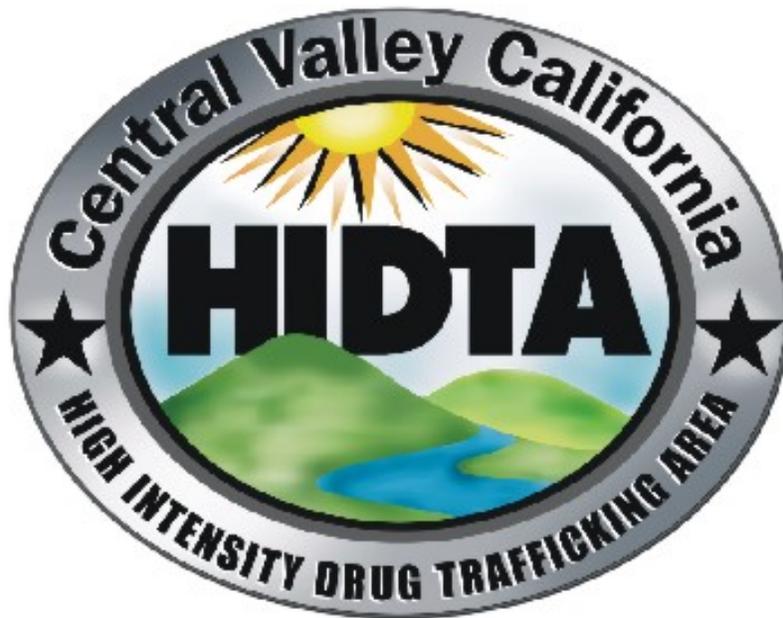


Central Valley, California High Intensity Drug Trafficking Area

Fresno, Kern, Kings, Madera, Merced, Sacramento, San Joaquin, Stanislaus & Tulare Counties

Annual Report 2005



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2005 ANNUAL REPORT

I. EXECUTIVE SUMMARY

The Central Valley California HIDTA (CVC HIDTA) is one of the most prolific manufacturing regions for legitimate food crops as well as illegal drugs in the United States. Law enforcement agencies have battled the influences and activities of drug cartels for decades yet this region retains its ignominious “leadership” as a drug producing region for both methamphetamine and massive amounts of marijuana. The immense profits reaped from illegal drug production in the CVC HIDTA region are estimated to be in the billions of dollars. Much of the drug proceeds are believed to be returned to Mexico to further enrich the drug barons who exercise command and control over California’s drug trafficking organizations (DTO’s).

The typical DTO in the CVC region is one that capitalizes on the relative close proximity to the Mexico-U.S. border and the ability to move drugs and illegal aliens across it with relative ease. In March 2005, the undocumented population of Mexican Aliens reportedly reached nearly 6 million with 24% of them living in the State of California.¹ The typical Mexican DTO is poly drug in nature and seizes the opportunity to manufacture methamphetamine in pastoral, rural farmlands and orchards. Its members are able to import, purchase and distribute heroin, cocaine, marijuana, chemicals and precursors from the many “underworld” contacts that exist in this region and in the neighboring drug distribution centers of Los Angeles, San Francisco and San Jose, California.

The Central Valley HIDTA region has been called the “Meth Capitol” of the United States for several years but the overall number of methamphetamine laboratories maintained their steady decline throughout 2005. Methamphetamine producing DTO’s continued to operate superlabs in remote areas of the region producing more than 20 pounds of the drug in a single production cycle. There are limited instances of smuggled Pseudoephedrine and Ephedrine Hydrochloride occurring in the HIDTA region. These products are produced in Asia and go through importers in Canada and Mexico. The majority of pseudoephedrine and ephedrine come from domestic sources and were found to have come from the blister packs sold in retail outlets. The decline in the number of methamphetamine “superlabs” in the region has caused law enforcement experts to speculate on the cause. The leading explanation has been that law enforcement and community pressures in California have finally had an impact on the manufacturers. The coordination of efforts from the California Precursor Committee, the National Methamphetamine Chemicals Initiative, the California Multi-Jurisdictional Methamphetamine Enforcement Team (Cal-MMET) program and the HIDTAs have been successful. To a limited extent, clandestine laboratories may have been displaced to other states and gone back into Mexico.

U.S./Mexico border enforcement agencies continued to seize methamphetamine at the California-Mexico Ports of Entry. Although border seizure data shows a definite increase in border importation trends, there is reason to believe that a significant methamphetamine

manufacturing potential remains in the Central Valley HIDTA region to meet the continuing high-demand for the drug. Reliable informants in the methamphetamine production “business” have offered intelligence information to members of the CVC HIDTA’s Fresno Methamphetamine Task Force that the “crooks” have gotten smarter. They are still producing as much methamphetamine in the Central Valley HIDTA region as they were previously he asserts.

They are now avoiding discovery by going into the extremely rural agricultural areas, renting entire farms, operating the superlabs and burying the toxic waste on the property. Dumpsite discovery is therefore avoided, thereby leaving no telltale signs that a methamphetamine laboratory was been operating in the region. The toxic chemical dumpsites often prove this assertion. For example, in 2005 the Stanislaus, San Joaquin Methamphetamine Task Force investigated a report of chemicals dumped in unused well shafts on an extremely remote ranch. Access to the ranch property was down a long dusty road and approach was impossible without being seen by people on the property. Entrance to the fenced property was prohibited by a gate. The ofdficers found that three old well shafts were full of solvent and other chemical containers indicating that a superlab producing over 10 pounds of methamphetamine in a single process may have been operating in that location for several years.

Manufacturing DTO’s have also implemented new methamphetamine production methods that lessen the production time required to obtain the product and therefore lessen their opportunity for discovery by law enforcement. For example, the utilization of Hypophosphorous acid and alternate chemicals as well as newly developed “flameless” production methods have reduced the production time to 2 hours from the six to twelve hours previously required and simplified the methamphetamine production process. As these methods evolve within the criminal subculture, new methods to escape police detection also develop making the drug enforcement officer’s job more demanding.

More marijuana plants were harvested in California last year then in any previous year. No drug enforcement program is more arduous than the harvesting of outdoor grown marijuana from mountainous garden plots and huge marijuana plantations. The Sierra Mountain range borders the eastern side of the Central or San Joaquin Valley of California. This area has become the nation’s leading production center for outdoor grown marijuana. Mexican DTO’s dominate the region’s marijuana growing and have developed complex corporate approaches to their criminal endeavors. As this report was prepared in February and March of 2006, reports of DTO representatives scouting out new grow areas were being received.

Drug trafficking organizations are sophisticated and well organized. They have investors, comprehensive logistical support teams and a small “army” of temporary workers who hoe and cultivate the plantations located in remote, high altitude regions. DTO operational areas often span great distances and occasionally extend into adjoining states. Investigations have shown that DTO members drive from Central Valley locations to other California counties outside of the HIDTA area. Their vehicles have appeared at DTO member locations in other States as well. This territorial expansion and displacement is believed due to the DTO’s changing operational practices as a result of law enforcement pressures from HIDTA initiatives and programs. Their

expansion has been positively confirmed through surveillances as our investigators have found related marijuana growing and methamphetamine activities in Shasta County, Tuolumne County and others in the State. Shasta County produced over 200,000 marijuana plants in 2005, an all-time record harvest. Tuolumne County is considered a critical area for marijuana cultivation and methamphetamine production expansion. This is due to Yosemite National Park being located within Tuolumne County. The National Park is an essential component of an on-going public lands initiative led by the U.S. Attorney for the Eastern District of California. Analysis of available intelligence information by the Marijuana Fusion Center staff predicts a shift in marijuana cultivation patterns to the east and north of current growing areas.

Some in-state DTO's diversify their operations and sell large quantities of other drugs as well as manufacture methamphetamine. Most marijuana plantations on either public or private land are tended throughout the April-October growing season by armed guards and plot-tenders. Often these marijuana gardeners are illegal aliens who have been instructed to use violence to protect the valuable crops which have had as many as 80,000 plants in a single locale. Hikers, campers, hunters and others who enjoy the pristine wilderness areas of the National Parks and U.S. Forest Service lands are put at great risk.

The CVC HIDTA's law enforcement agencies continued to make inroads into drug manufacturing and distributing organizations in 2005. In many counties, law enforcement resources are scarce and the high costs of law enforcement are a continuing issue in each jurisdiction. Although the CVC HIDTA region is predominately rural and agricultural, the mid-sized cities and smaller towns have all the social problems of larger metropolitan areas. There are a high percentage of Latinos and minorities in the region providing the environment for the infiltration of Mexican dominated drug trafficking organizations. Violent gang activities have surfaced within the region and have often pitted one gang against the other in an explosion of gunfire and 2005 recorded a high level of gang violence. Outside the cities, ranchers, farmers, mountain hikers and urban dwellers are fearful of the violence that has developed as an adjunct to the drug trade. Under this backdrop, the CVC HIDTA enforcement initiatives continue to score impressive results against those organizations and individuals who promote the drug trade within the region's communities.

This nation's drug abuse continues at very high levels and the Central Valley of California is a mirror-image of the rest of the nation. Drug treatment admissions from methamphetamine abuse in the nine CVC HIDTA have risen each year for the past five years.ⁱⁱ According to the National Institute of Drug Abuse, methamphetamine abuse "...several CEWG (Community Epidemiology Working Groups) areas report new populations of methamphetamine users, including Hispanics and young people..." There is an ebb and flow to the demand for illicit drugs in the nation's drug markets. Regardless of which City or segment of society is the leading abuser for a particular drug type, the relentless fact is that someone or criminal organization will rise to meet the profitable demand for illicit substances. Because the drug trade is secretive and clandestine in nature, we can only gain an inference as to the extent of the region's problems through an examination of the data recorded by law enforcement initiatives.

- During CY 2005, \$465,842,213 worth of drugs was seized in the Central Valley California HIDTA region by HIDTA led initiatives. Under ordinary circumstances this would be a staggering blow to any business. The realities are however, that law enforcement experts estimate that this is probably only a small percentage of the total drugs trafficked in this region. Drug supplies in the CVC HIDTA region remain stable despite these impressive results.
- Drug enforcement task forces are a cost center and drug enforcement is an expensive necessity. When small rural agencies commit valued personnel and limited financial resources; it may create a burden on the community and often detracts from the agency's ability to fully meet other requirements. Law enforcement administrators agree that drug enforcement cannot be ignored. To those ends, drug proceeds and assets derived from drug trafficking are seized and forfeited. During 2005, CVC HIDTA agencies seized \$5,598,894 in real property, personal property and cash drug proceeds from drug traffickers.
- The Central Valley California HIDTA's base budget is \$2.5 million for 2005. With ONDCP supplemental funding, the overall budget was \$4,991,842. Given that investment and the leverage created from the contributions of Federal, State and local participating agencies, the combined value of drug and property seizures from drug traffickers in 2005 was \$472,881,908.
- During 2005, CVC HIDTA initiatives identified 47 drug trafficking organizations (DTO's) as being the most significant targets operating in the CVC HIDTA region. Although there were others considered for investigation, these 47 dominated the efforts of HIDTA initiatives. Many of the investigations were intensive and expensive yet proved to be immensely valuable to the HIDTA's drug strategy.
- The identification and emergence of Hispanic gangs as dominant drug trafficking threats arose during 2005. Whereas they have existed for generations in the CVC HIDTA region, their prominence in methamphetamine trafficking as well as other drugs has raised concerns. The involvement of Norteños, Sureños and Mara Salvatrucha gangs in outdoor marijuana production has caused concern among law enforcement officials.

II. INTRODUCTION

The CVC HIDTA is pleased to summarize the exemplary work done by the men and women of the CVC HIDTA Initiatives during 2005. The reader will find that this Annual Report presents a summary of initiative activities during the last calendar year. The CVC HIDTA exists to implement the National Drug Control Strategy within this nine county region of Central California. It is structured similarly to many other HIDTAs and follows the policies and procedures proscribed in the Office of National Drug Control Policy (ONDCP) Program Policy and Budget Guidance and other applicable directives. The CVC HIDTA was designated in 1999 and has been funded for the past few years at \$2.5 million. The Office of National Drug Control Policy designated the Central Valley California region as a critical drug trafficking area adversely impacting the United States. This designation has withstood the test of time and remains one of the nation's most significant illegal drug producing regions.

The CVC HIDTA is one of 28 individual HIDTAs spread throughout the nation. It works cooperatively with all other HIDTAs. Because of the Central Valley's prominence as a drug producing region, numerous out-of-state HIDTA threat assessment documents refer to the CVC HIDTA region and California as the source of their drugs. The CVC HIDTA has fostered cooperative and effective working relationships with regional federal, state and local law enforcement agencies. Nearly 400 miles spans the northern and southern terminus of the CVC HIDTA area of responsibility. The great distances are overcome through the close working relationships developed between the CVC HIDTA initiatives and regional law enforcement agencies. A detailed description of each initiative can be found in the CVC HIDTA 2005 Strategy.

CVC HIDTA law enforcement initiatives have established priorities that focus on investigating the most-significant DTOs operating in the region in a concentrated effort to lessen the drug supply. They particularly concentrate on those organizations involved with drug-related violent crime and presenting threats to their communities. HIDTA initiatives target DTOs that have the greatest adverse impact on the production and distribution of illicit substances in the region. There is a determined effort to counter drug production and distribution through the HIDTA's area of responsibility. New investigative methodologies and techniques developed by the initiatives exemplify their commitment to the law enforcement process and the rule of law. The cooperation between federal agencies having scarce personnel resources and state and local agencies facing the same personnel shortages is exemplary.

In 2005 the CVC HIDTA's Threat Assessment defined the nature of the drug problems facing the nine-county region. Most Executive Board members were acutely aware of the nature of the drug crimes in their jurisdictions prior to developing the CVC HIDTA's annual 2005 Strategy and crafting enforcement initiatives to meet those challenges. Quantifiable performance targets were established as a means to document individual initiative performance and achievements towards attaining the Strategy objectives and CVC HIDTA mission.

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The National Program Mission Statement provides the overarching guidance for each individual HIDTA program:

**National HIDTA Program
Mission Statement**

The mission of the High Intensity Drug Trafficking Areas (HIDTA) Program is to disrupt the market for illegal drugs in the United States by assisting federal, state, and local law enforcement entities participating in the HIDTA program to dismantle and disrupt drug trafficking organizations, with particular emphasis on drug trafficking regions that have harmful effects on other parts of the United States.

The CVC HIDTA Executive Director and Executive Board collaborated with participating law enforcement agencies and HIDTA staff to develop a Vision Statement for the future which clearly reflects what outcomes HIDTA initiatives seek to achieve.

**Central Valley California HIDTA
Vision Statement**

Our vision is to reduce drug availability in the region which will greatly improve the overall quality of life for the citizens of the Central Valley of California over the next five years. The vision will be achieved by commitment, professionalism and excellence in drug law enforcement. Through our adherence to the HIDTA program's mission, we will forge collaborative partnerships placing health, safety and welfare of the citizens first. Our efforts will sustain the beauty of this region and protect its rich environmental heritage for future generations to work and live.

CVC HIDTA success is measured in part by its ability to facilitate greater efficiency, effectiveness and cooperation among and between external participating agencies at the local, state and federal level. The collocation of participating law enforcement agencies facilitates and enhances resource sharing. This has become a key strategy to success for the HIDTA program. The increased information sharing and inter-agency cooperation fostered by the CVC HIDTA's design and strategy has forged the separate law initiatives into an effective and efficient counterdrug force. The CVC HIDTA Executive Director and Executive Board realizes that with clarity of mission and a dedication of combined resources, this region's law enforcement, intelligence and prosecution communities can make inroads into solving the immense public safety problems that confronts this region.

The CVC HIDTA mission statement succinctly states the program's intent and direction.

**Central Valley California HIDTA
Mission Statement:**

The mission of the Central Valley California HIDTA (CVC HIDTA) is to reduce the manufacture, trafficking, and distribution of methamphetamine, precursor chemicals, and other dangerous drugs by attacking and dismantling the large-scale and often violent organizations responsible through the implementation of cooperative and innovative strategies. The goals of the CVC HIDTA are to: reduce drug availability by disrupting and dismantling drug trafficking organizations; to reduce the harmful consequences of drug trafficking and to improve the efficiency and effectiveness of the region's law enforcement organizations.

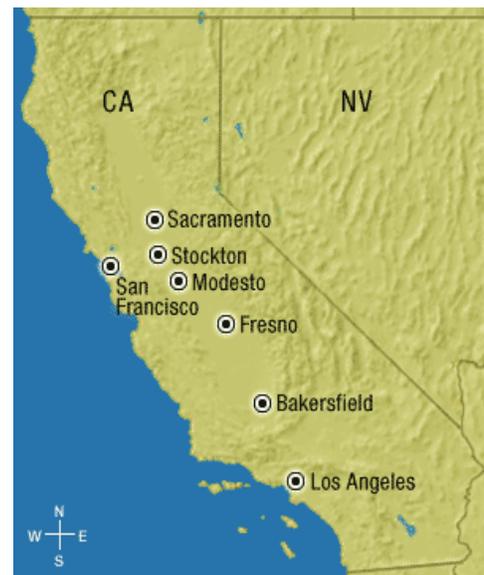
Reporting Period: This Annual Report covers the reporting period January 1, 2005 to December 31, 2005.

Budget Allocation: During 2005, ONDCP allocated a \$2,500,000 base budget for CVC HIDTA operations. The majority of CVC HIDTA funds are applied to investigative and intelligence initiatives with only about 10% of the funds applied to Administrative overhead expenses. This approach maximizes the impact of the enforcement and supporting intelligence initiatives and places recognition of their importance towards attaining the National HIDTA Mission. As noted in this Annual Report, the CVC HIDTA has documented significant success towards achieving its mission, and yet each law enforcement officer knows that this is a long-term struggle against the criminal influences of the region and the individual miseries created by drug addiction.

Geographic Area of Responsibility:

- Central Valley California HIDTA Counties: Kern, Kings, Tulare, Merced, Madera, Fresno, San Joaquin, Stanislaus and Sacramento.
- The Cities of Sacramento and Bakersfield define the northern and southern boundaries.
- One hour drive east of San Francisco metropolitan area.
- Two hours drive northeast of Los Angeles.
- Six hours drive from the U.S.-Mexico Border.
- Region produces 1/4th of the nation's food products.

The Central Valley California HIDTA region; contains a unique blending of geography and cultures. It



is nearly 400 miles in length and extends from the top of the Sierra Mountains to the west and abuts the Coastal Counties. Agriculture and food production is the predominate industry. Orchards, farms and ranches dominate the landscape. The 2000 Census lists Fresno as the largest city with nearly ½ million residents and Sacramento, Modesto and Bakersfield follow.

III. National HIDTA Goals

HIDTAs have adopted two specific goals that define the challenge of mission attainment. These two goals guide all HIDTA initiatives and activities throughout the United States. The CVC HIDTA is proud to present these national HIDTA program goals, plus concise summaries of its Threat Assessment for Budget Year 2005 and resultant Strategy in the following sections. The CVC HIDTA has fashioned its strategy to meet local drug threats currently existing. The national goals are the local goals for the same objective is obtained.

NATIONAL HIDTA GOALS

Goal 1: Disrupt the market for illegal drugs by dismantling or disrupting drug trafficking and/or money laundering organizations; and

Goal 2: Improve the efficiency and effectiveness of HIDTA initiatives.

The above goals represent an aiming point for CVC HIDTA initiatives. They also provide the foundation upon which performance planning and outcome measurement are based. As the CVC HIDTA develops budget submissions, each CVC HIDTA initiative must present programmatic and fiscal justifications that are based on the regional Threat Assessment. They must articulate how the initiative's funding request directly addresses the threat then set realistic performance measures. Each initiative must eventually provide specific information on how the funding has allowed the CVC HIDTA to meet its desired outcomes. CVC HIDTA initiatives are developed within clear national guidelines governing all HIDTA activities and expenditures.

The CVC HIDTA Executive Board is significantly involved in all aspects of the Central Valley California HIDTA, and reviews the Intelligence, Investigation, Interdiction, and initiative activities. The Board provides a forum to discuss and evaluate important trends in regional drug trafficking. It exchanges information on which drugs are being distributed throughout the region, and the DTOs that are responsible. The Board also addresses important administrative issues in its oversight capacity. The Board has established an Intelligence Subcommittee that supports CVC HIDTA initiatives and its participating agencies on a wide variety of intelligence issues. These include training, computer technology and other matters. CVC HIDTA success is measured by results, and each initiative is fully accountable for its success or failure in meeting its objectives.

IV. Summary of Threat Assessment for Budget Year 2005

Mexican led DTO's are the dominant force in the production of both marijuana and methamphetamine. These are the leading drugs of abuse for the region. The DTO's are responsible for the manufacture, importing and exporting of methamphetamine and the importation and distribution of other drug types including heroin, cocaine and marijuana. The HIDTA area is a distribution source for many Central and Eastern States.

Most criminal organizations are relatively small however that is not always the case. One DTO that was investigated during 2005 is believed to have over 150 members and operates in at least 5 different states. The Mexican led DTOs are organized and well financed. Many have operated for years without significant intervention by law enforcement. They frequently use illegal Mexican immigrants. They are difficult to penetrate by law enforcement because of their structure and familial relationships. Most have direct ties into their original hometowns and states in Mexico.

Central Valley methamphetamine "superlabs" produce more than all other domestic laboratories. A "superlab" is one that manufactures over 10 pounds of methamphetamine in one 24 hour production cycle. In the past five years the El Paso Intelligence Center's National Clandestine Laboratory Seizure System reported 249 "superlabs" were found in CVCA HIDTA counties. Some laboratories produced over 20 pounds each cycle and are believed to have operated without detection for months before police intervention. Kern County recorded the most number of superlabs (6) of all counties in the Central Valley HIDTA during 2005 although their overall laboratory responses have decreased considerably. The HIDTA's nine counties accounted for one third of the total superlabs in California and over half of all the superlabs found in the nation. Most of the nation's methamphetamine markets are supplied by methamphetamine manufactured or shipped from the Central Valley of California. Drugs are transported from the Central Valley over the freeways and highways intersecting this region.

Pseudoephedrine and ephedrine are critical to methamphetamine manufacturing. Mexico based DTO's have set up accounts with chemical suppliers in Europe, Canada, Asia and the Far East to obtain precursor chemicals, reagents and solvents. Tons of ephedrine and Pseudoephedrine were imported into Mexico last year.

Marijuana cultivation on public lands: Mexican DTO's are often polydrug operations thus maximizing year-round income. They have seemingly perfected the "art" of creating large-scale marijuana cultivation plots on public lands in the CV HIDTA region and throughout California. In 2005, violence in the marijuana growing forest regions continued sporadically throughout the state. A Forest Service K-9 dog was assaulted and injured attempting to apprehend a suspect. Forest Service officers were shot at and a California Department of Game and Fish Officer was shot in the legs during a Santa Clara County marijuana garden raid. Other violent events include:

- ◆ A Stanislaus County Sheriff's Sergeant led a marijuana eradication team into Del Porto Canyon in September 2005. The garden was a typical Mexican National grow site that was protected by armed individuals. A garden tender shot at a sheriff's sergeant as they
-

approached the garden and the bullet hit a branch near his head. A splinter from that branch hit the Sergeant's head. The eradication team retreated and called for reinforcements. Afterwards, they recovered 16,967 plants from the grow site.

- ◆ In September 2005, two Dos Palos men were shot while looking for a marijuana garden between Merced and Los Baños. The men told police that they intended to take some of the marijuana but were shot by an unknown assailant who escaped.

Harmful Consequences: Methamphetamine addiction is the greatest regional abuse issue. Marijuana use is widespread. Treatment program admissions vary by drug however methamphetamine treatment program admissions are rising. Heroin admissions are declining. Ecstasy and the "designer" drugs are commonly abused as are pharmaceuticals such as OxyContin. Cocaine and crack cocaine remain in demand in all locations particularly in the larger cities where street level crack sales are often conducted by gang members.

Protecting drug endangered children is a priority. During 2005, HIDTA task force members reported rescuing 49 Drug Endangered Children from dangerous environments. There are significant levels of methamphetamine deposited throughout a house with a methamphetamine laboratory. This is dangerous for small children as methamphetamine contamination pervades everything in a house. The short and long term affects of this exposure remains unknown.

The Central Valley HIDTA promotes the ONDCP 25 Cities initiative in Sacramento. A California National Guard operated Drug Demand Reduction Initiative works throughout the region informing young people of the dangers of drug abuse.

V. CVC HIDTA Strategy Summary

The 2005 Strategy was designed to address Central Valley California HIDTA operations. The CY 2005 CVC HIDTA Strategy was designed to implement National Goal #1 and #2 and to improve the efficiency and effectiveness of HIDTA Initiatives. The consequences of this aspect of the strategy are expected to result in a greater potential to disrupt or dismantle a DTO. Training does not necessarily offer a short term and immediately identifiable return on investment.

Once the drug threat is defined, the Executive Board's strategy to combat drug crimes uses the existing law enforcement initiatives already in place whenever possible. If already HIDTA funded, an initiative's operations are reviewed for modifications and continued funding. The HIDTA Director and Executive Board have the responsibility to review and restructure existing HIDTA initiatives and conduct an annual assessment. They may modify those initiatives as necessary to meet emerging threats or shifting conditions. Enforcement efficiencies are enhanced by using the existing taskforce structures and redefining their individual responsiveness through the mission statements.

Additional task forces or non-enforcement entities can contribute service and knowledge that heightens the overall success of the CVC HIDTA program. The HIDTA Director and Executive

Board examined their response options to the identified threats and looked towards building additional elements into the program that become components of the four HIDTA subsystems:

- Investigative sub-system
- Interdiction sub-system
- Intelligence sub-system
- Support sub-system

In the CVC HIDTA, collaborating with the California National Guard's demand reduction outreach program has proven to be very successful and a value-added activity. All initiatives are encouraged to have a public outreach and education component.

A regional intelligence center in Fresno is staffed by trained experts whose services are available to all initiatives. The expansiveness of the Central Valley HIDTA region often leads to prolonged travel time to the Fresno Intelligence Center. A review of ISC intelligence service usage led the Director and staff to conclude that decentralized intelligence analysts would provide additional benefits to the investigative initiatives. A mechanism was developed to place decentralized intelligence analysts into the operating HIDTA task forces. This enabled on-site tactical intelligence support at the point of greatest criticality. Travel time delays were eliminated. The combined effort yields a program that is effective and efficient and continues to meet the drug enforcement needs of the Central Valley of California.

Initiative performance and adherence to ONDCP programmatic requirements are reviewed annually through the CVC HIDTA's annual self-review process. Key performance areas are examined to include compliance with Fiscal; Inventory; Administrative and Performance aspects of each task force.

Intelligence led investigations are the keystone of HIDTA activities. To accomplish its mission, the CVC HIDTA coordinates intelligence-driven, multi-agency initiatives. The investigative targets of a DTO are its functional components including the following aspects:

- Precursor chemical acquisition
- Production
- Logistics
- Command and control
- Communications systems
- Transportation
- Money laundering and drug proceeds removal

The CVC HIDTA funded 8 core initiatives in CY 2005. Four (4) Supplemental Funded initiatives were also undertaken. One (1) unfunded National Guard led demand reduction initiative participated in the CVC HIDTA region.

Base Funded Initiatives for 2005:

- 5 Investigative DTO focused initiatives.
 - 1 Fugitive Initiative
-

- 1 Intelligence Initiative
- 1 Management Initiative

Supplemental Funded Initiatives during 2005:

- 1 Investigative Initiative, Central Valley Marijuana Investigative Team
- 1 Marijuana Fusion Center (Intelligence sub-system)
- 1 Domestic Market Eradication Program initiative
- 1 Highway Interdiction Initiative
- 1-CAMP-Campaign Against Marijuana Planting Eradication team
- 1- CAMP -Investigative team

Unfunded Drug Demand Reduction initiative:

California National Guard was housed in the ISC offices.

(Note - A detailed description of each initiative can be found in the 2006 Strategy.)

VI. HIDTA Performance Measures

Performance measures introduce a new capability to quantify and track HIDTA targets and monitor HIDTA results. With application of the new PMP, the CVC HIDTA Annual Report now functions as a report card; a barometer of HIDTA efficiency and effectiveness; a source for comparison with previous year efforts; and most importantly, a beacon for future action. The following series of tables and charts present specific outputs and efficiency measures organized in CVC HIDTA Goal order. These measurable results reflect a continuing increase in efficiency and effectiveness at lower programmatic costs.

Performance Measures for Goal 1

Goal 1: Disrupt the market for illegal drugs by dismantling or disrupting drug trafficking and/or money laundering organizations; and

Table 1 – DTOs and MLOs Disrupted or Dismantled for 2005

| HIDTA Law Enforcement Initiatives for 2005 at Central Valley California HIDTA | | | | | | | |
|---|-----------------|----------------|-------------|-------------------------|--------------|--------------------------|--|
| Year | DTOs Identified | Total Targeted | # Disrupted | % of Targeted Disrupted | # Dismantled | % of Targeted Dismantled | |
| Begin 2005 | 9 | 9 | 4 | 44% | 0 | 0% | |
| During 2005 | 39 | 37 | 9 | 24% | 7 | 19% | |
| Total 2005 | 48 | 46 | 13 | 28% | 7 | 15% | |

CVC HIDTA CY2005 field operations began with several very significant DTO investigations carried over from the previous year. The size, sophistication and diversified nature of the DTO's operations required considerable manpower to be dedicated to surveillances and other investigative activities. Investigators traveled across the country to Eastern and Central States pursuing investigative leads and collaborating with investigators in those jurisdictions. Although there may be fewer organizations reported as disrupted or dismantled, the statistics belies the scope and importance of those investigations.

Table 2 - Percentage of DTOs and MLOs Disrupted or Dismantled by Scope, 2005

| HIDTA DTOs Disrupted or Dismantled, for 2005, at Central Valley California HIDTA [ALL DTOs; MLOs included] | | | | | | | | |
|--|--------------|------------|-------------|-------------------------|--------------|--------------------------|-------------------------------|---------------------------------|
| Scope | # Identified | # Targeted | # Disrupted | % of Targeted Disrupted | # Dismantled | % of Targeted Dismantled | Total Disrupted or Dismantled | Total % Disrupted or Dismantled |
| International | 5 | 5 | 3 | 60% | 0 | 0% | 3 | 60% |
| Multi-state | 8 | 8 | 2 | 25% | 0 | 0% | 2 | 25% |
| Local | 35 | 33 | 8 | 24% | 7 | 21% | 15 | 45% |
| Total | 48 | 46 | 13 | 28% | 7 | 15% | 20 | 43% |

CVC HIDTA Initiatives worked throughout 2005 on intelligence driven investigations of major trafficking organizations. The investigation of local organizations naturally dominates investigative efforts as the sources of information and technical capabilities allow the initiatives to proceed within their normal range of operations.

Table 3 - Percentage of Money Laundering Organizations Disrupted or Dismantled by Scope, 2005

The Central Valley California HIDTA did not have any Money Laundering Organizations reported during 2005.

| HIDTA Money Laundering Organizations Disrupted or Dismantled, for 2005, at Central Valley California HIDTA | | | | | | | | |
|--|-------------------|------------|-------------|-------------------------|--------------|--------------------------|-------------------------------|---------------------------------|
| Scope | # Identified MLOs | # Targeted | # Disrupted | % of Targeted Disrupted | # Dismantled | % of Targeted Dismantled | Total Disrupted or Dismantled | Total % Disrupted or Dismantled |
| International | 0 | 0 | 0 | 0% | 0 | 0% | 0 | 0% |
| Multi-state | 0 | 0 | 0 | 0% | 0 | 0% | 0 | 0% |
| Local | 0 | 0 | 0 | 0% | 0 | 0% | 0 | 0% |
| Total | 0 | 0 | 0 | 0% | 0 | 0% | 0 | 0% |

Table 4 - Operational Scope of All DTO Cases Initiated for 2005

| HIDTA Operational Scope, 2005, at Central Valley California HIDTA | | | | |
|---|--------------|--------------|----------------|-------------------------|
| Scope | # CPOT Cases | # RPOT Cases | # OCDETF Cases | % OCDETF of Total Cases |
| International | 0 | 0 | 1 | 50% |
| Multi-state | 0 | 0 | 4 | 57% |
| Local | 0 | 1 | 4 | 27% |
| Total | 0 | 1 | 9 | 38% |

Drug trafficking organizations in the Central Valley HIDTA region are no different than the organized crime organizations identified as the “Mafia.” Although most are of a different ethnicity, they are as well organized, as ruthless, as well financed and managed as the Italian Mafia organizations of previous decades. The CVC HIDTA region DTO’s are comprised mostly of Mexican individuals. Many come from the State of Michoacan in Mexico. They are very tight knit and difficult to penetrate by undercover operatives. The fear of assault or death from DTO members minimizes the number of confidential informants that are recruited into the highest level of international DTO’s.

We have noted that the DTO's are efficient at the production of their illegal drugs. The U.S.-Mexico border does not appear to be a serious impediment either and escaping law enforcement detection is paramount. They now practice business diversification and are vertically integrated from raw material acquisition to product distribution. Police surveillance units frequently note that the DTO's practice counter-surveillance techniques. Their farms, ranches or compounds have been seen to have armed guards on occasion. The sophistication and intent of the Central Valley criminal organizations has caused them to be a potent force to be dealt with by law enforcement.

Long term investigations must be under taken in order to gather sufficient evidence for arrest and prosecution. Costly and protracted electronic surveillance methods must be employed in order to dismantle an organization. The Central Valley of California is an under-recognized production and transshipment locale for drug markets around the country. Their methamphetamine, marijuana, cocaine and heroin are delivered to virtually every major metropolitan area in the country. The significance of California as a drug source is reflected in the Threat Assessments of other HIDTAs. Most of them clearly reference that the source of their drug supply is in California. Highway interdiction and Pipeline stops in Northwest, Midwest and Eastern states disclose that drugs are outbound from California and bulk cash seizures are traveling west towards the state.

Tables 1 through 4 reflect the impact CVC HIDTA initiatives had on DTOs, not only within the HIDTA region itself, but also on a national and international level as well. Throughout the year, CVC HIDTA initiatives identify the most significant DTO's operating in the region.

These tables demonstrate the CVC HIDTA's commitment to improve community safety and reduce retail drug sales by targeting local DTOs. Targeting local DTO's is an important component of the HIDTA strategy as they generally have their sources of drug supply in Mexico. Oftentimes they become the "retail" distributors of the Mexico-produced drugs. Proving the exact nature of that supply source isn't always possible. Attacking the wholesalers who supply street level traffickers in conjunction with investigating larger DTO targets has a ripple effect in the drug supply chain. Arresting street dealers, even though the drug quantity seized may be small, impacts the ability of international and multi-state DTOs to get their drugs into the hands of drug users, thus helping in the overall disruption of this "black market industry." By making it more difficult and time consuming for drug buyers to "score" a local connection it disrupts the drug markets. If local agencies and task forces adopt a two pronged drug enforcement strategy that consists of attacking both the supply and demand, it is harder for street level dealers to sell their drugs and for buyers to obtain the substances. The ultimate result is market disruption as the DTO's are not able to move the volume of drugs that they want.

Table 5 - Drugs Removed from the Marketplace, 2005

| Drugs Removed from the Marketplace for Year 2005, at Central Valley California HIDTA | | |
|---|-----------------------------------|------------------------|
| Drugs Seized (kg or D.U.) | Amount Seized (kg or D.U.) | Wholesale Value |
| heroin kg | 2.550 | \$63,750 |
| cocaine HCL kg | 41.150 | \$678,975 |
| crack cocaine kg | 47.700 | \$620,100 |
| marijuana kg | 2218.000 | \$6,709,450 |
| marijuana plants and grows | 0 | \$0 |
| methamphetamine kg | 481.720 | \$6,491,177 |
| methamphetamine ice kg | 261.000 | \$5,096,025 |
| ecstasy(MDMA)(D.U.s) | 13044.000 | \$247,836 |
| Ephedrine | 11.400 | \$438,900 |
| Marijuana (outdoor) | 198068.859 | \$1584,550,872 |
| Other | 0 | \$0 |
| Other | 0 | \$0 |
| Other | 0 | \$0 |
| Total Wholesale Value | | \$1604,897,085 |

There are massive amounts of drugs in the Central Valley HIDTA region during any given year. The region is both a manufacturing and warehousing region for illicit drugs and a waypoint to other states in the nation. Most major DTO's assume the likelihood that a portion of their drugs will be seized by law enforcement. These are generally considered to be "acceptable losses" but are to be avoided whenever possible. During CY 2005, the CVC HIDTA had a significant impact on the region's drug trade through its drug seizures. HIDTA initiatives submit an annual drug price list showing the market price of each drug type in their respective territory. These are averaged for the entire area and a median value is reported for PMP purposes. Since HIDTA initiatives investigate the higher-level of drug organizations, they are considered to operate at the "wholesale" level and their price lists reflect that focus. Table 5 lists the wholesale values of the respective drugs seized, thus giving a depiction of the drugs in circulation and economic impact of removing these drugs from the marketplace. In this fashion, achieving the

CVC HIDTA goals is more clearly shown in terms of real dollar outcomes. Table 6 shows the Actual ROI on drug seizures.

Table 6 - Return on Investment (ROI) for Drugs Removed from the Marketplace by Law Enforcement Initiatives, 2005

| Central Valley California HIDTA Return on Investment (ROI) for Drugs Removed from the Marketplace by Law Enforcement Initiatives, by Year 2005 | | | | | |
|--|----------------|-------------------------------|-------------------|--|-----------------|
| Year | Budget | Baseline Drug Wholesale Value | Targeted Drug ROI | Drug Wholesale Value Removed From Market | Actual Drug ROI |
| 2004 | \$2,259,166.00 | \$22,259,166.00 | \$2.00 | \$1,198,261,165.00 | \$530.00 |
| 2005 | \$4,991,842.00 | \$22,259,168.00 | \$2.00 | \$1,604,897,085.00 | \$321.50 |

Table 7 - Return on Investment (ROI) for Assets Removed from the Marketplace by Law Enforcement Initiatives, 2005

| Central Valley California HIDTA Return on Investment (ROI) for Assets Removed from the Marketplace by Law Enforcement Initiatives, by Year | | | | | | | |
|--|--------------|-------------------------------|--------------------|--|--------------|--------------|------------------|
| Year | Budget | Baseline Value of Drug Assets | Targeted Asset ROI | Value of Drug Assets Removed from Market | | | Actual Asset ROI |
| | | | | Cash | Other Assets | Total | |
| 2004 | \$2,259,166 | \$4,518,832 | \$2. | \$2,757,875 | \$1,754,600. | \$4,512,475 | \$2. |
| 2005 | \$4,991,842. | \$4,518,332 | \$2. | \$1,440,801. | \$5,598,894. | \$7,039,695. | \$1.41 |

CVC HIDTA initiatives had a return on investment of \$1.41 for every dollar invested in asset seizures. Although seizing and forfeiting assets obtained from drug sales is an important component of task force operations, it is not a primary component of enforcement operations. Asset seizures vary greatly from year to year and the variables do not lend themselves to easily project that a given amount will be seized annually. It is well-recognized that the costs to participating law enforcement agencies are quite high and exceed that which HIDTA provides. These costs include such expenses as officer salaries, police overhead and so forth. Table 7 does factor in such outside expenses when calculating ROI, but is focused directly on what HIDTA spends. It is surmised that the target 2005 ROI of \$2.00 was not met because of the exhaustive investigative efforts that occupied most of the initiative’s available time.

Table 8 - Total Return on Investment (ROI) for Drugs and Assets Removed from the Marketplace by Law Enforcement Initiatives, 2005

| Central Valley CA HIDTA Total ROI by Year | | | | | |
|---|--------------|---------------------------|--------------------|--------------------------------------|------------------|
| Year | Budget | Drugs and Assets Baseline | Targeted Total ROI | Drugs and Assets Removed From Market | Actual Total ROI |
| 2004 | \$2,250,166 | \$6,777,498 | \$3 | \$1,202,809,640 | \$532 |
| 2005 | \$4,991,842. | \$6,777,498 | \$4. | \$1,611,936,780. | \$322.91 |
| 2006 | | | | | |
| 2007 | | | | | |

A criminal enterprise is somewhat similar to a business corporation. Corporate survival and profit making are key issues to staying in business. A DTO is no different in that has its structure and vulnerabilities. A criminal organization may be disrupted or dismantled much like a business can. One of the effective techniques for disassembling a DTO is reducing its drug assets and consequently its ability to pay its “stockholders” and survive. In the case of a drug trafficking criminal organization, seizing its drug assets is an effective and efficient methodology for damaging the DTO’s ability to continue in a highly competitive marketplace.

Tables 6, 7 and 8 demonstrate the efficiency of the CVC HIDTA initiatives and their identification and targeting of the region’s most-significant drug trafficking organizations. Utilizing intelligence directed investigations presents opportunities for success and the realization of larger returns than less sophisticated investigative methods. The drug and asset seizures serve as testimony as to the success of long-term investigations.

As shown in Tables 6 and 7, the CVC HIDTA law enforcement officers seized \$1.604, 897,085.00 wholesale value of illicit drugs during 2005. The seizures culminated several long-term investigations of high-level DTO’s engaged in the production and distribution of wholesale quantities of drugs. The volume of drugs seized in 2005 may not be repeated in subsequent years however the potential remains.

In all, the CVC HIDTA permanently removed 1.6 billion dollars in illicit drugs and drug related assets from the marketplace. This is a remarkable figure and reflects a ROI of \$322.91 for CY 2005. . Significant benefits were achieved at low cost.

Table 9 - Prosecution Outputs and Outcomes, 2005

| HIDTA Cost per Investigation by Year at Central Valley California HIDTA HIDTA | | | | |
|---|-------------------------|--------------------------|------------------------|-----------|
| Year | Investigations Baseline | Investigations Projected | Investigations Handled | % Handled |
| 2004 | 0 | 0 | 0 | 0% |
| 2005 | 0 | 0 | 0 | 0% |

No prosecution initiatives exist in the CV HIDTRA

Table 10 - Value of Clandestine Methamphetamine Labs Dismantled by size for 2005

| HIDTA Methamphetamine Laboratories Dismantled in 2005, at Central Valley California HIDTA | | | |
|---|-------------|------------|--------------------------|
| Meth Cost Per Ounce | | \$525.00 | |
| Lab Size | ID/Targeted | Dismantled | Value of Labs Dismantled |
| A. Less than 2 Oz | 17 | 17 | \$17,850.00 |
| B. 2 - 8 Oz | 18 | 18 | \$47,250.00 |
| C. 9 Oz – 1 Lb | 2 | 2 | \$13,125.00 |
| D. 2 - 9 Lbs | 3 | 3 | \$138,600.00 |
| E. 10 - 20 Lbs | 16 | 16 | \$2,016,000.00 |
| F. Over 20 Lbs | 4 | 4 | \$672,000.00 |
| Total | 60 | 60 | \$2,904,825.00 |

Methamphetamine production continued throughout 2005. The chart leads the reader to believe these were one-time “clanlab” events but that is incorrect. Methamphetamine laboratories can operate for months or years before discovery. Evidence gathered by law enforcement initiatives now proves the movement of large superlabs into remote regions. Mexico based trafficking organizations are the preeminent poly-drug traffickers in the United States. They excel at hiding their superlabs in extremely rural and remote locations escaping detection and intervention. The Mexican organizations have sources of supply for chemicals, precursors and solvents needed to produce methamphetamine in clandestine laboratories throughout the region. Superlabs remain numerous and the region has been a leader for several years in methamphetamine laboratories capable of producing over 20 pounds in a single production cycle.

The Central Valley HIDTA region has been the “Meth Capitol” of the United States for several years. DTOs import pseudoephedrine and ephedrine from Canada and Mexico as well as purchased it from domestic sources. In the last three years, there has been a recorded decline in the number of methamphetamine “superlabs” in the region, law enforcement has only speculated on the cause for the declines. The leading explanation has been that the immense concerted law enforcement and community pressures in California that developed over the past 20 years of dealing with the methamphetamine lab problems have finally shown to be effective. The coordination of efforts from the California Precursor Committee, the National Methamphetamine Chemicals Initiative, the California Multi-Jurisdictional Methamphetamine Enforcement Team (Cal-MMET) program and the HIDTAs have proven their worth. To a limited extent, clandestine laboratories may have been displaced to other states and back into Mexico however CVC HIDTA initiatives continue in their enforcement efforts against the many laboratory operators in the region.

Table 10 shows that CVC HIDTA initiatives identified and targeted 60 labs and dismantled all. Methamphetamine has an average local selling price of \$525. per ounce. That is down from the \$620 per ounce price of last year. The removal of nearly \$3,000,000 worth of methamphetamine has had little impact on the region’s supply. It is worth noting that the average price of an ounce of methamphetamine had dropped nearly \$100 from 2005 to 2006. We believe this supports the contention of abundant meth supplies in the HIDTA area.

Table 11 - Clandestine Laboratory Activities, 2005

| HIDTA Clandestine Activities for Central Valley California HIDTA, in 2005 | | | | |
|--|-----------------|--------------------|---------------------|---------------------|
| | Baseline | # Projected | # Identified | % Identified |
| Laboratory Dump Sites Seized | 63 | 67 | 115 | 171% |
| Chemical/Glassware Equipment Seizures | 5 | 22 | 22 | 100% |
| Persons Affected: | | | | |
| Children | 0 | 61 | 61 | 100% |

Table 11 shows three methamphetamine related activities that are indicia of the extent of a region’s methamphetamine problems. The chart merely records events but does not impart the scope of the clandestine laboratory dumpsites, for example. Table 11 does not quantify the impact of tons of toxic substances buried in the farmlands of this region. It does provide an understanding that the business community often plays an innocent role in the operation of clandestine laboratories. The demand for pseudoephedrine in this region is generally met by one of two ways. First is the importation and acquisition of bulk ephedrine hydrochloride or pseudoephedrine to use as the essential precursor for the production of methamphetamine. Bulk quantities of pseudoephedrine are harder to acquire as a result of rigorous enforcement by U.S.

and Canadian authorities. Mexico-based DTOs import from foreign sources into that country and it is assumed that the majority of the pseudoephedrine is used in Mexican laboratories.

The second source of obtaining pseudoephedrine is through the purchase or theft of cold tablets containing the drug in compound. Large groups of individuals and often street gang members can make considerable profits from engaging in “smurfing.” That term is applied to many individuals going to retail outlets throughout the region and buying the legal limits of cold pills. The individual purchases are then aggregated at a central location and the “bulk” tablets are sold to the methamphetamine producing individuals. The number of suspicious calls from merchants reflects the valued relationship that has been developed between the CVC HIDTA’s Precursor Vendor Program investigators and their merchant training programs which instruct store operators on the methods and techniques of those buying essential products for methamphetamine production.

The decline in dumpsites, chemical and glassware seizures have been readily apparent for the last few years. Methamphetamine manufacturers came to realize that police officers were studying their dumpsites in detail and processing the evidence as a crime scene. Often fingerprints and identifying items found intermingled in the dumpsite led to criminal prosecutions. Also, clusters of dumpsite patterns are analyzed to determine the estimated production volume and duration of production of related methamphetamine laboratories. The analysis of dumpsites and their materials has led to focusing investigative efforts to within a few miles radius of the dumpsites. On occasion the laboratories were located by conducting a search of the surrounding area which was often rural and sparsely populated. Now the methamphetamine manufacturers are burying their toxic dumpsite material in the ground using tractors and bulldozers rather than risking discovery by the police. The adverse environmental impact of this practice is clear. The CVC HIDTA initiatives have been successful with identifying and dismantling operational laboratories, as indicated in Table 10.

Chemical dump sites pose a significant health hazard for the CVC HIDTA region, its population and the agricultural lands. Intelligence analysts and initiative investigators combined to identify 115 dump sites in 2005. The California Department of Toxic Substances is responsible for dumpsite remediation after law enforcement completes its investigative activities.

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Goal 2:
 Improve the efficiency and effectiveness of HIDTA initiatives.

Performance Measures for Goal 2

Table 12 – CVC HIDTA Training Efficiency by Year and Type of Training for 2005

| HIDTA Training Efficiency, 2005, at Central Valley California HIDTA | | | | | | | | | | | |
|---|----------------------------------|------------|--------------------|------------|------------------------------------|--------------|---------------------|-----------------|------------------------|----------------|--------------------|
| Type of Training | # Students Expected for Training | | # Students Trained | | # Training Hours Actually Provided | | Total Training Cost | | Training Cost per Hour | | % Change 2004-2005 |
| | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 | |
| Analytical/Computer | 25 | 25 | 21 | 33 | 526 | 160 | \$7,168 | \$7,650 | \$14. | \$47.81 | 313% |
| Investigative/Interdiction | 410 | 400 | 516 | 664 | 6703 | 833 | \$48,383 | \$57,935 | \$7. | \$69.55 | 1000% |
| Managment/Administrative | 40 | 3 | 30 | 5 | 432 | 96 | \$3,534 | \$2,240 | \$8. | \$23.33 | 300% |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | \$0 | \$0 | 0 | 0 | 0% |
| Total | 475 | 428 | 498 | 702 | 7,623 | 1,089 | \$59,135 | \$67,825 | \$29.00 | \$62.28 | 214% |

Training is essential in improving the safety, efficiency and effectiveness of CVC HIDTA initiative operations. Training that focuses on providing the lawfully mandated clandestine laboratory investigation skills (OSHA Hazardous Materials Technician, etc.) is the primary training type for HIDTA initiatives. Most initiatives maintain standing “clan’lab” teams on constant stand-by duty in preparation of a laboratory callout. The CVC HIDTA provided training to 702 students in 2005 for a total of 1,089 classroom hours. The training was designed to improve their analytical skills, bolster their investigative knowledge and develop their managerial abilities. This training, which cost CVC HIDTA on average \$62.00 per classroom hour reflects the technical sophistication of this year’s training programs such as those required for highway interdiction. Naturally, this training was provided free of charge to CVC HIDTA assigned investigators. These training courses would not have been available without CVC HIDTA support, funding and the utilization of no-cost guest instructors provided by a variety of training vendors.

Table 13 follows and depicts one of the critical aspects of drug law enforcement activities in the Central Valley California HIDTA region. Investigators and intelligence analysts have

used the event and case deconfliction system provided through the Los Angeles Clearinghouse (LA HIDTA) and the Western States Information Network for many years. Its intent is to provide increased officer safety by coordinating investigative activities and avoiding one undercover drug investigator from “selling” purported drugs to another undercover officer “buyer.” This traditional “sting” type of operation concludes in an arrest situation and critical event deconfliction is designed to preclude the “buyer” officer from believing that he/she is the subject of an armed robbery. Coordinating investigations and ensuring no duplicative investigative efforts over a wide-region is the intent of “case or subject” deconfliction. Both event and case/subject deconfliction are done through the same system throughout California.

Table 13 - Percentage of HIDTA Initiatives Using Event and Case Deconfliction Services, 2005

| HIDTA Deconfliction Services by Year at Central Valley California HIDTA | | | | |
|--|--------------------------------|---|-------------------------------------|-------------------------------------|
| Year | Total HIDTA Initiatives | # Initiatives Targeted to Use Services | # Initiatives Using Services | % Initiatives Using Services |
| 2004 | 6 | 6 | 6 | 100% |
| 2005 | 7 | 7 | 7 | 100% |
| 2006 | 7 | 7 | 0 | 0% |
| 2007 | 0 | 0 | 0 | 0% |

The CVC HIDTA mandates that all enforcement and intelligence initiatives utilize the deconfliction services and all initiatives participate in this endeavor.

Table 14 - Percentage of Event and Case Deconflictions Submitted for 2005

| HIDTA Deconfliction Submissions by Year at Central Valley California HIDTA | | | | | | |
|---|--|---|---|--|---------------------------------------|-----------------------------------|
| Year | Baseline # Deconflictions Submitted | # Deconfliction Submissions Expected | # Event Deconflictions Submitted | # Case/Subject Deconflictions Submitted | Total Deconflictions Submitted | % Deconflictions Submitted |
| 2004 | 5000 | 5000 | 7683 | 11302 | 18985 | 153% |
| 2005 | 29500 | 40000 | 418 | 40781 | 41199 | 102% |
| 2006 | 29500 | 51500 | 0 | 0 | 0 | 0% |
| 2007 | 29500 | 35000 | 0 | 0 | 0 | 0% |

All the four (4) California HIDTAs along with Washington, Oregon, Hawaii and Nevada HIDTA use the same Critical Event Deconfliction system. The advantages of this are immeasurable as traveling criminals and DTOs operating over a broad area are put at a disadvantage. In California, for example, the HIDTA regions are very close to each other in some circumstances and adjoining task forces often collaborate on investigations even though they are listed as being part of different HIDTA programs. One example is the LA HIDTA #44 task force and the CVC HIDTA’s Southern Tri County Task Force. Another is the Sacramento Area Intelligence Narcotics Team and the San Francisco (Northern California HIDTA) task forces.

It is clear that separate law enforcement initiatives, while aggressively pursuing suspects or engaged in a tactical event, can easily cross paths in the field. This can be detrimental to an investigation or dangerous if either party is unaware of the other. In a “best case” scenario, it merely results in harmless interference. At worst, however, it could cost an officer his or her life in a dangerous encounter. Information which can serve to deconflict such potential encounters is vital to well coordinated policing. The CVC HIDTA provides such information through its deconfliction system. Table 13 and 14 depict the usage by CVC HIDTA initiatives. Event and case/subject deconfliction data is provided by the Los Angeles Clearinghouse War Room and we 2004 activity data sets the baseline. These services promote officer safety, conserve resources and help to coordinate investigations.

Table 15 - Percentage of Investigations Provided Analytical Support for 2005

| HIDTA Investigations Supported by Year at Central Valley California HIDTA | | | | |
|--|---|---|---|--|
| Year | Baseline # Investigations Receiving Analytical Support | # HIDTA Investigations Targeted for Analytical Support | # HIDTA Investigations Provided Analytical Support | % Targeted Investigations Supported |
| 2004 | 455 | 450 | 567 | 126% |
| 2005 | 455 | 145 | 478 | 329% |
| 2006 | 455 | 160 | 0 | 0% |
| 2007 | 455 | 150 | 0 | 0% |

The CVC HIDTA Investigative Support Center staff and its decentralized intelligence analyst positions were relied upon for their specialized services throughout the year. Table 15 depicts the case-support activity by the analysts. It shows that this labor-intensive activity has

been readily accepted by investigators as being critical to intelligence led policing efforts. The demand for intelligence support to investigations increases yearly as the value of such an effort is demonstrated to case investigators. The intelligence analyst resources and time are finite however and are readily achieving a maximum-output capacity. HIDTA analysts supported 70 wiretaps and 137 pen registers during 2005.

Table 16 - HIDTA Initiative Cases Referred to Other HIDTAs and Other Agencies for 2005

| HIDTA Initiative Investigations Referred by Year at Central Valley California HIDTA | | | | | | |
|---|---------------------------------------|---|--|--|--|---|
| Year | Total HIDTA Initiative Investigations | # Initiative Investigations Targeted for Referral | # HIDTA Initiative Investigations Referred to Other HIDTAs | # HIDTA Initiative Investigations Referred to Other Agencies | Total Initiative Investigations Referred | % Targeted Initiative Investigations Referred |
| 2004 | 864 | 10 | 9 | 15 | 24 | 250% |
| 2005 | 1333 | 15 | 11 | 8 | 19 | 126% |
| 2006 | 0 | 25 | 0 | 0 | 0 | 0% |
| 2007 | 0 | 33 | 0 | 0 | 0 | 0% |

Tables 15 and 16 depict the intensity level of investigations and the regional focus of investigative work. At the same time Table 16 demonstrates the positive outcome achieved by CVC HIDTA initiatives in the areas of interacting with other agencies and affiliated Case Referrals. These activities are essential to the CVC HIDTA and improving efficiency and effectiveness through information sharing and coordinated intelligence collection and dissemination. The CVC HIDTA far exceeded the anticipated number of requests for analytical support (Table 15), and in virtually every instance it was able to provide some level of service to investigators. Further, CVC HIDTA investigators and analysts referred 19 investigations either to other HIDTA regions or other agencies for additional scrutiny and investigative action.

Table 17 Fugitives Targeted and Apprehended for 2005

| Central Valley California | | HIDTA Fugitives Targeted and Apprehended by Year | | | |
|---------------------------|--------------|--|--------------------------|---------------|---------------------------|
| Year | # Identified | # Targeted | % Targeted of Identified | # Apprehended | Apprehended % of Targeted |

| | | | | | |
|------|-----|-----|------|-----|-----|
| 2004 | 296 | 296 | 100% | 237 | 80% |
| 2005 | 749 | 681 | 100% | 681 | 90% |
| 2006 | | | | | |
| 2007 | | | | | |

Table 17 reflects the number of drug fugitives targeted and apprehended by the CVC HIDTA initiatives during the calendar year. These performance figures illustrate the difficulty of locating individuals who are fugitives hiding from the law and often fleeing from the region. At the same time, Table 17 provides insight as to the effectiveness of the HIDTA’s initiative entitled Joint Fugitive Task Force. A HIDTA intelligence analyst is assigned to the U.S. Marshal’s office to help in the research of investigative targets. It finds over 8 out of 10 fugitives that it goes after.

Table 18 Outdoor Marijuana Plants Eradicated

| Central Valley CA HIDTA Outdoor Marijuana Plants Eradicated | | | | |
|---|--|--|-------------------------------------|--------------------------------------|
| | Mj Cost Plant Kg | \$8,000 | | |
| Year | # Plants on Federal Land Identified/Targeted | # Plants on Non Federal Land Identified/Targeted | Total # Marijuana Plants Eradicated | Value of Marijuana Plants Eradicated |
| 2004 | 362,833 | 59,511 | 422,344 | \$1,174,112,984 |
| 2005 | 292,795 | 211,586 | 504,351 | \$1,834,003,636 |
| 2006 | | | | \$0 |
| 2007 | | | | \$0 |

NOTE: Plants and Price expressed in Kilograms – Average yield=1 lb + per plant.

California led the nation in 2005 for the production of outdoor marijuana on public and private lands. The terrain and climate together with a seemingly limitless number of alien Mexican workers provide the well-financed and operated DTOs with an opportunity to reap profits in the billions of dollars. The National Marijuana Initiative lists 6 major marijuana states



behind California. The three West Coast states and Hawaii comprise the Western Four. The most prominent western states having interconnected DTO’s and interstate production efforts.

Spotting high mountain marijuana gardens requires trained aerial spotters working with state and local agencies.



Once they identify the marijuana plots and then operational plans are constructed as to how to best dismantle the grow site. Often these marijuana plantations encompass a wide area and include thousands of marijuana plants growing in a vast number of individual plots, generally fed by a single water supply. General trends are that the plants are grown between 1,500 and 5,000 feet elevations. The sites are generally within a mile or two of the nearest trail head, up steep mountainous trails and all supplies must be carried in on backpacks. Eradication teams are often inserted via helicopter cables as pictured above right. Eradicating marijuana is depicted in the photo on the left.

The DTO's often recruit a small "army" of illegal aliens to prepare the grow sites in approximately March to April after the snows recede and weather permits establishing a base camp. Potential growing locations are scouted out during the winter months and DTO advance party surveyors have been reported operating as early as February. Once the irrigation systems have been installed and the ground prepared and planted, Mexican aliens are left in charge of the plot with specific instructions to tend the plants and safeguard the crops. Most grow sites have had weapons present creating a hazard for hikers, campers, hunters and general day users of the forests.

Marijuana producing organizations plant seeds that produce high-quality Sensimilla buds which are sometimes sold as "BC Bud," a variety of marijuana that may command a higher price. The general appearance of the California produced marijuana bud denotes its high-quality and desirability to the marijuana abuser. These bring an average price of \$8,000 per kilogram in the region. Because of their value, armed guards are deemed to be a requirement in the marijuana gardens. This presents the challenge to law enforcement whenever they attempt to harvest the growing crops.

Table 19 Percentage of Intelligence Driven Cases Supported by Year

| Central Valley CA HIDTA Intelligence Driven Cases | | | | | |
|---|----------------------------|---------------------------------|------------------------------|-----------------------|-------------------|
| Year | Baseline # Cases Generated | # Cases Strategically Supported | # Cases Tactically Supported | Total Cases Supported | % Cases Supported |
| 2004 | 863 | 2 | 547 | 549 | 64% |
| 2005 | 863 | 3 | 478 | 481 | 56% |
| 2006 | | | | | |
| 2007 | | | | | |

The CVC HIDTA Investigative Support Center provides intelligence support to every initiative either through on-site analysts or through the centralized Investigative Support Center in Fresno. The demand for intelligence support exceeds the number of available analysts and analyst-time. Although the intelligence resources in the CVC HIDTA region are limited, table 20 shows the impressive level of effort expended to support investigations. HIDTA initiatives

are

| Central Valley HIDTA Spin-off Cases Referred for Year | | | | | |
|---|---------------------------------|---------------------------|------------------------|---------------------------|--|
| Year | Baseline # Prisoner Debriefings | Baseline # Spin-off Cases | # Prisoner Debriefings | # Spin-off Cases Referred | % Change in Cases Referred from Baseline |
| 2004 | 85 | 15 | 142 | 54 | 260% |
| 2005 | 85 | 15 | 453 | 19 | 126% |
| 2006 | | | | | |
| 2007 | | | | | |

extremely busy pursuing local, multi-state and international drug targets in this area that is considered to be a “target rich environment.”

Table 20 – Number of Spin-off Cases referred for Year 2005

CVC HIDTA initiatives were busy and opened over 1,300 investigations during 2005. Each year the number of spin-off cases may fluctuate considerably however doing so ensures that investigative targets are pursued if they move outside of the region. All agencies strive whenever possible to refer investigations to other agencies and to other HIDTAs for appropriate follow-up. The Table 21 data shows that CVC HIDTA initiatives exceeded their baseline by 126% during 2005 and offered spin-off cases to other agencies 19 times.

VII. Conclusions

The Central Valley California HIDTA Executive Board’s 2005 Strategy was enacted and achieved. The Performance Management Process database chronicles the results of this program’s work during the year. The data illuminates the extent and complexity of this region’s drug trafficking and how both National and Central Valley HIDTA goals are on target for mission attainment. Clear evidence of successful strategy enactment and initiative productivity is present throughout the report. One must conclude the inescapable fact that with each arrest and drug seizure, drug availability is somehow reduced. The criminals that comprise the identified DTOs are being prosecuted and the organizations are disrupted or dismantled (Goal 1). These accomplishments are done with relative efficiency, effectiveness and at reasonable cost. HIDTA sponsored training and information sharing programs (Goal 2) strive to unilaterally improve initiative operations and achieve greater efficiencies yielding a greater return on the investment of public tax dollars.

Merely because an initiative improves its performance without increased funding does not necessarily prove efficiency or effectiveness by itself. Examining the Outcomes of an initiatives work is important. Key introspective questions should be asked: “Are law enforcement agencies working together better and more effectively? Is information reaching the people who need it? Have traditional barriers among different law enforcement agencies been overcome sufficiently

so that these entities can find a common ground to pursue common goals? Are we making real progress in addressing illicit drug trafficking organizations? The results set forth in this CY 2005 Annual Report suggest that all these questions can be answered affirmatively.

The CVC HIDTA has created a pathway for success in future law enforcement undertakings through its neutrality and collaboration building. The HIDTA program brought divergent law enforcement agencies together and forged a unified force to address the serious drug trafficking issues facing the San Joaquin and Sacramento Valley areas of Central California. Heretofore, many agencies feared a breach of security or confidentiality if they permitted “outsiders” to look at confidential files and share investigative information. This, no doubt, foreclosed some opportunities to disrupt or dismantle significant DTOs and one can only speculate about how many drug and violent crimes remain unsolved because information held by one department or agency was never shared with another.

Since the CVC HIDTA began in 1999 there has been a steady and positive increase in the number of participant agencies, number of queries and data elements shared through the HIDTA information sharing system. With the enactment of the National Criminal Intelligence Sharing Plan and the National Virtual Pointer Index, interagency coordination continues to improve. Technology developments are greatly contributing to this behavioral transition. West Coast HIDTAs currently use the WSIN/RISS System for intelligence and deconfliction. It is scheduled for modifications and improvements in 2006 with a transition to RISSIntel and better integration with all other RISS projects in the nation. These system changes will improve connectivity into the National Virtual Pointer Index which most HIDTAs use. The expanded use of HIDTA.net and LEO.gov systems has enabled secure data transmission between federal and local agencies that never had this capability before.

Intelligence support to investigations became more prominent in 2005. The construction and operation of the Central Valley HIDTA Intelligence Fusion Center was accomplished during 2005. This was built and staffed with funding from the National Marijuana Initiative. It is a collaborative effort with the California National Guard and is a centralized analytical center that receives and disseminates all-source intelligence information on marijuana growing organizations. Fusion Center staff works with the intelligence analysts throughout California, Oregon, Washington and elsewhere to share information and enhance the investigative process.

Law enforcement initiatives operating in the Central Valley California region continued to make significant progress in identifying, investigating and dismantling the most dangerous and prolific drug traffickers operating in the region during 2005. As the tables and charts presented throughout this report clearly attest, CVC HIDTA initiatives continue to support HIDTA Goal 1 objectives.

Illicit drug availability has been reduced yet the challenges remain in every locality. HIDTA initiative drug seizures, coupled with drug asset seizures have put a major crimp in DTO activities yet much needs to be done as the demand for drugs continues at a high rate throughout the region. CVC HIDTA is extremely pleased that its initiatives comply fully with the precepts

of HIDTA Goals 1 and 2. They have demonstrated efficiency and effective methodologies to achieve their results to date and continue to improve into the current operating year. CY 2005 marked a positive turning point in the CVC HIDTA history of fighting illicit drug activities. HIDTA leadership, both nationally and locally, envisioned an organization that could do even more than had been accomplished in previous years. It saw an organization that could improve by becoming more proactive and developed a Performance Management Process to measure the relative effectiveness of each HIDTA.

For several years the CVC HIDTA has been developing and improving initiative operations and expertise through a no-cost training program. The CVC HIDTA Executive Director has worked with regional agencies to develop alternate programs that address the various nuances of the drug threat in this region. New programs such as Highway Interdiction, violent gang intervention, 25 Cities Program and others that were conceived and developed during 2004 continued into 2005. CVC HIDTA leadership stressed that the initiatives need to continue with the emphasis on education of their members, developing the essential skills and honing the tradecraft of drug enforcement. During CY 2005, the CVC HIDTA Vision and Mission statements remained as the beacons for developing agency goals, objectives and programs. The HIDTA Vision provides the bright line for all to follow into the foreseeable future. Achieving that mission involves a myriad of individuals, efforts and outcomes. Annual outputs and outcomes will be measured and compared to previous efforts in order to evaluate the performance of each initiative and achievement of the HIDTA strategy. The National HIDTA program and the CVC HIDTA Executive Board have created a shift in the organizational paradigm recognizing that operational effectiveness must be measured and held up to the light of accountability.

Identifying measurable results for each federal dollar spent was adopted by the National HIDTA program as a key component of the new CVC HIDTA focus on meaningful outcomes. This is one of the main principles that now guide how every CVC HIDTA initiative approaches its effort to reduce drug crime and its harmful consequences. More than 100 federal, state and local agencies in the CVC HIDTA region participate in the CVC HIDTA law enforcement, investigative support initiatives.

The first component of the CVC HIDTA strategy for the preceding year was to develop goals and objectives that each initiative could embrace, with measurable outputs and outcomes that would form the basis for a reasonable means of self assessment and evaluation. The national HIDTA goals provided the roadmap. The CVC HIDTA Executive Board carefully considered the nature of their activities and provided the vision and mission. Based on many years of direct experience in the field, initiative supervisors, agency managers, and CVC HIDTA staff developed the measurable outputs and outcomes. Through training and constant reinforcement of the goals and objectives, each initiative began its 2005 program with enthusiasm and ended the year successfully.

There is still a great deal of work left to do. The presence of internationally-connected drug trafficking organizations, the continuing unacceptably high levels of methamphetamine, heroin,

cocaine and marijuana addiction plague the CVC HIDTA region. Drug-related crime in the Cities, Counties and Towns of the nine CVC HIDTA counties continues. By bringing together criminal justice professionals and adhering to the CVC HIDTA Strategy, the current initiatives as well as other innovative and effective solutions will be applied to the region's drug threats. The Central Valley California HIDTA will continue to lead the region's drug enforcement effort.

VIII. Appendices

- A. Table of Organization for the HIDTA.
 - B. Table listing composition of Executive Board showing local, state and federal affiliation.
 - C. List of participating agencies.
 - D. List of Counties participating in the HIDTA
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APPENDIX A - See Attached

APPENDIX B

CENTRAL VALLEY CALIFORNIA HIDTA EXECUTIVE BOARD MEMBERS

FEDERAL AGENCY MEMBERS:

1. Antonio C. Amador, United States Marshal
2. Javier Pena, Special Agent in Charge, Drug Enforcement Administration
3. Charles H. Demore, Special Agent in Charge, Bureau of Immigration and Customs Enforcement
4. McGregor Scott, United States Attorney, Eastern District of California
5. Roger Wirth, Special Agent in Charge, Internal Revenue Service
6. Drew Parenti, Special Agent in Charge, Federal Bureau of Investigation
7. Paul Vido, Special Agent in Charge, Alcohol, Tobacco and Firearms
8. Scott Hinson, SAC National Park Service
9. Col. Richard Lesch, National Guard Program

STATE AND LOCAL AGENCY MEMBERS

10. Lou Blanas, Sheriff, Sacramento Sheriffs Department
 11. Elizabeth Egan, District Attorney, Fresno County
 12. Jerry Dyer, Chief, Fresno Police Department
 13. Mark Herder, Chief, Stockton Police Department
 14. Rick Oules, Director, California Department of Justice
 15. Richard Pierce, Sheriff, Fresno Sheriffs Department
 16. Mark Puthuff, Assistant Sheriff, Stanislaus County Sheriffs Department
 17. Mac Wimbish, Sheriff, Kern County Sheriffs Department
 18. Bill Wittman, Sheriff, Tulare County Sheriffs Department
 19. Mark Pazin, Sheriff, Merced County Sheriffs Department
 20. Bill Rector, Chief of Police, Bakersfield Police Department
-

APPENDIX C

PARTICIPATING AGENCIES:

Federal

Alcohol, Tobacco and Firearms
Drug Enforcement Administration
Federal Bureau of Investigation
Immigration and Customs Enforcement, DHS
Internal Revenue Service
Office of the Inspector General
United States Attorney for the Eastern District of California
US Marshal Service

State Agencies

Bureau of Narcotics Enforcement
CA Department of Corrections
CA National Guard
CA Youth Authority
California Highway Patrol

Local Agencies

Bakersfield Police Department
Delano Police Department
Fresno County Sheriffs Department
Fresno Police Department
Fresno County Child Protective Service
Kern County Sheriffs Department
Kings County Sheriffs Department
Madera County Sheriffs Department
Merced County Sheriffs Department
Modesto Police Department
Sacramento County Probation Department
Sacramento County Sheriff's Department
Stanislaus County District Attorney
Stanislaus County Probation Department
Stanislaus County Sheriffs Department
Tulare County Sheriffs Department
Yolo County District Attorney

APPENDIX D

LIST OF COUNTIES CENTRAL TO THE HIDTA REGION

Northern Region

Sacramento County
San Joaquin County

Central Region

Stanislaus County
Madera County
Merced County
Fresno County

Southern Region

Kern County
Tulare County
Kings County

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ⁱ Estimates of the Size and Characteristics of the Undocumented Population, Pew Hispanic Center, March 21,2005

ⁱⁱ CVC HIDTA Commissioned study on Methamphetamine Admission Trends, 2005