



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
SHIPPING POINT INSPECTION (SPI) ADVISORY COMMITTEE MEETING
May 3, 2018 Meeting Minutes
California Fresh Fruit Association (CFFA)
7647 N Fresno Street, Fresno, CA**

Members Present

Louis Pandol – Chair
Mark Reasons – Vice Chair
Christine Ivory
Patrick Smith

CDFA Representatives

Steve Patton
Kevin Batchelor
Roxann Bramlage
Greg Dake
Theresa Stewart
Thomas Osborn
Pam Rodriguez

Members Absent

None

Interested Parties

Marcy Martin - CFFA
Alex Wladyszewski – USDA
Kayla Cordoza, CFFA

ITEM 1: ROLL CALL/INTRODUCTIONS

The meeting was called to order at 10:00 a.m. by Louis Pandol, Chair. Roll was called, a quorum was established, and self-introductions were made.

ITEM 2: PUBLIC COMMENT

There were no public comments.

ITEM 3: ELECTION OF OFFICERS

No elections of officers took place, as it had been decided at the May 11, 2017 SPI meeting that the position of Chair and Vice-Chair shall serve a three-year term. Louis Pandol, Chair, and Mark Reasons, Vice-Chair, will continue to serve as Committee Officers for the duration of their terms.

ITEM 4: APPROVAL OF MEETING MINUTES

Pandol requested a motion to approve the May 11, 2017 meeting minutes as presented.

MOTION: Mark Reasons moved to approve the May 11, 2017 meeting minutes as presented. Christine Ivory seconded the motion. The motion passed unanimously, with no abstentions.

ITEM 5: VACANCIES

Thomas Osborn presented the Committee Vacancies and Terms Report. Currently, there are five voting member vacancies, which consist of five members who are shippers of fruit and vegetables. There is also one public member vacancy, who is a resident of California and not a producer, shipper, or processor. Additionally, there are nine alternate non-voting member vacancies.

Steve Patton asked the Committee and those in attendance to reach out to members of industry to help fill current Committee vacancies. Patton thanked the Committee members for the time and expertise that they contribute.

Pandol suggested that CDFA include nut producers and users of food safety audit services in the outreach portion of the SPI Vacancy Report.

ITEM 6: SHIPPING POINT INSPECTION PROGRAM UPDATE

Kevin Batchelor gave the commodity program update. Batchelor informed the Committee that the expected release date for the Almond Database has been revised to August of 2018. Batchelor also mentioned that the SPI Program is working to update its current accounting database, due to concerns pertaining to inconsistencies with billing and reporting. Program staff are working with CDFA Information Technology (IT) staff to complete the stage-gate process. Batchelor stated that the project is estimated to be two years away from completion. Batchelor went on to state that the new accounting database is expected to streamline and simplify the SPI Program accounting process.

Patton provided the Committee with an overview of the IT project approval process. Patton explained that there are several stages of analysis that a proposed project must undergo before moving into the development phase, and that CDFA is working to fill vacant Project Manager positions to expedite the review and approval process.

Batchelor also led a discussion regarding SPI Program contracts with Cooperative Agricultural Support Services Authority (CASS). Through a cooperative agreement, CASS performs inspection and certification services on various agricultural products on behalf of CDFA. Batchelor explained that the current contract between CDFA and CASS will soon expire, and that the subsequent two-year contract has already been completed. Batchelor went on to explain that CASS contract funding levels are expected to rise, due to increases in the California minimum wage.

ITEM 7: COMMODITY PROGRAMS UPDATE

Roxann Bramlage provided a commodity report of cling peach, processed pear, olives, and olive oil for the 2016/17 Fiscal Year (FY).

Bramlage noted that production of cling peach, processed pear, and olives have all decreased in the 2016/17 FY. Bramlage also explained that the number of processors operating in Northern California have also decreased this year.

Batchelor clarified that the handouts presented to Committee members includes certification data up to July of 2017. Data from this time until the present is not included, as the current FY has not concluded.

Theresa Stewart also provided a commodity report for the 2016/17 FY.

Stewart reported that 157,946,647 pounds of cherries were produced during the 2016/17 FY. This represents an increase of 78,388,107 pounds from the 2015/16 FY. Stewart noted that cherry production is expected to decrease for the 2017/18 FY, due to weather fluctuations.

Greg Dake provided the Committee with a third commodities update.

In the 2016/17 Fiscal Year (FY) there were 3,012 potato inspections. There are decreasing numbers of potato acreage every year in California, especially of the russet variety, because of the year-round supply from other states. However, there has been a recent increase in the amount of baby potatoes produced in California.

There were 17,066 table grape inspections, 2,264 pistachio inspections, and 27,493 almond inspections performed during the 2016/17 FY. There were also 1,968 cherry inspections, 3,985 onion inspections, and 1,212 kiwi inspections performed during the 2016/17 FY.

During the 16/17 FY, there were 415 Leafy Green Marketing Agreement (LGMA) audits, 78 California Cantaloupe Advisory Board (CCAB) audits, 197 Good Handling Practices(GHP)/Good Agricultural Practices (GAP) audits, 21 Harmonized United States Department of Agriculture (USDA) audits, and 8 USDA Tomato audits performed.

Dake and Christine Ivory discussed expected increases in almond production for the 2017/18 FY, due to recent increases in acreage and consumer demand. Pandol also noted recent increases in table grape acreage and production.

Batchelor led a brief discussion pertaining to walnuts. CDFA has recently been approached by handlers of walnuts, requesting that the SPI Program begin performing inspections on incoming walnuts. CDFA has begun small-scale inspections of walnuts, and is coordinating with USDA to expand inspection work. Batchelor noted that CDFA is seeking input from industry as the project moves towards implementation.

Alexander Wladyszewski of USDA also provided the Committee with an update. Wladyszewski stated that the USDA has been conducting training sessions for accredited inspectors, and has been working to hire additional inspection staff.

Patton led a discussion pertaining to the development of an electronic database system designed to record and transmit data collected at commodity grading stations. Patton explained that several states, such as Georgia and Texas have recently implemented a similar database system for specific commodities. Patton went on to explain that CDFA staff have been in discussion with the USDA and other states to determine the scope of the project, as development of the database moves forward.

ITEM 8: FOOD SAFETY PROGRAM UPDATE

Batchelor informed those in attendance that SPI Program staff have been conducting auditor training sessions throughout California, focused on LGMA and CCAB audits.

Patton discussed the Food Safety Modernization Act (FSMA). Patton explained that CDFA has authorized the creation of a Produce Safety Program (PSP), which will conduct inspections of California farms on behalf of the United States Food and Drug Administration (FDA). The PSP is funded by an \$11 million grant by the FDA, to be divided during a five-year period. CDFA has hired new staff, who are undergoing training programs in preparation of Produce Safety Rule (PSR) enforcement. He explained that the PSR went into effect for large farms on January 26, 2018. However, enforcement of the PSR has been delayed until Spring of 2019.

Patton went on to explain that USDA has developed a standard for the Produce Harmonized GAP Plus audit program, which integrates PSR requirements into the existing USDA Produce GAP Harmonized audit program. Patton informed the Committee that information and documents pertaining to PSR requirements and enforcement may be found on the CDFA website.

CDFA and FDA have been working to conduct On-Farm Readiness Reviews, in order to assist farmers in preparing for PSR standards. Steve Patton went on to explain that due to the large number of farms operating in California, CDFA is working with industry organizations to conduct group educational sessions. Patton also noted that farmers may also coordinate with CDFA staff to schedule individual sessions.

ITEM 9: BUDGET APPROVAL

a. Fund Condition Statement

Patton discussed the 2017/18 FY Fund Condition. As of February 2018, the beginning balance was \$18,230,476. The total revenue was \$6,847,214, total expenditures were \$7,989,106, with a total ending reserve balance of \$14,594,202.96.

b. FY 2018/19 Proposed Budget

Patton presented the 2018/19 FY Proposed Budget. The total for Personal Services is \$1,622,288 with the Operation Expenses and Equipment total being \$12,582,894, which includes funds for the almond database and the new accounting program. The total Departmental expenditures are \$1,478,399, and the total program budget for the 2018/19 FY is \$15,468,348.

Pandol requested a motion to approve the 2018/19 FY Proposed Budget as submitted, and to maintain current spending plan levels.

MOTION: Mark Reasons moved to approve the 2018/19 Fiscal Year Proposed Budget as submitted. Christine Ivory seconded the motion. The motion passed unanimously, with no abstentions.

ITEM 10: NEXT MEETING/AGENDA ITEMS

A potential agenda item to be discussed at the next meeting is: the USDA Harmonized GAP Plus Audit. The next meeting will be in May of 2019, in Salinas.

ITEM 11: ADJOURNMENT

The meeting was adjourned at 11:13 a.m. by Pandol, Chair.

Respectfully submitted by:



Kevin Batchelor, Program Supervisor
Inspection and Compliance Branch
Inspection Services