

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)  
CA CITRUS ADVISORY COMMITTEE MEETING (CCAC)  
Tulare, CA  
Meeting Minutes  
October 30, 2007**

**Members**

Robert LoBue  
David Roberts  
James Sherwood  
Etienne Rabe  
Kevin Severns  
Damon Corey  
Brett Kirkpatrick  
John Eliot

**CDFA Representatives**

Nate Dechoretz  
Rick Jensen  
Steve Patton  
Andrew Valero  
Jeff Cesca  
Vic Tolmeo  
Susan Shelton

**Interested Parties**

Scotti Walker, Fresno County  
Thomas Nyberg, Fresno County  
Don Borges, Tulare County  
Rafael Garcia, Tulare County  
Myron Kimmel, Kern County  
Bob Blakely, CA Citrus Mutual

**ITEM 1: ROLL CALL**

Mr. Rick Jensen called the meeting to order at 11:07 a.m. Roll was called, and a quorum was established.

**ITEM 2: APPROVAL OF MEETING MINUTES**

Chairman Brett Kirkpatrick asked that Item 2, Paragraph 3 of the September 18, 2007 meeting minutes be amended. The 2006-07 and 2007-08 expenditure amounts were reported incorrectly.

**MOTION:** Mr. Robert LoBue moved to accept the August 28, 2007 minutes as submitted, and the September 18, 2007 minutes as amended. Dr. Etienne Rabe seconded. The motion passed unanimously.

**ITEM 3: NOMINATION/ELECTION OF NEW OFFICERS**

**MOTION:** Dr. Rabe moved to re-appoint Mr. Kirkpatrick as Committee Chair, and Mr. Kevin Severns as Vice Chair. Mr. John Eliot seconded. The motion passed unanimously.

**ITEM 4: FY 2007-2008 BUDGET APPROVAL**

Mr. Jensen presented the fiscal year (FY) 2007-08 combined Citrus Program and Orange Crop Survey Program budget to the committee. Members were provided handouts outlining the actual revenue and expenditures for FY 2006-07 and the proposed budget for FY 2007-08.

The committee discussed the proposed 2007-08 budget of \$712,353. At the current assessment level, revenues are projected to be \$636,941, which is inadequate to cover expenditures, or rebuild the reserve for freeze related inspections.

The meaning of "standard shipping container" was discussed. Since standard containers are used for assessment, the committee requested that one standard be set for assessment purposes. Mr. Kirkpatrick stated he would like to attend the Standardization Advisory Committee meeting on November 15, 2007 to discuss this issue with them. CCAC agreed the industry needs to set a clearly understood and defined packing size for assessment, especially as it relates to mandarin container size.

Mr. LoBue requested CDFA submit a cost estimate for expenses related to the completion of an assessment audit. The committee was interested to determine how the industry assesses themselves, specifically what weight they use as a standard container.

A lengthy discussion ensued regarding assessment levels, fair share contributions by commodity type, reserve needs, etc. Mr. LoBue asked what would happen during a citrus freeze if the reserve was not rebuilt. Mr. Jensen explained a program would be built around whatever funds were available. However, without the necessary reserve, funds may not be sufficient to provide all essential services which ensure freeze damaged fruit does not enter the market.

**MOTION:** Mr. David Roberts moved to approve the Citrus Program and Orange Crop Survey Program Budget of \$712,353. Mr. Severns seconded. The motion passed unanimously.

#### **ITEM 5: COUNTY INVOICE APPROVAL**

Mr. Steve Patton reported freeze work continued into the 2007-08 contract year. Expenditures for the July through September 2007 period for freeze work was \$54,375 for oranges, and \$1,596 for lemons. As discussed in previous meetings, CCAC has agreed to pay for this work from the current maturity contracts.

**MOTION:** Mr. Eliot moved to approve freeze work as submitted. Mr. LoBue seconded. The motion passed unanimously.

### **ITEM 6: INSPECTION STATUS REPORT - COUNTIES**

Riverside County has almost completed freeze work, and has not yet started maturity inspections. Tulare and Kern Counties have each had five to six rejections on maturity.

### **ITEM 7: AGRICULTURAL STATISTICS UPDATE**

Mr. Vic Tolomeo stated the acreage survey should begin in the next couple of months if it is to be ready for July 2008 publication. Mr. Jeff Cesca passed out a copy of Orange Crop and Ag Statistics budget for 2007-08 and 2008-09. The cost of this survey would be approximately \$120,000, and will be billed to the CDFA citrus program in 2008-09.

There was a general consensus from the committee that an acreage survey should be completed.

### **ITEM 8: ASSESSMENT CHANGE**

A proposed regulation is underway to provide the Secretary authority to set assessments within statutory limits. Since the regulation is not in effect, the committee would like to raise assessments to the maximum allowable of 11 mills (\$0.011) per carton for navel oranges, 5 mills (\$0.005) per carton for lemons, and 6 mills (\$0.006) per carton for Valencia oranges and mandarin citrus. The Citrus Program is currently under-funded for normal activity, and cannot rebuild the freeze reserve.

**MOTION:** Mr. LoBue moved to increase mil assessments to the maximum allowable under statute. Mr. Severns seconded. The motion passed unanimously.

### **ITEM 9: OTHER BUSINESS**

Dr. Rabe requested CDFA provide the committee with information regarding the differences between the Citrus Program and the Standardization Program; how they overlap, how they differ, clearly delineated responsibilities, etc. He also requested an outline of the roles and responsibilities of CCAC, and how they differ from the Standardization Advisory Committee.

During the discussion of the Citrus and Standardization Programs, Mr. Jensen explained most Citrus Program costs, except county contracts, have been paid by Standardization. Mr. Nate Dechoretz, Inspection Services Director, reported historically overhead has been based on personnel expenses. Since the Citrus Program has no direct personnel, Citrus has not had to pay overhead. However, overhead assessment may soon change to be based on actual program costs.

**ITEM 10: NEXT MEETING**

The next meeting will be a teleconference on December 18, 2007 at 11:00 a.m.

**ITEM 11: ADJOURNMENT**

The meeting adjourned at 1:11 p.m.

Respectfully submitted by:

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Steve Patton, Supervisor  
Standardization Program  
Inspection and Compliance Branch

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