

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
CA CITRUS ADVISORY COMMITTEE MEETING (CCAC)
Tulare, CA
Meeting Minutes
April 15, 2008**

Members

Robert LoBue
David Hines
David Roberts
Ron Matik
Doug Carman
Etienne Rabe
Kevin Severns
Brett Kirkpatrick
John Eliot

CDFA Representatives

Amadou Ba
Steve Patton
Mario Cortez
Andrew Valero
Jeff Cesca
Brian Cote

Interested Parties

Scotti Walker, Fresno County
Thomas Nyberg, Fresno County
Myron Kimmel, Kern County
Marilyn Kinoshita, Tulare County
Jack Rutz, USDA NASS
Ron Bray, Riverside County
Bob Salcedo, CCGA
Bob Blakely, CCM

ITEM 1: ROLL CALL

Mr. Kevin Severns called the meeting to order at 10:05 a.m. Roll was called and a quorum was established.

ITEM 2: NEW APPOINTMENT TO THE CALIFORNIA CITRUS ADVISORY COMMITTEE

Dr. Amadou Ba announced that Mr. David Hines was recently appointed to the California Citrus Advisory Committee as a producer member. Mr. Hines will represent the San Joaquin Valley (Fresno County). Mr. Hines has served as a member of the Central California Tristeza Eradication Agency and as a member and Chairman of the West Fresno Red Scale Protective District. Mr. Hines has participated in the industry for over 20 years and was nominated by California Citrus Mutual.

ITEM 3: APPROVAL OF MEETING MINUTES

MOTION: Dr. Etienne Rabe moved to approve the February 26, 2008 meeting minutes as submitted. Mr. John Eliot seconded. The motion passed unanimously.

A copy of the February 26, 2008 Meeting Minutes are attached as EXHIBIT A.

ITEM 4: CITRUS REGULATION UPDATE

Dr. Ba provided an update on the proposed citrus assessment rate change. Dr. Ba announced that there will be a 45-day comment period beginning in late April or early May. Dr. Ba also explained that the Committee will not have to revote on the assessment rate change after the end of the 45-day comment period. The members

subsequently discussed the procedures outlined by the Office of Administrative Law relating to the comment period.

ITEM 5: VALENCIA FORECAST

Mr. Jack Rutz from the United States Department of Agriculture (USDA) National Agricultural Statistics Service (NASS) provided a brief presentation on the 2007/08 Valencia orange forecast. The survey commenced during the second week of January 2008 and concluded at the end of February 2008. According to Mr. Rutz, USDA NASS sampled 656 groves and the sample groves were distributed in proportion to the bearing acres in each county and the year the trees were planted. The findings indicate that the sizing diameter was the smallest in survey history.

ITEM 6: BUDGET

A. Proposed Budget for County Contracts

Fresno County: Mr. Thomas Nyberg explained that Fresno County is projecting the same number of hours with a slight increase for seasonal employees for Fiscal Year (FY) 2008/09.

Kern County: Mr. Myron Kimmel explained that Kern County's contract increased by 23.7 percent for FY 2008/09 from the previous fiscal year due to wage increases.

Riverside County: Mr. Ron Bray explained that Riverside County's contract will remain the same as the previous fiscal year.

Tulare County: Mr. Don Borges explained that Tulare County's contract will essentially remain the same except for a slight increase in the mileage rate.

B. Orange Crop Budget Approval FY 2008/09

Mr. Jeff Cesca of the California Department of Food and Agriculture, Marketing Services Division provided information on the orange crop survey. Mr. Cesca explained that an annual orange crop survey is provided at a cost of \$185,000. In addition, an acreage survey is performed biannually at a cost of \$120,000. The Marketing Services Division began the acreage survey in December 2007 and will publish its findings in July 2008. The costs associated with the acreage survey will be attributed to FY 2008/09 along with the costs of the annual orange crop survey.

C. Total Citrus Program 2008/09 Budget

Dr. Ba provided an overview of the Total Citrus Program FY 2008/09 Budget. Dr. Ba explained that 44 percent of the expected revenue has been collected as of February 2008. CDFA is expecting to collect the remaining 56 percent of revenue between March and June 2008. Dr. Ba explained that this is a reasonable expectation based upon historical trends. The proposed budget is based upon the ending balance in addition to estimated revenues. The members subsequently discussed expenditures relating to the state pro rata fees and total departmental services fees, which amounted to approximately \$31,674 and \$92,322, respectively.

MOTION: Mr. Brett Kirkpatrick moved to approve the Proposed Budget for County Contracts, the 2008/09 Orange Crop Budget, and the Total Citrus Program 2008/09 Budget as submitted. The Committee also noted that it is unhappy that the proposed changes in accounting methods in the Citrus Program budget will result in more than a tenfold increase in costs to the Program during a two-year period and the proposed total cost will account for close to 14 percent of our total budget. Mr. Severns seconded. The motion passed unanimously.

The committee took a five-minute break from approximately 11:20 a.m. until 11:25 a.m.

The Proposed Budget for County Contracts, the Summary of Crop Revenue for 2007/08, and the FY 2008/09 Proposed Budget are attached as EXHIBITS B, C, and D, respectively.

ITEM 7: COMPARATIVE DISPLAY OF THE CITRUS AND STANDARDIZATION PROGRAMS

Mr. Steve Patton gave a presentation comparing and contrasting the Citrus and Standardization Programs. Established in 1915, the Standardization Program is one of CDFA's oldest programs. The Program was General Funded until 1992 and subsequently funded by handlers paying a mill assessment per container. The mission of the Program is to remove from the channels of trade, fruit and vegetables not complying with minimum standards to assure consumers they are purchasing commodities at a level of acceptable quality and to protect and promote the fruit and vegetable industries.

The California Citrus Program was established in 1994 as the Navel and Valencia Orange Program. In 2005, the program was renamed as the California Citrus Program and is funded by producers paying a mill assessment per container in nine counties. Mr. Patton subsequently discussed issues related to implementing assessments based on standard containers.

ITEM 8: DISCUSSION ON AVENUES FOR IMPLEMENTING AN AUDIT PROCESS

After the review of the Food and Agricultural Code and preliminary input from our legal office, Dr. Ba conveyed that there are adequate enforcement tools to allow the implementation of an audit program jointly funded by the Citrus and Standardization Programs. Continued discussions with other programs may significantly reduce the costs for an audit program.

ITEM 9: OTHER BUSINESS

Mr. Robert LoBue announced that California Citrus Mutual unveiled a new testing procedure called "Brim A." Brim A is a calculation for sugar and acid ratios for citrus. Current standards call for at least an 8:1 sugar-to-acid ratio; however, the current standards may not be an accurate method for predicting the taste of Navels. Brim A is currently being used in Australia and takes the absolute levels of titratable acids and soluble sugars into account, rather than utilizing a ratio. Mr. Lobue stressed that county agricultural commissioners and packinghouses are excellent resources for data if the industry decides to go forward with Brim A.

ITEM 10: NEXT MEETING

September 18, 2008 10:00 a.m. Kern County Agricultural Commissioner's Office 1001 South Mount Vernon Avenue, Bakersfield, California.

ITEM 11: ADJOURNMENT

The meeting adjourned at 12:30 p.m.

Respectfully submitted by:

Amadou Ba, Supervisor
Standardization Program
Inspection and Compliance Branch

AB/bc