All Sources)



In many ways, the Imperial Valley is a region of the "have's and have-not's". As shown in Exhibit Q, almost 1/2 of all households exist on an annual income of less than $35,000. At the same time, about 15% of households have an income of over $100,000. This leaves a "middle class" of only about 36% of the households in the region.

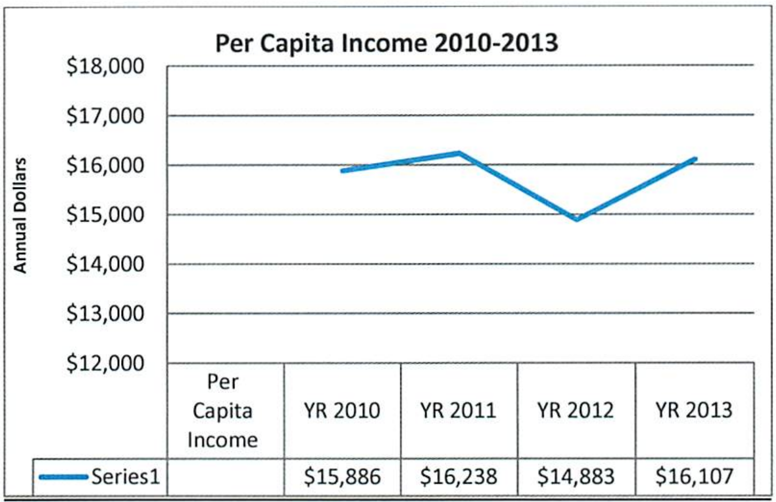
Exhibit Q: Household Income Distribution



	<$15,000	$15,000-$24,999	$25,000-$34,999	$35,000-$49,999	$50,000-$74,999	$75,000-$99,999	$100k-$124,999	$125k-$149,999	Over $150,000
Series1	20.39%	14.41%	12.10%	11.49%	16.43%	9.84%	6.83%	3.19%	5.31%

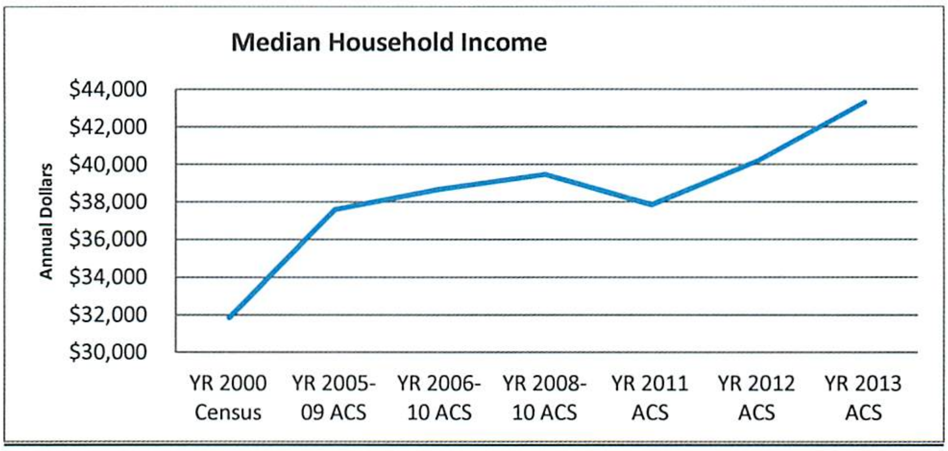
Exhibit R provides recent data on per capita incomes. The purpose of this exhibit is to show that per capita incomes from the period Of 2010-2013 are essentially flat. Meaning, that even as the United States economy is reportedly to have recovered (and specific to the Imperial Valley that has 3,900 MORE jobs today than during a previous peak in 2008), it is not translating into higher per capita income.

Exhibit R: Per Capita Income 2010-2013



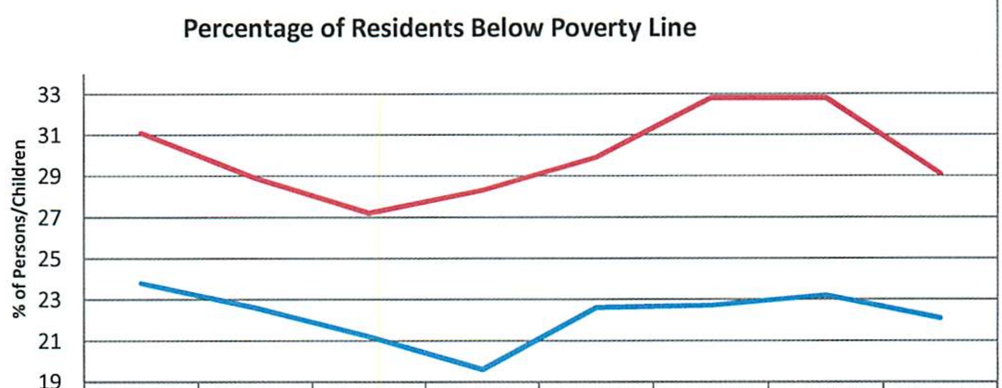
Median household income in Imperial County is approximately $43,310 in 2013. Exhibit S shows that the median household income has risen since the "Great Recession".

Exhibit S: Median Household Income



The greatest social issue in the region is poverty. In the United States the federal definition of poverty is a household income for a family of four that is less than $23,850. Certainly there are additional families of all sizes that have incomes just above the poverty line that have substantial issues providing for the most basic of family needs (housing, food, medical care and transportation). Exhibit T shows that just over 1 in 5 persons of all ages and about 3 in 10 children under 18 within the region live in poverty. In both cases, the poverty level declined from 2012. Overall, poverty is down about 5% and for children under 18, poverty decreased about 13% year over year from 2012-13.

Exhibit T: Percentage of All Residents and Children <18 Living in Poverty



	YR 1990 Census	YR 2000 Census	YR 2005-09 ACS	YR 2006-10 ACS	YR 2008-10 ACS	YR 2011 ACS	YR 2012 ACS	YR 2013 ACS
All Persons	23.8	22.6	21.2	19.6	22.6	22.7	23.2	22.1
Under 18	31.1	28.9	27.2	28.3	29.9	32.8	32.8	29.1

Healthcare and Coverage

Since 2008, data new data has been kept on the percentage of persons with and without healthcare insurance. For the population as a whole between 20-22% of the population is currently without health insurance. For those under 18, the percentage is between 28-30%. For persons over 65 only about 10-12% are without health insurance. These figures are likely to change as the Affordable Care Act is implemented. Exhibit U shows the currently available data.

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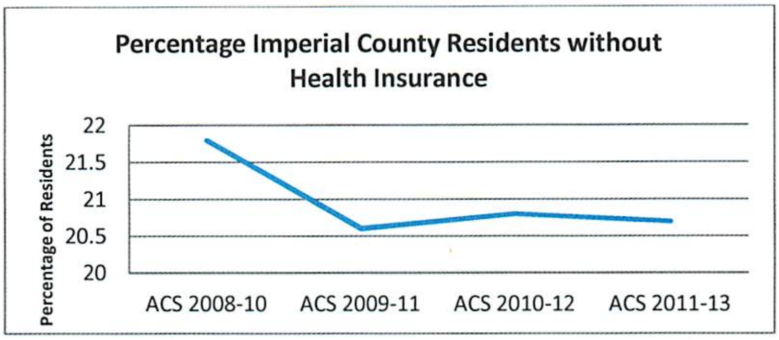
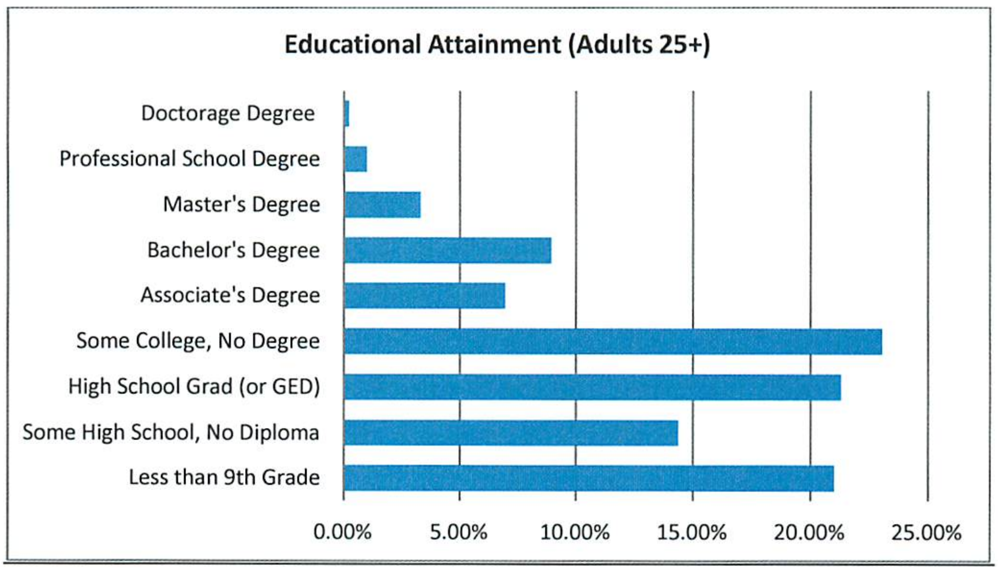
Exhibit U: Percentage of Residents without Health Insurance



6. Educational Attainment and Earnings

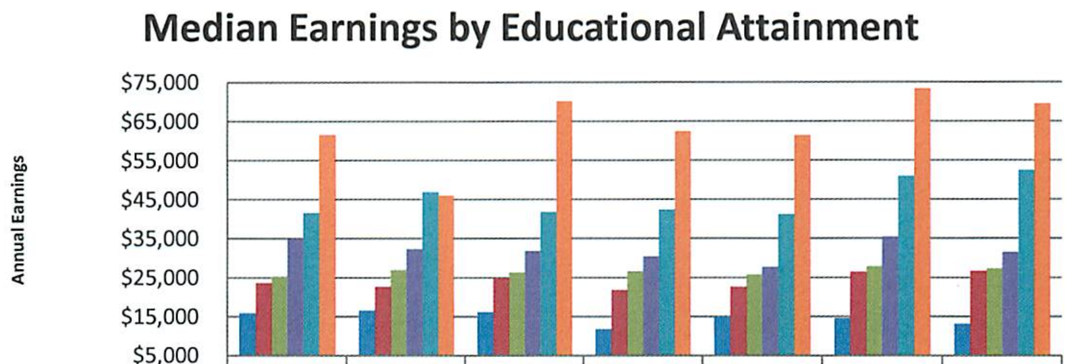
Economic opportunity in the United States has long been tied to education. The Imperial Valley has some of the lowest levels of education attainment by adults 25+ in both California and nationwide. Exhibit V provides an understanding of the highest level of education achieved by adults within the region. Thirty-five percent (35%) of adults lack a high school diploma or equivalent. An additional 21% only have a high school diploma. Only about 13% of adults 25 and over have a bachelors degree or better. As the United States works to complete in a more global economy where technology has been introduced and plays a role in almost every industry sector, the lack of education directly impacts the employability of over one-half of adults within the region.

Exhibit V: Educational Attainment (Adults 25+)



Education impacts earnings. Exhibit W shows earnings of various levels of adults based on education for selected years from 2005-2013. While almost all persons saw their income impacted (in average) by the economic downturn, it remains that persons with a high school diploma make twice as much as a person without. College graduates (on average) make twice that of someone with only a high school diploma and four-times as much as someone that dropped out of high school.

Exhibit W: Median Earnings of Adults 25+ by Educational Attainment



	YR 2005	YR 2006	YR 2007	YR 2008	YR 2009	YR 2011	YR 2013
<HS	$15,959	$16,642	$16,201	$11,836	$15,047	$14,634	$13,259
HS	$23,643	$22,684	$24,936	$21,894	$22,678	$26,458	$26,688
ALL	$25,396	$27,048	$26,340	$26,638	$25,889	$27,987	$27,356
Some College/ AA	$35,093	$32,347	$31,889	$30,463	$27,809	$35,527	$31,497
BA/BS	$41,605	$46,930	$41,850	$42,414	$41,235	$50,982	$52,546
Post Grad/Prof	$61,543	$46,006	$70,161	$62,445	$61,494	$73,281	$69,498

7. Residential Real Estate & Assessed Valuation

Exhibit X shows the number of new home sales over a ten year period. Note that the region saw about 1,800 homes sold in 2006. Scaling this figure to that of Los Angeles County for comparison purposes, it is tantamount to 100,000 new homes being built and sold during the same time period. New home sales appear to be stabilized in the 175-200 homes per year range from the period 2010-2014. At current, there are about ten (10) active tracts of new housing being built in the region, most of which are in El Centro, Imperial and Brawley.

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Exhibit X: Imperial County, CA Total Home Sales by Year

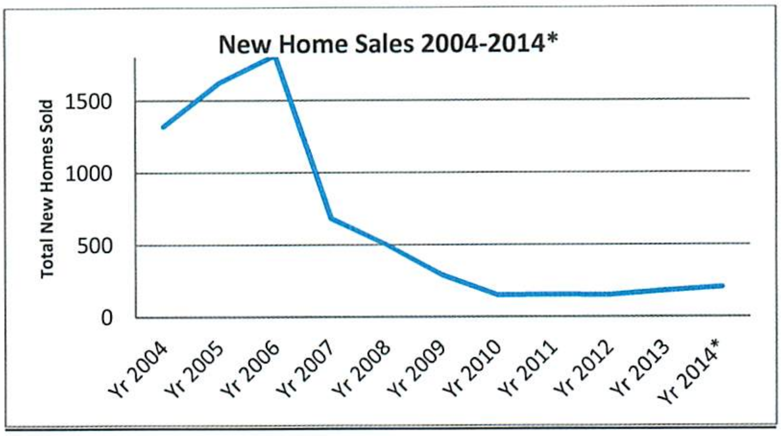


Exhibit Y provides a representation of median home prices. Again, home prices began to stabilize in 2010 and have risen over the last two (2) years. Thus far in 2014, the median home price is about $169,000. What is impactful about the rise of median price, is that the sale price per square foot (approximately $110) is nearing a number in which new home builders can deliver product to the marketplace, which will generate addition economic investment and job opportunities to the region.

Exhibit Y: Median Home Prices (Residential Real Estate)

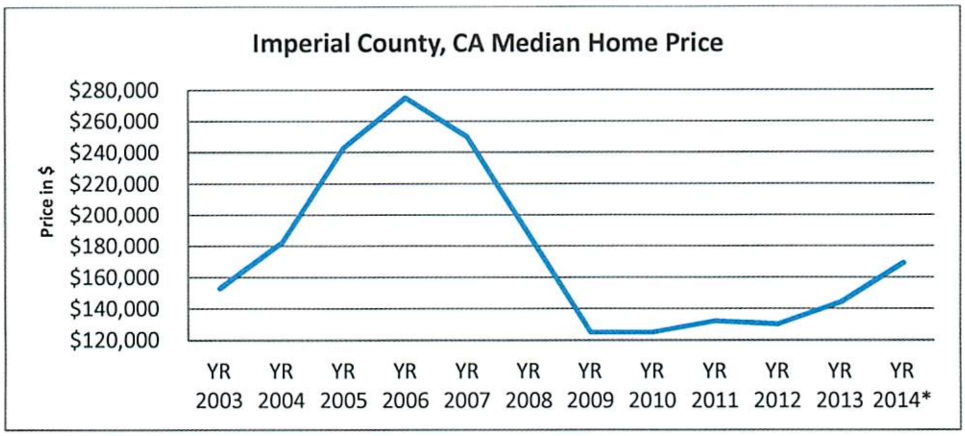
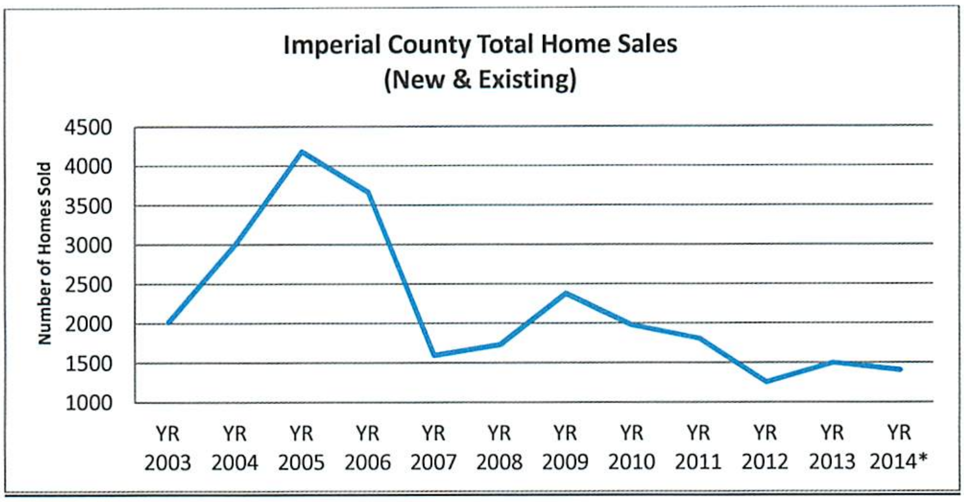


Exhibit Z further shows the decline in the availability of foreclosed homes for sale as total home sales (new and existing) are down from both pre-recession and early recovery time periods. In fact, for the first time since 2010, this economic forecast does not include default or foreclosure figures as they have become insignificant in terms of their impact on the regional economy. Therefore the home sales occurring (and reported) are largely market priced transactions. By all accounts, while the housing market is far from booming, it is stable.

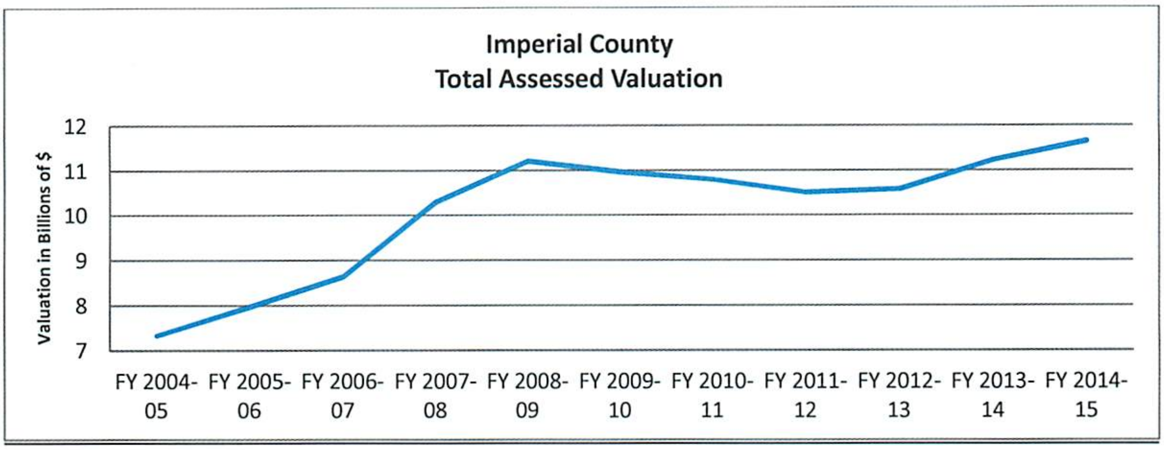
Exhibit Z: Total Homes Sold (New & Existing)



Assessed Valuation

Imperial County experienced a boom in housing and commercial construction in the early-mid 2000's. This was reflected in assessed valuation that grew by over $5 billion in just 5 years. As the recession took hold, the County did see a correction in assessed value, but the overall change was minimal and represented only a 5% or so decrease. Today, increased valuation is again increasing. There are three factors for this. First, home values in general are increasing so Proposition 8 appeals and assessments are both declining and reversing. Second, there is some new construction (both residential and commercial) that is adding to the tax rolls. Finally, as wind and solar energy projects come on-line in the region, the tax rolls increase. It is noted that wind is subject to property tax in its entirety. Solar does have a State Revenue & Taxation Code Section 73 exemption for the panels and posts, but ancillary improvements are subject to property tax (including substations, fencing, and interior roads). Finally, the new Sunrise Powerlink which has the ability to move over 1,000 MW of power from Imperial Valley to San Diego County is now on the tax rolls. For FY 2014-15, the tax rolls show assessed valuation of about $11.6 billion, an increase of about $415 million from FY 2013-14. Exhibit AA provides a historic look at total assessed valuation for Imperial County.

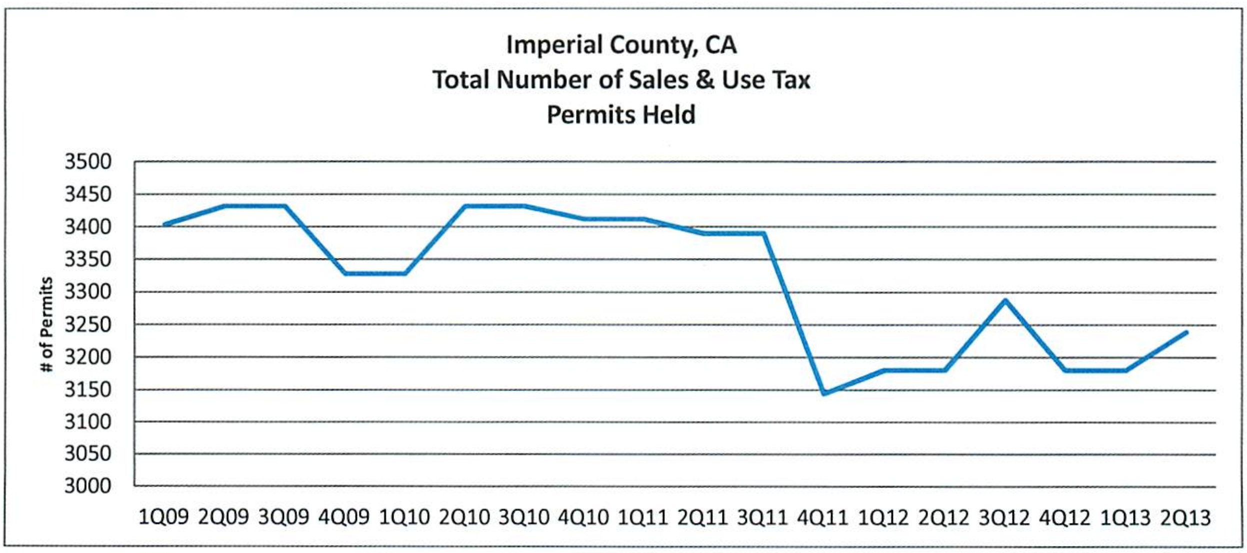
Exhibit AA: Total Assessed Property Valuation



8. Consumer Confidence (Retail Spending)

Economists look to consumer spending as a key factor in understanding confidence in the economy. First, we look at the number of Sales & Use Tax Permits held within a community or region. This shows the number of persons and companies engaged in retail sales. During the economic downturn, the Imperial Valley saw a decrease of over 800 permit holders within a 1 year time period (about a 20% decline). For a three year period from late 2008 to late 2011, the number of permit holders was stable. In more recent times, the number of retailers is beginning to increase showing that there is renewed interest in the Imperial County economy. For the latest period available (2Q13) there were about 100 additional Sales & Use Tax Permit holders than there were one year prior (Exhibit BB).

Exhibit BB: Sales & Use Tax Permits Held in Imperial County



Taxable sales in Imperial County have seen the largest increases in the State of California from 3Q12 to 4Q13. This is largely a function of wind and solar projects that are under construction in the region. Under State Board of Equalization Publication 28, Exhibit A, the "Point of Sale" for construction materials associated with the construction of wind and solar projects has been Imperial County. This election provides for significant tax revenue to the County, but will also cause for large swings in taxes collected as they are one-time events. For quarters in which projects are actively under construction, taxable sales within the region almost double. Exhibit CC shows historic taxable sales from 2010 through 2Q2014.

Exhibit CC: Taxable Sales in Imperial County by Quarter

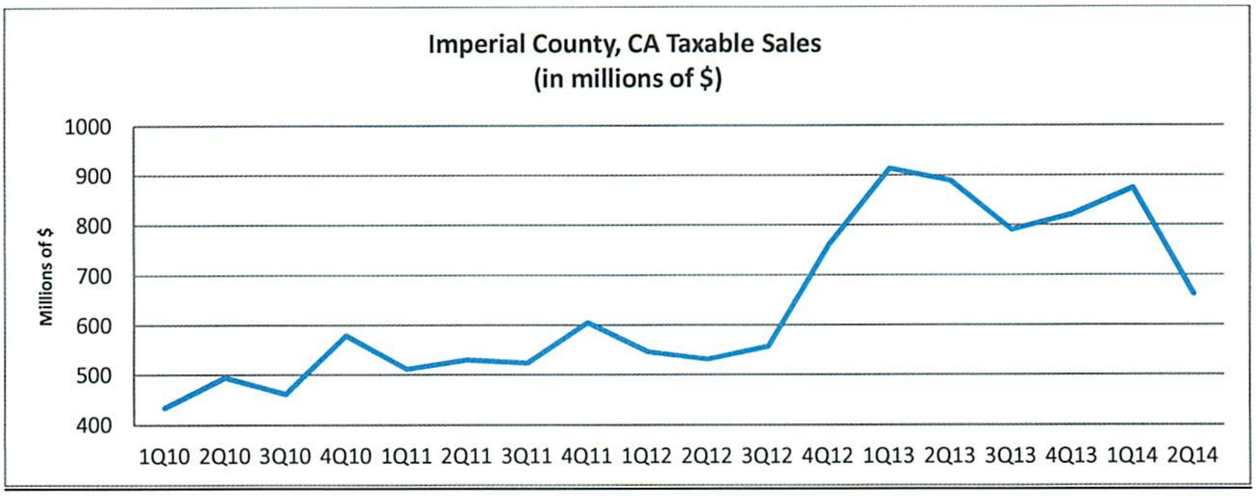


Exhibit DD shows the change in taxable sales from 2009 through the most current period (2Q14). Sales & Use Tax is up over 65 percent year over year for the most recent quarters, again this is largely due to the Publication 28, Exhibit A election for wind and solar energy generation projects. Again, the large fluctuations are based on whether the region has solar or wind projects actively under construction.

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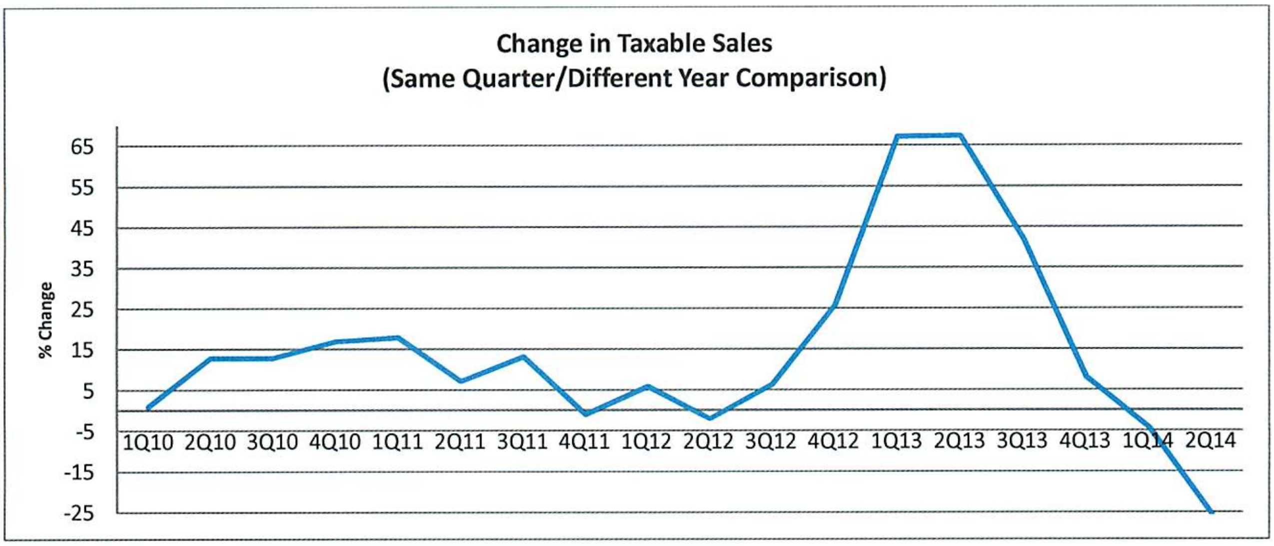
Exhibit DD: Change in Taxable Sales (Same Quarter/Different Year Comparison)

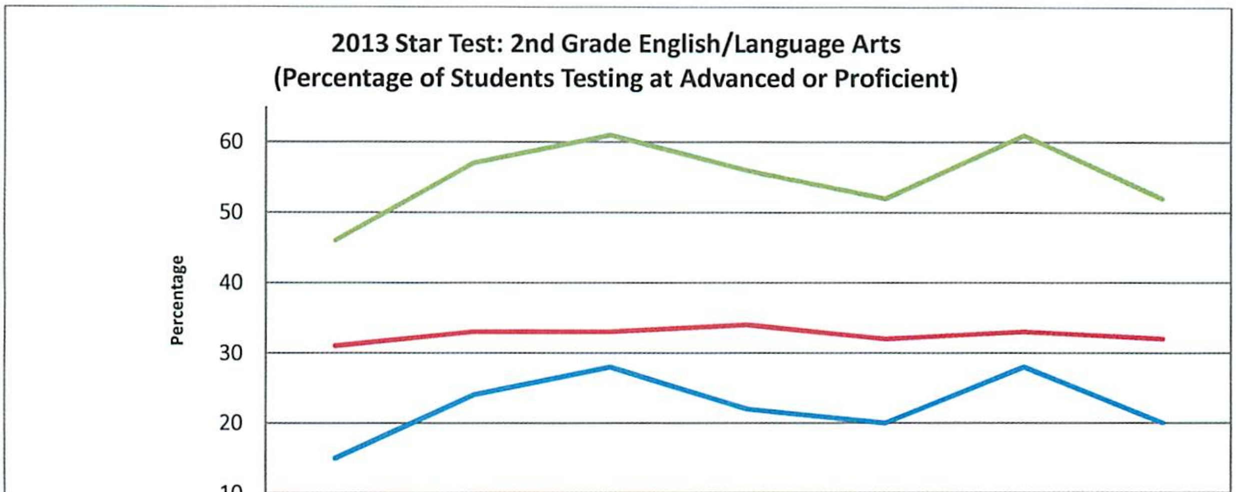


9. Education Test Scores

A new section in the 2015 Imperial County Economic Forecast focuses on academic achievement (test scores) for selected grades. For purposes of this report, DMG Economics is focusing on 2nd, 6th and 10th grade test scores. The charts that follow provide information regarding academic achievement in the core subjects of English/Language Arts and Mathematics. The charts provide the percentage of students that test at either advanced or proficient. Additionally, the total number of those that tested at advanced or proficient are combined and compared to other counties within Southern California.

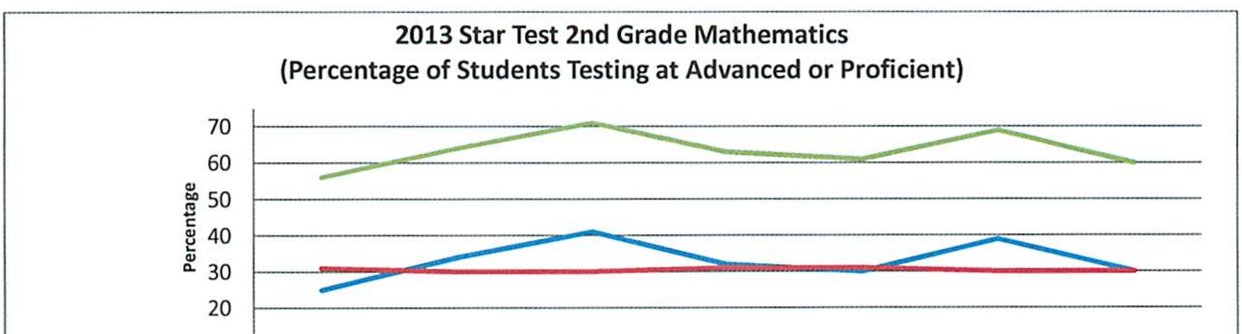
With respect to 10th grade mathematics, it is noted that not all students take the same test. 10th grade math students take the test that they are prepared to take (based on the math class they are taking) which is largely Algebra or Geometry. Finally, only students enrolled at public schools take the Standardized Testing and Reporting (STAR) exam. Overall, achievement by students within the County lag behind other counties, but not by a great margin. These statistics will be tracked in greater detail in future years to determine if student achievement in K-12 translates to higher graduation rates and attainment of a college education.

Exhibit EE: 2013 Star Test: 2nd Grade English/Language Arts



	Imperial	Los Angeles	Orange	Riverside	San Bernardino	San Diego	Ventura
% Advanced	15	24	28	22	20	28	20
% Proficient	31	33	33	34	32	33	32
Total % Adv/Pro	46	57	61	56	52	61	52

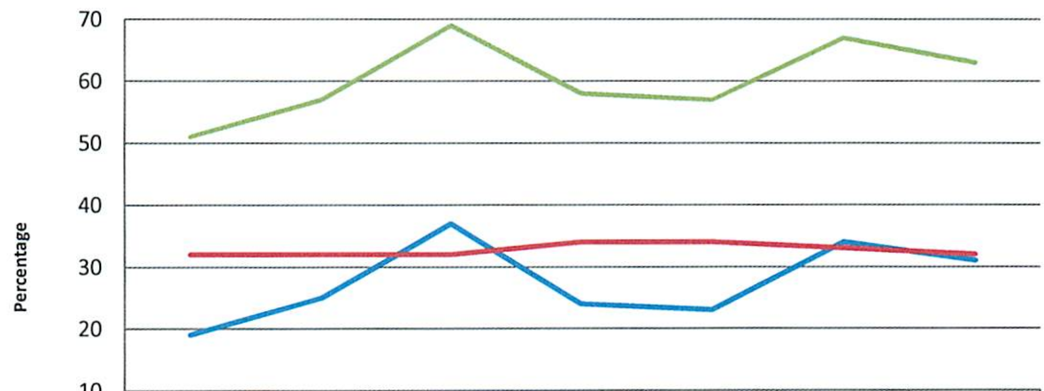
Exhibit FF: 2013 Star Test 2nd Grade Mathematics



	Imperial	Los Angeles	Orange	Riverside	San Bernardino	San Diego	Ventura
% Advanced	25	34	41	32	30	39	30
% Proficient	31	30	30	31	31	30	30
Total % Adv/Pro	56	64	71	63	61	69	60

Exhibit GG: 2013 Star 6th Grade English/Language Arts

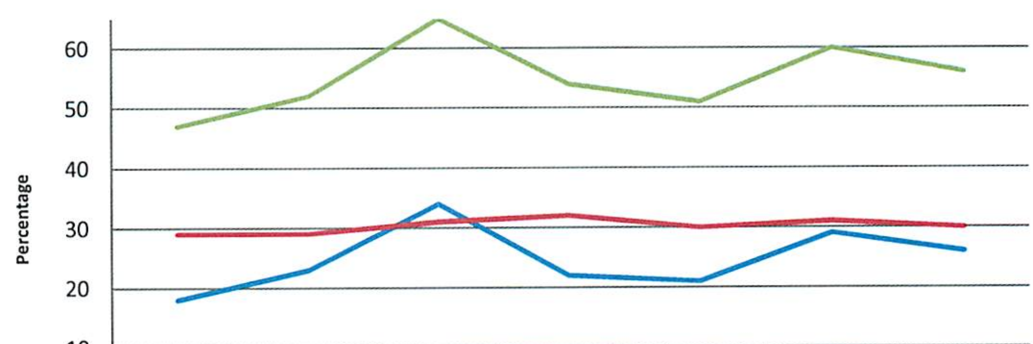
2013 Star Test 6th Grade English/Language Arts (Percentage of Students Testing at Advanced or Profecient)



	Imperial	Los Angeles	Orange	Riverside	San Bernardino	San Diego	Ventura
% Advanced	19	25	37	24	23	34	31
% Proficient	32	32	32	34	34	33	32
Total % Adv/Pro	51	57	69	58	57	67	63

Exhibit HH: 2013 Star 6th Grade Mathematics

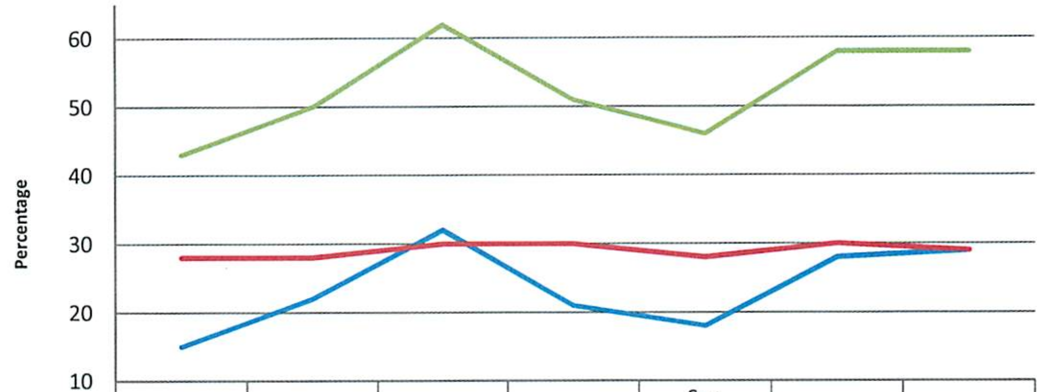
2013 Star Test 6th Grade Mathematics (Percentage of Students Testing at Advanced or Proficient)



	Imperial	Los Angeles	Orange	Riverside	San Bernardino	San Diego	Ventura
% Advanced	18	23	34	22	21	29	26
% Proficient	29	29	31	32	30	31	30
Total % Adv/Pro	47	52	65	54	51	60	56

Exhibit II: 10th Grade English/Language Arts

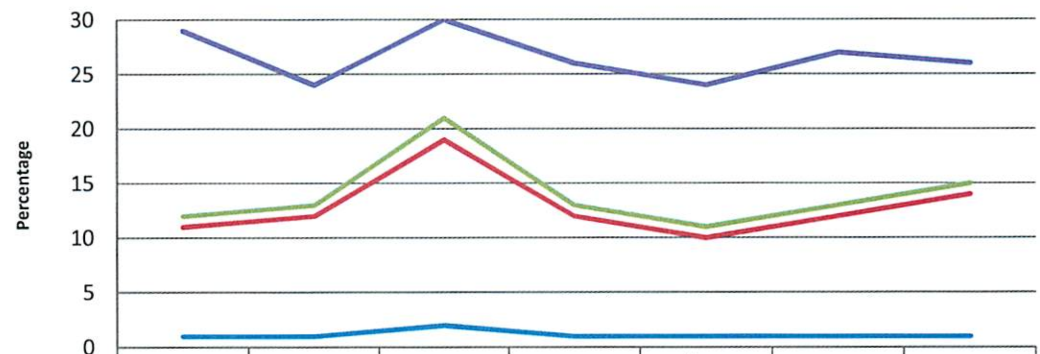
2013 Star Test 10th Grade English/Language Arts (Percentage of Students Testing at Advanced or Proficient)



	Imperial	Los Angeles	Orange	Riverside	San Bernardino	San Diego	Ventura
% Advanced	15	22	32	21	18	28	29
% Proficient	28	28	30	30	28	30	29
Total % Adv/Pro	43	50	62	51	46	58	58

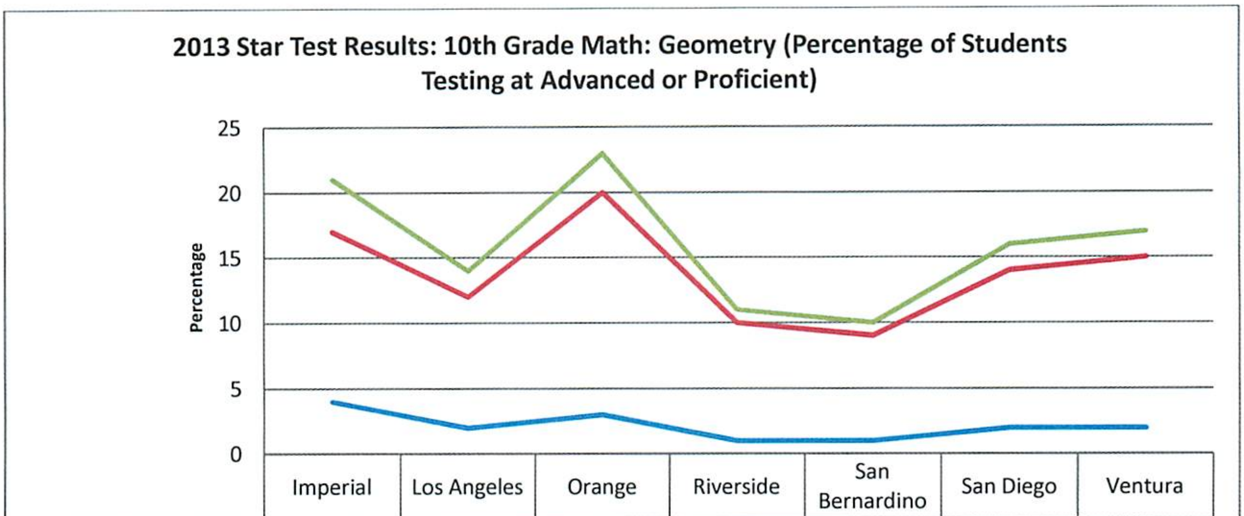
Exhibit JJ: 2013 Star 10th Grade Math-Algebra

2013 Star Test: 10th Grade Math-Algebra (Percentage of Students Testing at Advanced or Proficient)



	Imperial	Los Angeles	Orange	Riverside	San Bernardino	San Diego	Ventura
% Advanced	1	1	2	1	1	1	1
% Proficient	11	12	19	12	10	12	14
Total % Adv/Pro	12	13	21	13	11	13	15
% Basic	29	24	30	26	24	27	26

Exhibit KK: 2013 Star 10th Grade Mathematics-Geometry



	Imperial	Los Angeles	Orange	Riverside	San Bernardino	San Diego	Ventura
% Advanced	4	2	3	1	1	2	2
% Proficient	17	12	20	10	9	14	15
Total % Adv/Pro	21	14	23	11	10	16	17

10. Economic Outlook for 2015

Overall, the economy of the Imperial Valley is stable. This is in spite of two (2) major economic events in 2014 including the closing of National Beef (1,300 jobs) and the replacement of an older federal detention facility (net loss of 255 jobs). The total number of jobs within the region is 3,800 more than it was at its previous peak (2008) and 4,300 more than just one year ago (September, 2013).

Agriculture production hit an all time high in 2013 with over $2 billion in total production. Housing has stabilized and there has been an overall increase in median home prices by about $25,000 in the last year. Further, the region will see the construction of about 200 new homes in 2014.

Retail sales remain stable (for traditional retailers) and the County has seen significant one-time tax revenue as a result of the construction of about a dozen wind and solar projects. The overall number of Sales & Use Tax Permit Holders is up by about 100.

This all said, there are no signs of a coming economic boom. Outside of energy production, which provides a very short term boost to the regional economy, there are no growing industries that will provide significant investment or job creation.

Threats to the regional economy are as follows:

A. Government regulation specifically such items as mobile and stable source air quality that may impede the growth and sustainability of the agriculture industry.
B. Availability and stabilization of supply of water supply.
C. Attracting new investment into the region that can effectively employ a semi-skilled blue collar workforce at a wage $15 per hour or more (what is typically needed to support families).
D. Impact of increased minimum wage on the agriculture sector

Unfortunately, the region has larger socioeconomic issues that need to be addressed. One in five adults (22%) and three in ten (29%) of children live in poverty. Educational attainment is among the worst in the State of California and employment prospects are grim at best with the job outlook being limited to retail, fast-food, lower paying healthcare positions and some goods movement/transportation jobs.

The region must find solid long-term sustainable growth inducing industries in order to reverse what appears to be multi-generational economic struggle and poverty. Education must become a core value among residents, business and political leaders as college graduates are able to earn a median wage over the $35,000 a year barrier.

The development of renewable energy facilities has been and will continue to be a short-medium term economic driver. There is some construction jobs attached to these projects (though they do not show up in any of the statistical matrix available through government sources). The County of Imperial has done a yeoman's job of insuring that these projects are not a burden on governmental resources through a combination of the Publication 28, Exhibit A election and Public Benefit Agreements which provide for both short-term and long-term financial resources for the region.

Based on the statistical analysis contained and an overall understanding of the Imperial Valley economy, it is predicted that 2015 will provide for similar economic results as 2014 for the regional economy.

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11. References

A. American Community Survey
B. California Department of Transportation
C. California State Board of Equalization
D. County of Imperial Assessor
E. County of Imperial Agriculture Commission
F. Dataquick
G. Development Management Group, Inc.
H. Imperial Valley Economic Development Corporation
I. Nielsen/Claritas
J. State of California Department of Finance
K. State of California Employment Development Department
L. United States Census Bureau
M. Unnamed Agriculture Professionals (Primary Research) (Three)*
N. Unnamed Home Building Professional (Primary Research) (Two)*

*Often times business owners/operators will provide information for primary research under agreement that their names are not specifically mentioned. Interview information is available for SCAG audit/verification purposes only.

12. Certification

I certify that my engagement to prepare this report was not contingent upon developing or reporting predetermined results. The statements of fact contained herein and the substance of this report are based on public records, data provided by the Southern California Association of Governments and other sources as described in the reference section of this report. This report reflects my personal, unbiased professional analyses, opinions and conclusions. If any of the underlying assumptions related to this report change after the date of this report (December 5, 2014), then the undersigned reserves the professional privilege to modify the contents and/or conclusions of this report.

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2013
Imperial County Agricultural Crop & Livestock Report

IMPERIAL COUNTY
Agricultural Crop & Livestock Report

2013

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Sealer of Weights and Measures

Linda S. Evans
Assistant Agricultural Commissioner/
Asst. Sealer of Weights and Measures

AGRICULTURAL COMMISSIONER
SEALER OF WEIGHTS AND MEASURES

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August 5, 2014

TO: **Karen Ross, Secretary**
California Department of Food and Agriculture

and

The Honorable Board of Supervisors, County of Imperial
Supervisor John Renison, Chairman, District 1
Supervisor Ryan E. Kelley, Vice Chairman, District 4
Supervisor Jesus "Jack" Terrazas, District 2
Supervisor Michael W. Kelley, District 3
Supervisor Raymond Castillo, District 5

In accordance with the requirements of Section 2279 of the California Food and Agricultural Code, I am pleased to submit the 2013 Imperial County Agricultural Crop and Livestock Report. This report summarizes the estimated acreage, yield, and gross value of Imperial County's agricultural production for calendar year 2013. Also included is a report on sustainable agriculture pursuant to Section 2272 of the California Food and Agricultural Code.

Note that the values presented in this report represent the gross value for products and do not reflect the costs of production, marketing, storage, or transportation. No attempt is made to reflect the net income, profit, or loss to producers.

Gross production for 2013 was valued at $2,158,517,000, a new record for Imperial County. This is an increase of $212,758,000 (10.93%) compared to the 2012 gross value of $1,945,759,000. The main reasons for this increase include a general increase in yields and market prices; the addition of some new commodities such as new high-value vegetables in the "Misc. Vegetable" category; much improved demand for winter produce compared to 2012 when severe storms in the winter of 2011-12 prevented delivery of winter produce to the Northeast and Midwest; and a successful tangerine harvest compared to 2012 when the entire tangerine crop was lost to freeze damage.

The increase in 2013 gross production was despite an overall decrease of 35,444 total harvested acres (6.27%). The only general category to show a decline in harvested acreage and gross value was Field Crops, with the biggest decline in wheat. Wheat dropped from it's ranking as the #3 commodity in 2012 to #12 in 2013. Other categories showed increases in harvested acres and gross value.

Thank you to all of the growers, processors, industry groups, and agencies who provided the information and statistics for this report; your help in this effort is truly appreciated. In addition, I would like to express my appreciation to all of the members of my staff for their continued hard work and dedication. And finally, I would like to thank and recognize Phyllis Cason, Special Projects Coordinator, for her hard work in compiling this report.

Sincerely,

Connie Valenzuela

Connie L. Valenzuela
Agricultural Commissioner
Sealer of Weights and Measures

IMPERIAL COUNTY

2013 Summary

COMMODITY	YEAR	HARVESTED ACREAGE	VALUE
LIVESTOCK	2013		617,371,000
	2012		483,833,000
FIELD CROPS	2013	332,727	470,461,000
	2012	396,839	587,977,000
VEGETABLE & MELON CROPS	2013	121,371	865,401,000
	2012	118,940	718,219,000
FRUIT & NUT CROPS	2013	7,793	100,019,000
	2012	6,164	85,154,000
SEED & NURSERY CROPS	2013	68,037	100,557,000
	2012	43,429	67,432,000
APIARY PRODUCTS	2013		4,708,000
	2012		3,144,000
TOTAL 2013		529,928	2,158,517,000
TOTAL 2012		565,372	1,945,759,000

Total Harvested Acres include multiple cropping on individual fields throughout the year.

IMPERIAL COUNTY

Livestock

CROP	YEAR	TOTAL HEAD	UNIT GAIN	TOTAL GAIN	UNIT	VALUE PER UNIT	GROSS VALUE
CATTLE (Feedlot)	2013	357,888	12.78	4,573,875	CWT	120.69	552,004,000
	2012	356,081	9.75	3,471,667	CWT	119.27	414,061,000
SHEEP (Feeders)	2013	86,122	0.45	39,148	CWT	118.19	4,627,000
	2012	70,101	0.51	36,055	CWT	103.07	3,716,000
WOOL	2013	86,122	3.50	301,427	LBS	1.53	461,000
	2012	70,100	3.50	245,350	LBS	1.00	245,000
AQUATIC PRODUCTS	2013						14,756,000
(Fish & Algae)	2012						11,426,000
MISC. LIVESTOCK	2013						45,523,000
	2012						54,385,000
TOTAL 2013						**VALUE**	**617,371,000**
TOTAL 2012						**VALUE**	**483,833,000**

NUMBERS MAY NOT COMPUTE DUE TO ROUNDING

MISC. LIVESTOCK: May include Calves, Cattle, Cavies, Dairy Animals, Lambs, Milk, Goats, Poultry, Rabbits, Swine, Manure/Compost

IMPERIAL COUNTY

Field Crops

CROP	YEAR	ACRES	YIELD PER ACRE	TOTAL UNITS	UNIT	VALUE PER UNIT	GROSS VALUE
ALFALFA HAY (Baled)	2013	111,322	7.75	862,445.79	TON	202.73	174,840,000
	2012	132,737	7.46	990,106.17	TON	216.75	214,601,000
BERMUDAGRASS HAY	2013	51,248	6.23	319,179.85	TON	220.00	70,220,000
	2012	46,140	6.25	288,375.00	TON	220.00	63,443,000
COTTON (Lint) 1	2013	3,431	3.42	11,727.76	BALE	426.25	4,999,000
	2012	5,233	4.49	23,520.00	BALE	354.29	8,333,000
COTTON (Seed)	2013			4,285.47	TON	251.55	1,078,000
	2012			8,416.00	TON	250.48	2,108,000
KLEINGRASS HAY	2013	16,798	12.44	209,012.70	TON	165.32	34,553,000
	2012	14,778	11.92	176,104.50	TON	211.25	37,202,000
PASTURED CROPS 2	2013	49,103			ACRE	43.24	2,123,000
	2012	38,462			ACRE	50.91	1,958,000
BALED STRAW	2013			134,744.43	TON	71.03	9,571,000
	2012			77,430.00	TON	84.50	6,543,000
SUDANGRASS HAY	2013	56,308	5.18	291,852.86	TON	187.24	54,646,000
	2012	63,765	5.47	348,944.59	TON	185.38	64,686,000
SUGAR BEETS	2013	25,400	46.50	1,181,100.00	TON	52.13	61,571,000
	2012	25,389	46.50	1,180,588.50	TON	66.30	78,273,000
WHEAT	2013	54,462	3.22	175,340.41	TON	287.22	50,362,000
	2012	95,508	3.47	331,346.72	TON	326.74	108,265,000
MISC. FIELD CROPS	2013	13,758					6,498,000
	2012	13,289					2,565,000
TOTAL 2013	**ACRES**	332,727				**VALUE**	470,461,000
TOTAL 2012	**ACRES**	396,839				**VALUE**	587,977,000

NUMBERS MAY NOT COMPUTE DUE TO ROUNDING

MISC. FIELD CROPS: May include Barley, Corn Silage, Field Corn, Guar Beans, Mixed Grasses Hay, Oat Hay, Ryegrass Hay, Safflower, Sesbania, Sorghum Grain, Sugarcane

PASTURED CROPS: May include Alfalfa, Bermudagrass, Permanent Pasture, Ryegrass

1 Cotton Bales = 500 Pounds

2 Pastured one time and acres are counted in other crop listings




IMPERIAL COUNTY

Vegetable & Melon Crops

CROP	YEAR	ACRES	YIELD PER ACRE	TOTAL UNITS	UNIT	VALUE PER UNIT	GROSS VALUE
BROCCOLI (Market)	2013	15,947	646	10,307,078	26 LB CTN	10.88	112,139,000
	2012	13,861	670	9,287,004	26 LB CTN	8.91	82,747,000
CABBAGE (Market)	2013	1,611	1,061	1,708,662	45 LB CTN	20.00	34,173,000
	2012	2,108	619	1,304,666	45 LB CTN	8.53	11,129,000
CARROTS							
Market	2013	4,109	900	3,698,460	50 LB BAG	9.37	34,673,000
	2012	3,818	950	3,626,910	50 LB BAG	9.37	34,002,000
Processing & Other	2013	9,589	32.00	306,835	TON	115.00	35,286,000
	2012	8,908	32.90	293,079	TON	112.04	32,838,000
TOTAL CARROTS	2013	13,698					69,959,000
	2012	12,726					66,840,000
CAULIFLOWER (Market)	2013	3,913	793	3,103,009	23 LB CTN	12.92	40,101,000
	2012	4,126	722	2,978,972	23 LB CTN	9.47	28,211,000
HEAD LETTUCE							
Naked Pack	2013			3,758,171	50 LB CTN	7.18	26,975,000
	2012			2,950,651	50 LB CTN	6.55	19,327,000
Wrap Pack	2013			6,942,552	40 LB CTN	9.82	68,176,000
	2012			6,112,972	40 LB CTN	7.69	47,009,000
Bulk	2013			5,407,440	50 LB CTN	7.18	38,813,000
	2012			6,307,706	50 LB CTN	6.55	41,315,000
TOTAL HEAD LETTUCE	2013	22,531		16,108,163	CTN	8.32	133,964,000
	2012	21,167		15,371,329	CTN	7.00	107,651,000
LEAF LETTUCE	2013	9,967	965	9,621,893	35 LB CTN	7.99	76,875,000
	2012	9,660	950	9,177,000	35 LB CTN	8.81	80,849,000
SALAD PRODUCTS	2013			6,378,938	LB	0.54	3,423,000
	2012			16,000,000	LB	0.39	10,140,000
SPRING MIX	2013	5,977	6,180	36,939,336	LB	0.88	32,383,000
	2012	9,235	5,058	46,712,723	LB	0.70	32,699,000

NUMBERS MAY NOT COMPUTE DUE TO ROUNDING

SPRING MIX: May include Green Leaf Lettuce, Red Leaf Lettuce, Baby Leaf Lettuces, Beet Tops, Mizuna, Mustard, Baby Spinach

Vegetable & Melon Crops

CROP	YEAR	ACRES	YIELD PER ACRE	TOTAL UNITS	UNIT	VALUE PER UNIT	GROSS VALUE
ONIONS							
Market	2013	4,421	1,261	5,573,618	50 LB SACK	9.22	51,391,000
	2012	3,790	1,301	4,930,790	50 LB SACK	8.43	41,567,000
Processor	2013	4,484	16.63	74,547	TON	146.20	10,899,000
	2012	4,713	18.67	87992	TON	144.52	12,717,000
TOTAL ONIONS	2013	8,905					62,290,000
	2012	8,503					54,284,000
POTATOES	2013	2,593	320	829,760	CWT	20.00	16,595,000
	2012	2,211	310	685,410	CWT	23.50	16,107,000
SPINACH	2013	4,750	7,653	36,352,819	LB	0.93	33,910,000
	2012	4,106	8,837	36,284,722	LB	0.47	17,054,000
SWEET CORN	2013	8,571	360	3,081,275	50 LB CTN	12.47	38,414,000
	2012	7,629	609	4,646,061	50 LB CTN	10.52	48,877,000
ROMAINE	2013	6,876	846	5,813,658	35 LB CTN	5.15	29,913,000
	2012	7,743	766	5,931,138	35 LB CTN	10.05	59,608,000
MISC. VEGETABLES	2013	8,094					130,969,000
	2012	8,502					52,454,000
CANTALOUPES	2013	5,888	741	4,363,008	40 LB CTN	9.00	39,267,000
	2012	5,396	766	4,133,336	40 LB CTN	9.12	37,696,000
HONEYDEW & MISC. MELONS	2013	467	596	278,099	40 LB CTN	11.47	3,190,000
	2012	1,000	704	704,127	40 LB CTN	7.42	5,225,000
WATERMELONS	2013	1,583	16.50	26,120	TON	300.00	7,836,000
	2012	967	27.50	26,593	TON	250.00	6,648,000
Total 2013	ACRES		121,371			VALUE	865,401,000
Total 2012	ACRES		118,940			VALUE	718,219,000

NUMBERS MAY NOT COMPUTE DUE TO ROUNDING

MISC. VEGETABLES: May include Artichoke, Arugula, Asparagus, Asian Greens, Basil, Beans, Beets, Bok Choy, Brussel Sprout, Celery, Chervil, Chive, Cilantro, Collard, Cucumber, Dill, Endive, Fennel, Garbanzo Beans, Kale, Leek, Mint, Napa Cabbage, Okra, Oregano, Parsley, Peas, Pepper, Radish, Rapini, Rosemary, Rutabaga, Sage, Squash, Swiss Chard, Tarragon, Thyme, Tomato, Turnip

IMPERIAL COUNTY

Fruit & Nut Crops

CROP	YEAR	ACRES	YIELD PER ACRE	TOTAL UNITS	UNIT	VALUE PER UNIT	GROSS VALUE
DATES	2013	1,976	2.31	4,563.51	TON	11,405.48	52,049,000
	2012	1,721	3.00	5,163.00	TON	11,600.04	59,891,000
GRAPEFRUIT	2013	1,022	7.15	7,307.25	TON	346.78	2,534,000
	2012	510	11.03	5,623.75	TON	179.42	1,009,000
LEMONS	2013	3,192	9.78	31,215.31	TON	971.25	30,318,000
	2012	2,240	12.86	28,816.36	TON	603.65	17,395,000
ORANGES	2013	193	1.04	201.51	TON	461.52	93,000
	2012	320	12.52	4,007.25	TON	74.86	300,000
TANGERINES [1]	2013	481	11.93	5,736.37	TON	924.10	5,301,000
	2012	190	0.00	0.00	TON	0.00	0
MISC. CITRUS, FRUIT	2013	929	3.32	3,086.67	TON	2,881.10	8,893,000
& NUT CROPS [2]	2012	1,183	2.52	2,979.74	TON	1,533.02	4,568,000
CITRUS BY-PRODUCTS	2013			7,107.87	TON	116.91	831,000
	2012			15,430.13	TON	129.03	1,991,000
TOTAL 2013	ACRES	7,793				VALUE	100,019,000
TOTAL 2012	ACRES	6,164				VALUE	85,154,000

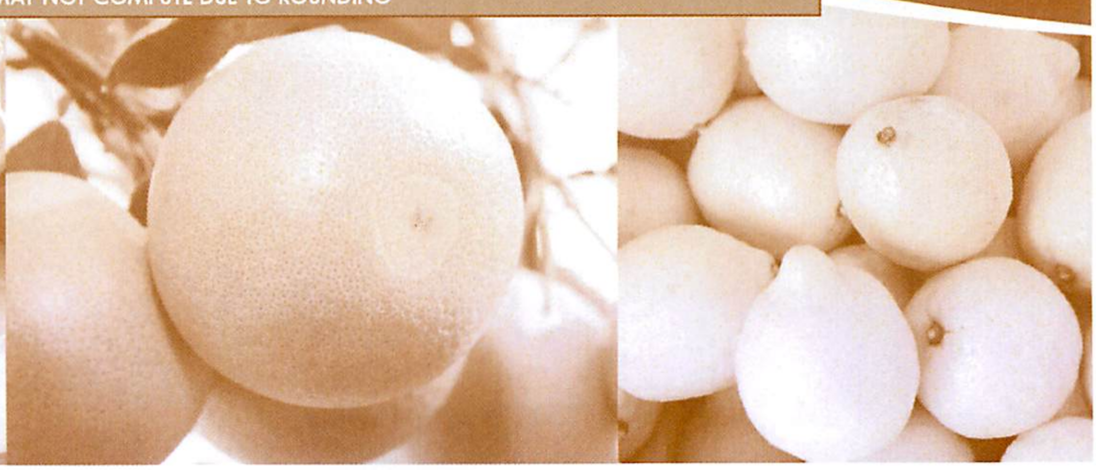
NUMBERS MAY NOT COMPUTE DUE TO ROUNDING

1. 2012 No Harvest due to Frost
2. 2013 MISC. CITRUS FRUIT & NUT CROPS: May include Figs, Grapes, Limes, Mangos, Olives, Tangelos

Apiary Products

	YEAR	TOTAL HIVES	YIELD PER HIVE	TOTAL UNITS	UNIT	VALUE PER UNIT	GROSS VALUE
HONEY	2013	39,440	10.70	421,900.00	LBS	4.50	1,899,000
	2012	30,684	17.88	548,534.00	LBS	1.80	985,000
WAX	2013	9,300	0.79	7,350.00	LBS	2.86	21,000
	2012	21,384	0.22	4,788.00	LBS	2.92	14,000
POLLINATION	2013	51,506			COL	54.13	2,788,000
	2012	43,588			COL	49.20	2,145,000
TOTAL 2013						VALUE	4,708,000
TOTAL 2012						VALUE	3,144,000

NUMBERS MAY NOT COMPUTE DUE TO ROUNDING



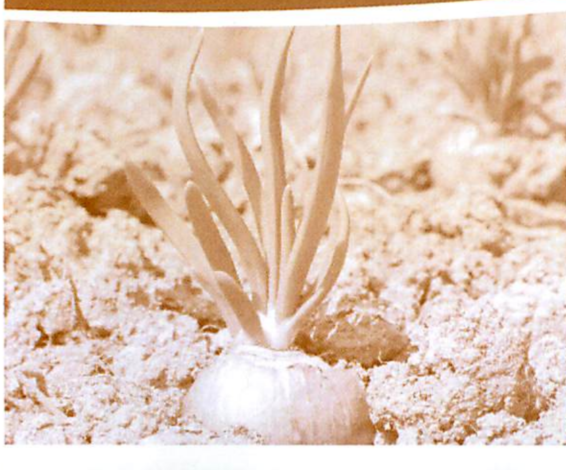
IMPERIAL COUNTY

Seed Crops & Nursery Products

CROP	YEAR	ACRES	YIELD PER ACRE	TOTAL UNITS	UNIT	VALUE PER UNIT	GROSS VALUE
NON-CERTIFIED SEED							
ALFALFA SEED	2013	10,092	553	5,585,655	LBS	3.07	17,151,000
	2012	10,722	472	5,062,593	LBS	3.00	15,188,000
BERMUDAGRASS SEED	2013	26,699	253	6,754,847	LBS	3.65	24,655,000
	2012	7,946	387	3,075,103	LBS	3.58	10,998,000
ONION SEED	2013	1,415	196	276,886	LBS	20.99	5,811,000
	2012	1,918	200	383,600	LBS	8.00	3,069,000
MISC. SEED CROPS & NURSERY PRODUCTS	2013	2,511					7,004,000
	2012	1,363					3,808,000
TOTAL NON-CERTIFIED SEED 2013	ACRES	40,717				VALUE	54,621,000
TOTAL NON-CERTIFIED SEED 2012	ACRES	21,949				VALUE	33,063,000
CERTIFIED SEED							
ALFALFA SEED	2013	19,909	544	10,820,542	LBS	3.75	40,577,000
	2012	15,846	446	7,061,519	LBS	3.85	27,187,000
BERMUDAGRASS SEED	2013	4,076	248	1,010,848	LBS	3.75	3,791,000
	2012	3,230	390	1,259,700	LBS	3.45	4,346,000
MISC. CERTIFIED SEED	2013	3,335					1,568,000
	2012	2,404					2,836,000
TOTAL CERTIFIED SEED 2013	ACRES	27,320				VALUE	45,936,000
TOTAL CERTIFIED SEED 2012	ACRES	21,480				VALUE	34,369,000
TOTAL SEED & NURSERY 2013	ACRES	68,037				VALUE	100,557,000
TOTAL SEED & NURSERY 2012	ACRES	43,429				VALUE	67,432,000

NUMBERS MAY NOT COMPUTE DUE TO ROUNDING

MISC. SEED CROPS & NURSERY PRODUCTS: May include Broccoli Seed, Flower Seed, Grass Seed, Rape Seed, Sudangrass Seed, Sunflower Seed, Vegetable Seed, Wheat Seed, Cut Flowers, Palm Trees, Vegetable Transplants



PEST DETECTION PROGRAM

TRAPPING

TARGET PEST	PEST DETECTION METHOD	NUMBER OF TRAPS	HOST CROPS
Asian Citrus Psyllid	Yellow Sticky Trap	493	Citrus
European Corn Borer	Pheromone	13	Corn & Sorghum
Various Exotic Fruit Flies	Feeding Attractant	97	Fruit Trees & Vegetables
Glassy-winged Sharpshooter	Yellow Sticky Trap	480	Crops & Ornamentals
Gypsy Moth	Pheromone	58	Shade Trees
Japanese Beetle	Pheromone	59	Turf & Flowers
Khapra Beetle	Feeding Attractant/Pheromone	37	Stored Food Products
Mediterranean Fruit Fly	Pheromone	121	Fruit Trees
Melon Fruit Fly	Pheromone	121	Vegetables
Mexican Fruit Fly	Feeding Attractant	121	Fruit Trees
Oriental Fruit Fly	Pheromone	121	Fruit Trees

SURVEY

TARGET PEST	SETTING	SCOPE OF PROGRAM
Asian Citrus Psyllid Survey	Commercial and Residential Citrus	5,096 visual surveys
Citrus Health Survey	Citrus Orchards	1,754 Acres
Noxious Weeds	Agriculture and Urban	87 Positive sites; 1,314 Miles Surveyed
Karnal Bunt	Wheat	10 Sites
Red Imported Fire Ant	High Risk Sites	165 Sites
Pathogens of Concern for Export of Seed (by application only)	Seed Fields	284 Fields Surveyed
Glassy-winged Sharpshooter	Retail Nursery Stock Shipments	1,698 Shipments Inspected
Glassy-winged Sharpshooter	Bulk Citrus Fruit	129 Shipments Inspected

BIOLOGICAL CONTROL

TARGET PEST	BIOCONTROL AGENT	SCOPE OF PROGRAM
Puncture Vine, Tribulus terrestris	Hand/Mechanical Removal	10 Sites

PEST EXCLUSION PROGRAM

PHYTOSANITARY CERTIFICATE

TYPE OF PHYTOCERTIFICATE	COMMODITY	CERTIFICATES ISSUED	DESTINATION
Domestic	Hay, Produce and Seed	14,097	Japan, Mexico, Republic of Korea, China, United Arab Emirates, Australia, Taiwan, Canada, Peru, Saudi Arabia
Re-Export	Various	372	Mexico, Australia, Singapore, Sri Lanka, Bolivarian Republic of Venezuela
Process Product	N/A	0	N/A

QUARANTINE

TYPE OF CERTIFICATE	COMMODITY	CERTIFICATES ISSUED	DESTINATION
California State Phytos	Produce, Plants, and Seeds	641	Arizona, Florida, Guam, Hawaii, Louisiana, Mississippi, Nevada, Oregon, Puerto Rico, Texas
Quarantine Compliance	Plants and Seeds	21	California Counties

INSPECTIONS

SEED	NUMBER OF LOTS	POUNDS	ORIGIN
Field & Vegetable Seed Crops	1,460	26,508,424	Arizona, Canada, Idaho, Mexico, North Carolina, Netherlands, Ohio, Oregon, Texas, Washington, Wyoming
Seed Samples for Export Compliance	121 (samples)	-	-

TYPE OF INSPECTION	NUMBER OF INSPECTIONS	PEST	REJECTIONS
Bees for Pollination	1	Red Imported Fire Ant	None
Outdoor Furniture	0	Gypsy Moth	None

ORGANIC GROWER PROGRAM

COMMODITY	NUMBER OF FARMS	ACREAGE	GROSS SALES
Fruits, Vegetables, Grains, Hay	20	19,433	$80,904,211

IMPERIAL COUNTY

Top Ten Commodities

2013 RANKING			2012 RANKING
1	CATTLE	$552,004,000	1
2	ALFALFA	174,840,000	2
3	HEAD LETTUCE	133,964,000	4
4	BROCCOLI	112,139,000	5
5	LEAF LETTUCE	76,875,000	6
6	BERMUDAGRASS	70,220,000	10
7	CARROTS	69,959,000	8
8	ONIONS	62,290,000	13
9	SUGAR BEETS	61,571,000	7
10	SUDANGRASS	54,646,000	9

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