

CALIFORNIA CITRUS NURSERY BOARD

MINUTES OF MEETING

June 10, 2009

Riverside, California

Chairman Bob Zuckerman called a meeting of the California Citrus Nursery Board to order at 1:00 p.m. on Wednesday, June 10, 2009 at the Citrus State Historical Park in Riverside, California. Roll was taken, showing a quorum was present with the following in attendance:

Members

Robert LoBue
Don Dillon
Gary Moles
Tom Mulholland
Larry Rose
Bob Zuckerman
Lane Miller

Alternates

Jose Lima *
Jackie Maxwell
Leonard Massey

Guests

Ed Needham, Duarte Nursery
Tia Russell, Duarte Nursery
John Duarte, Duarte Nursery
Javier Castillon, Duarte Nursery
Craig Sheward, UCR
Georgios Vidalakis, UCR/CCCCP
Tim Williams, UCR
Bill Callison, CConsultations
Jim Bethke, UCCE, San Diego

** Alternate acting in lieu of member*

CDFA

Susan McCarthy
Mike Colvin
Joe Monson

Staff

Jim Melban, MMS

Minutes of Previous Meeting

On a motion by Moles and a second by Rose, the minutes of the meeting of December 10, 2008 were approved as mailed.

Committee Reports

Research Committee – Research Committee Chairman Dillon introduced Jim Bethke, UCCE San Diego County, who gave a power point presentation requesting Board funding for a project entitled, “Optimization of imidacloprid application rates for the management of Asian Citrus Psyllid on containerized citrus”. (Exhibit A”) Bethke said that the cost of the project for 2009 would be \$85,899. Bethke then answered several questions asked by Board members. The matter was tabled until the Board heard about the Board’s financial picture. *(After the Budget was revised it was determined that the Research Committee would make the final decision about funding this proposal)*

Melban reminded the Board that they had approved \$14,000 in this year’s budget for Tristeza Testing with the Central California Tristeza Eradication Agency in Tulare County but since Mary Lou Polek left that agency, they are no longer qualified to do the testing and CDFA said they would do it. Since January, CDFA had generated a contract to do the testing but with an increase in cost from \$4.00 to \$6.00 per sample. Melban said that he has been informed that the testing had already been completed this spring and 4,076 samples had been tested at a total cost of \$24,456. He said he anticipated getting an invoice from the State for that amount in the next month or so. Since the testing method had been increased he requested that the Board revise its budget to include the additional \$10,000. Zuckerman suggested that the budget revision be delayed until all the fiscal matters had been addressed.

Susan McCarthy of CDFA said that she had received a request from a grower who had not been in the program, asking that the state test their samples under the Board’s umbrella. After discussing the matter the Board said those growers were on their own.

Melban also reminded the Board that he would be sending RFP’s on July 1, for the 2010 proposals.

Education Committee – Education Committee Chairman Moles reported that the Committee had authorized \$10,000 to be used to support the workshop that would be held June 11 and 12. He also said that he feels that the “Info Book” has been completed and has been uploaded to the Board’s website. It has been the consensus of the Committee that it is not necessary to make hard copies available to all nurseries since most everyone has access to the Internet. If there is someone who needs a hard copy, one will be provide to them. He said the process of getting a newsletter out has not yet been accomplished due to the press of business. Zuckerman suggested that a plan needs to be devised to get word out to the industry about the website. There were several suggestions as to how this could be done and a timeline of August was set to get the process started. One suggestion was to send the proceedings of the workshop to the industry as a start.

Board’s Level of Testing Subsidy

Chairman Zuckerman asked the Board to consider the amount of money that the Board spends on subsidizing the industry for testing various diseases. He mentioned the CTV testing where the Board pays for the lab work that will cost the Board over \$24,000 this year. Many years ago the old Board voted to have the nursery pay for the collecting of the samples at a rate of \$20.00 per tree and that amount is in force today but the amount the Board pays has increased over the years and he was wondering if the Board should stop subsidizing the testing. It was mentioned that the passage of SB140 would change some of the systems that are now in place but the details are not yet known. The question was asked if the Board could “credit” a portion of a nursery’s assessment that could be used for their testing. The state representative, Joe Monson, was asked to look into the possibility of that being done. Mulholland made a motion with a second by Rose that the Board remove the subsidy from its 2010 budget and require nurseries to pay all their own costs. That motion failed. Susan McCarthy of CDFA was asked if she could provide the actual cost of the state’s part of the testing and she said she would.

Financial Report and Revision of Budget

Melban led the Board through the financial report (exhibit “B”), stating the Board came into the current year with a \$438,014 carryover from the previous year, and is expecting to collect \$260,000 during the current year. Melban also noted that the current year’s assessment income will be collected in January of 2010. He further said that all was going well but in view of some of the actions of the Board he asked that the Board consider revising the budget.

Board Action #09-01 – Rose moved, seconded by Moles, to Revise the 2009 Budget by transferring \$43,000 from the Unallocated Reserve to Account # 513—Research Reserve.

MOTION CARRIED UNANIMOUSLY

Board Action #09-02 – Rose moved, seconded by Dillon to Revise the 2009 Budget by transferring \$10,000 from the Unallocated Reserve to Account # 511—Disease Testing Subsidy.

MOTION CARRIED UNANIMOUSLY

Marketing Branch Report

Zuckerman asked Joe Monson, the state's representative, to review the recent amendments to the Marketing Order and speak about the ramifications of those changes. He stated that the major change is that the Citrus Nursery Board is a Handler Marketing Order and not a Producer Order. With that change, all those who pay assessments can know all of the others who pay assessments. He reviewed the fact that now the Order specifically says that those who pay assessments are propagators of Citrus trees and the assessment is paid on the first invoiced sale of the tree and the assessment is based on 1% of that sale. Monson also reminded the Board that in 2010 there would have to be a Continuation Hearing to determine if the industry wants the Order to continue.

Monson's comments brought up the question of how does the industry want to be assessed. It was explained that the present system is based on 1% of the dollar value and it has been suggested that the assessment be based on a unit rather than a dollar.

The discussion of the assessment brought up the fact that there are those in the industry who are not paying any assessment because they do not invoice. These are the ranch nurseries that are vertically intergraded. There were four entities mentioned and no one knows for sure how many trees are being propagated by these entities. It was noted that there needs to be some investigation about how much of the industry is composed of the ranch nurseries and how they would respond to having to pay the assessment. The Chair asked the Industry Committee Chairman, Lane Miller, to investigate the ranch nursery's size and commitment to the program and report back to the Board.

Chairman Zuckerman said he would like to establish another committee under the name of the "Registration and Certification Protocol Committee". He would be the Chairman and he asked for volunteers to sit on the Committee. Tia Russell and Larry Rose said they would serve.

Adjournment

There being no further business, the meeting was adjourned at 3:50 p.m.

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Certification of Minutes

I, Jim Melban, Manager of the California Citrus Nursery Board, do hereby certify that to the best of my knowledge, the foregoing is a true and correct copy of the minutes of a meeting of the California Citrus Nursery Board held in Riverside, California on June 10, 2009.

Jim Melban, Manager