



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
SHIPPING POINT INSPECTION (SPI) ADVISORY COMMITTEE MEETING
April 30, 2019 Meeting Minutes
Monterey Tides
2600 Sand Dunes Drive, Monterey, CA**

Members Present

Christine Ivory
Patrick Smith
Louis Pandol - Chairperson

CDFA Representatives

Steve Patton
Mitch Randhawa
Theresa Stewarts
Kevin Batchelor
Richard Sang
Thomas Osborn
Greg Dake

Members Absent

None

Interested Parties

Nathan O'Connor – United States
Department of Agriculture
(USDA)
Ian LeMay – California Fresh
Fruit Association (CFFA)

ITEM 1: ROLL CALL/INTRODUCTIONS

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

ITEM 2: PUBLIC COMMENT

Ian LeMay of the California Fresh Fruit Association (CFFA) informed the Committee of updates to the CFFA.

ITEM 3: APPROVAL OF MAY 3, 2018 MEETING MINUTES

Chairperson Pandol requested a motion to approve the May 3, 2018 Meeting Minutes as presented.

MOTION: Christine Ivory moved to approve the May 3, 2018 Meeting Minutes as presented. Patrick Smith seconded the motion. The motion passed unanimously, with no abstentions.

ITEM 4: COMMITTEE VACANCY AND TERMS REPORT

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

Steve Patton informed the Committee that CDFA is working to recruit more members. Ivory asked how current Committee members can assist in this outreach effort. Patton informed Ivory that information is available through the CDFA website. Additionally, Patton asked Osborn to provide the Committee with information on applying so they may assist with recruitment efforts.

ITEM 5: SPI PROGRAM UPDATE

Kevin Batchelor provided the Shipping Point Inspection (SPI) Program Update. Batchelor noted that SPI uses Cooperative Agriculture Support Services (CASS) as their primary source of inspectors. CASS continues to be a primary source, though this cost will increase due to the minimum wage increases in California.

Batchelor also informed the Committee that SPI has been authorized to replace their database Visual Account Mate (VAM). Batchelor introduced Mitch Randhawa, who will be working to help CDFA conduct United States Department of Agriculture (USDA) 300 inspections. Randhawa will help SPI transition to a computer-based inspection program and assist with new market licensees.

Patton explained that SPI and CDFA are transitioning away from the USDA handheld inspection device. Patton explained that though some states are using the handheld device, they are still being evaluated. Patton further stated that CDFA will be asking USDA for guidance on the handheld device and its implementation.

ITEM 6: COMMODITY PROGRAMS UPDATE

Batchelor presented the Commodity Report Sheet for Fiscal Year (FY) 2017/18.

Greg Dake provided the Commodity Programs Update beginning with onions. Acreage of onions in the El Centro area decreased as a result of the previous year's difficult onion season. Dake noted that there has been a steady increase in imported onions each year.

Dake provided the update for table grapes, noting that recent years have been consistent, though acreage does vary by variety. Dake also told the Committee that there is a need to develop new minimum maturity standards for new varieties. Chairperson Pandol stated that retailer requirements for table grapes have been on

size, not sugar content of the grapes. Both Dake and Chairperson Pandol noted that the size standards and descriptive terms for grapes also seem to be outdated. Dake reiterated the need to establish new maturity standards as varieties all have different needs and requirements.

Dake provided an update on almonds. In 2018, the almond crop was 2.4 billion pounds. The estimate for 2019 is similar at 2.45 billion pounds. Almond acreage has increased, and it is expected that there will be continued increase in production in the coming years. Dake noted that the almond database has been successful as well.

Theresa Stewart provided an update on kiwis, pears, and peaches. Stewart noted that the tonnage was down for each of these due to unfavorable weather. Stewart also informed the Committee that only two to three million boxes of cherries were produced.

Patton asked for input on the cling peach and pear industries from Ivory and Patrick Smith. Only two processors remain in the state, and Ivory expects there will be a downward trend in peach production. Ivory stated that the processors in the pear industry only plan to take as much product as they did the previous year.

Ivory informed the Committee that kiwi production has increased. This is due in part to the growth of the new Golden variety of kiwis gaining popularity.

ITEM 7: FOOD SAFETY PROGRAM UPDATE

Batchelor provided the Food Safety Program (FSP) Update. A senior auditor unexpectedly left the program in January 2019. Batchelor noted that this departure led to difficulties training new staff for the beginning of the Leafy Greens Marketing Agreement (LGMA) season. Batchelor noted that CDFA is working to rebuild the FSP staff. There are currently four auditors on staff, with a further four auditors undergoing training.

Batchelor also noted that the Salinas office for FSP has been closed and the personnel have been centralized in the Dinuba office. Batchelor informed the Committee that in the past LGMA season there were approximately 450 audits and 130 unannounced audits, doubling the count from the previous year. Both industry and USDA are pleased with these audits and have confidence in their quality.

Batchelor again reiterated the importance of returning the FSP to its original intended size as it rebuilds after the departure mentioned above. Most audits conducted are to programs that mandate audits, such as LGMA and the California Cantaloupe Advisory Board (CCAB). There are also buyer audits for products such as leafy greens.

Patton briefly described the changes in water requirements for producers, as well as work on setting standards for compost, and CDFA sponsored Good Neighbor workshops in both El Centro and Stockton to provide for meetings between those in the

cattle, dairy, and produce industries so they may better understand each other's requirements and prevent food-borne illness outbreaks.

Batchelor described efforts to work alongside auditors from Arizona to ensure consistency between audits performed by both California and Arizona inspectors. Trainings have thus far been beneficial and are expected to continue.

ITEM 8: APPROVAL OF FISCAL YEAR (FY) 2019/20 PROPOSED BUDGET

Batchelor explained to the Committee that as part of a state-wide change, all California State Agencies are now required to utilize the Financial Information System for California (Fi\$Cal). This transition led to complications compiling financial data that is of a comparable timeliness and level of detail to that previously available. Batchelor did note that the Cooperative Agricultural Support Services Authority (CASS) contract represents the largest expenditure in the SPI budget. At the time of the meeting, Batchelor was unable to provide a fund condition due to the Fi\$Cal transition. Steve Patton explained that Fi\$Cal is designed to allow for tracking expenditures and revenues, but due to difficulties with the transition to Fi\$Cal, CDFA is working internally to produce accurate numbers.

Batchelor presented the FY 2019/20 Proposed Budget. The total for Personal Services is \$1,422,378, with the Operation Expenses and Equipment total being \$13,386,159. The total Departmental expenditures are \$1,479,030, with a Gas Tax credit of \$223,199, the total program budget for the 2019/20 FY is \$16,064,368.

Chairperson Pandol requested a motion to approve the FY 2019/20 Proposed Budget as submitted.

MOTION: Christine Ivory moved to approve the FY 2019/20 Proposed Budget as submitted. Patrick Smith seconded the motion. The motion passed unanimously, with no abstentions.

ITEM 9: USDA HARMONIZED GAP PLUS AUDIT

Batchelor stated that USDA has received approval for their Harmonized Good Agricultural Practices (GAP) Plus audit recognized as an equivalent of the Global Food Safety Initiative (GFSI) audit. A number of CDFA staff have received training on the new Harmonized GAP Plus audit. The new audit has been well received. Batchelor noted that LGMA growers have requested the Harmonized GAP Plus audits.

Patton asked Nathan O'Conner of the United States Department of Agriculture (USDA) if the Harmonized GAP Plus audits have been well received in other states. O'Conner stated that Harmonized GAP Plus has become increasingly popular on the East Coast. O'Conner also informed the Committee of the fee structure for the Harmonized GAP Plus audit. Patton expressed that industry wants a USDA Harmonized GAP Plus audit

that satisfies the requirements of several audits to reduce the number of audits they are subject to.

Patton also provided an update on the Produce Safety Rule (PSR). The PSR is now in effect and CDFA has begun inspections on large farms. Small farms also are now subject to the rule and will be receiving inspections in 2020, and very small farms in 2021. Patton noted that CDFA is working to provide On-Farm Readiness Reviews to small farms throughout the state. Patton stated that CDFA particularly wants to provide outreach and education to ethnic farming communities in the state.

These reviews help to prepare farms for future inspections. Patton explained that the emphasis through this is to educate while regulating. Violations will only be written for egregious conditions during the first year of these inspections. Initially, the Food and Drug Administration (FDA) wants to educate farmers and make them aware of their potential violations.

Ivory asked Patton about crops that are exempt from the PSR. Patton stated that almonds are not covered by the PSR but are still subject to good manufacturing practices. Wine grapes are also exempt, as well processed products. Patton informed the Committee that the FDA has given CDFA a list of priority commodities to inspect, such as honeydews and cantaloupes. Patton further explained that CDFA is using data from a questionnaire sent out to farmers to assist in prioritizing their inspections.

ITEM 10: NEXT MEETING/AGENDA ITEMS

Chairperson Pandol asked Osborn to contact Committee Members later in the year to determine where and when the next meeting will take place.

ITEM 11: ADJOURNMENT

The meeting was adjourned at 11:30 a.m. by Chairperson Pandol.

Respectfully submitted by:



Kevin Batchelor, Program Supervisor
Inspection and Compliance Branch
Inspection Services