



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
STANDARDIZATION ADVISORY COMMITTEE (STDZ)**

**March 18, 2014 Meeting Minutes
1428 Abbott Street, Salinas, CA 93901**

MEMBERS PRESENT

Chris Crivelli
Derek Vaughn
Eric Lauritzen
Garrett Patricio
Louis Pandol
Ruben Arroyo

INTERESTED PARTIES

Ed Williams, Los Angeles Co.
Graham Hunting, Monterey Co.
Koren Widdel, San Mateo Co.
Ron Bray, Riverside Co.
Shayla Newfeld, Monterey Co.
Tom Reed, San Joaquin Co.

CDFA

Steve Patton
Stacey Hughes
Sarah Cardoni

ITEM 1: ROLL CALL/INTRODUCTIONS

The Committee was called to order at 11:03 a.m. by Mr. Garrett Patricio, Chairperson. Roll was called, introductions were made, and a quorum was established.

ITEM 2: COMMITTEE VACANCIES AND TERMS UPDATE

Ms. Sarah Cardoni provided an overview of Committee vacancies. Member vacancies include: two fresh fruit members representing oranges, other fresh fruit, or table grapes; one other fresh fruit member representing any fresh fruit commodity subject to standardization assessments; four fresh vegetable members representing broccoli, lettuce, or tomatoes; and two other fresh vegetable members who represent any fresh vegetable commodity subject to standardization assessments. Members whose terms end August 31, 2014, and are eligible for reappointment to the Committee are Mr. Garrett Patricio and Mr. Ruben Arroyo.

ITEM 3: APPROVAL OF OCTOBER 2, 2013 MEETING MINUTES

MOTION: Mr. Louis Pandol moved to approve the October 2, 2013 Meeting Minutes as submitted. Mr. Chris Crivelli seconded the motion. The motion passed unanimously.

ITEM 4: FY 2014/15 COUNTY COOPERATIVE AGREEMENTS

Mr. Steve Patton provided a history of county cooperative agreements. The Department has personnel that provide training and oversight of the Program. County personnel through the cooperative agreements do the enforcement and inspection work necessary to run the Program. The application process is a process for counties to request from the Department the funding that they need to augment their work that they were already doing in order to allow them to do additional standardization work. Included in the application process is a justification plan of how the funding would be

utilized such as increased enforcement work at packinghouses and wholesale distributions, and in venues such as flea markets and swap meets. There were originally seven counties that had cooperative agreements and that number has increased to 19. There were no new counties that have requested cooperative agreements this year.

Historically, funding that came through the Standardization Program was being utilized mostly at the inland border stations. The funding was not provided to individual counties. In 1999, the Committee asked the Department to shift that funding from inland border stations to the larger production counties. The thought was to catch the problems at production and address issues there.

Ms. Stacey Hughes provided an overview of the proposed Fiscal Year (FY) 2014/15 county cooperative agreements. Cooperative agreements for counties remained the same as the current year with the exception of Riverside County and Los Angeles County, whose cooperative agreements were increased by \$58,680 and \$35,000 respectively. The FY 2014/15 county cooperative agreements totaled \$976,904.

County proposals were provided by the counties who were in attendance.

Mr. Ron Bray provided the report for Riverside County. Additional funding is for an additional half-time inspector. The work in Riverside County requires two individuals. There is a need for another person part time to assist the full-time inspector. This also is succession planning for when the full-time inspector retires.

Mr. Tom Reed provided the report for San Joaquin County. The bulk of production is cherries. In the last few years the county has shifted to focus on street vendors and flea markets, which were an issue but now are better due to the increased enforcement.

Mr. Graham Hunting provided the report for Monterey County. For the current cooperative agreement there were more inspections conducted in the field. The county trained quarantine staff to do inspections for next FY 2014/15 lettuce season. For the FY 2014/15 cooperative agreement, there is very little change. The plan is to maintain a presence in the field as much as possible. Additionally, the county will conduct outreach with growers, wholesalers, packers, and smaller Certified Farmers' Markets (CFM).

Mr. Ed Williams provided the report for Los Angeles County. This is the county's first cooperative agreement, which is \$40,000. The county spends on average \$486,000 a year on fruit and vegetable (F&V) standardization work. The primary focus is the wholesale market. Los Angeles County has over 600 registered wholesale distributions. Historically the county was focused on labeling issues such as Identity, Responsibility, and Quantity (IRQ) statements. There will be more of a focus on quality and maturity type inspections this year. Furthermore, the county has increased their administrative civil penalties. Last year there were 16 Notice of Proposed Actions (NOPA) and this year there has been 99 NOPAs to date. The county is finding a lot of mislabeled products, IRQ violations, and container issues.

There is a \$250 registration fee for distributors, which brings in about \$120,000 to \$150,000 in revenue. The rest of the funding is county general fund support. There are eight staff assigned to F&V standardization who work two to three hours per day. The county's primary focus currently is the citrus freeze. The county has spent 1200 hours to date on the issue and is utilizing the standardization cooperative agreement to focus on citrus.

Ms. Koren Widdel provided the report for San Mateo County. The county has allocated 95% of the cooperative agreement funding to the terminal market work. There were 35 NOPAs issued last year. Increased enforcement is improving the markets. Training on quality and maturity at the wholesale market is an area of focus.

Mr. Ruben Arroyo provided the report for Kern County. The county is requesting the same funding as last FY and will be focusing enforcement efforts in the field, roadside vendors, CFMs, non-certified farmers' markets, and flea markets.

A report was submitted by Ventura County. They did not expended 75% of their cooperative agreement last year due to staffing issues. Efforts this year were mainly on the citrus freeze. The focus for the next year is to improve F&V standardization work with training.

ITEM 5: APPROVAL OF STANDARDIZATION PROGRAM BUDGET

a. FY 2013/14 Fund Condition

The FY 2013/14 Fund Condition as of December 31, 2013, was discussed. The reserve is at an adequate level. This year the Program is running a negative budget. However, due to vacant state positions there is a cost savings.

b. FY 2014/15 Proposed Budget

This current FY the Program is expending more money than the revenue is bringing in. Cooperative agreements have increased and a goal of the Program is to sustain those cooperative agreements with counties. Included in the budget is \$80,000 for the database and \$5,000 for auditing from the Market Enforcement Branch to ensure correct assessments are being paid. Projected FY 2014/15 revenue is 20% lower than prior years due to the drought issue. Assessments are based on per container shipped and variables such as commodity changes are unknown.

MOTION: Mr. Chris Crivelli moved to recommend the CDFA Secretary approve the FY 2014/15 Proposed Budget as submitted. Mr. Louis Pandol seconded the motion. The motion passed unanimously.

ITEM 6: LEGISLATIVE AND REGULATORY UPDATE

Mr. Patton provided an update of legislation and proposed regulation changes that affect the standardization industry.

Assembly Bill (AB) 1871 Agricultural products: direct marketing: certified farmers' markets (2013-2014) introduced by Dickinson would revise provisions related to CFMs by increasing fees and penalties and expanding requirements, enforcement, and violations. Concerns that affect the standardization industry is that anyone that is regulated under this chapter would be exempt from standardization. Moreover, their exemptions would be granted at any outlet or location, not specifically at a CFM or farm stand.

AB 224 Agricultural products: direct marketing: community-supported agriculture (2013-2014) introduced by Gordon requires all producers who sell to a Community-Supported Agriculture (CSA) to register with the Department. This bill was filed with the Secretary of State on September 28, 2013, and became effective January 1, 2014. The registration form is available on the Department's website. The CSA Program is a registration program and requires the producer to self-certify that they are knowledgeable and intend to produce in accordance with good agricultural practices as published by the Department.

Other bills that affect the standardization industry are: AB 1990 Food production (2013-2014) introduced by Gordon allows the sale of produce from non-agriculture zoned areas and does not provide exemptions; and AB 2561 Personal agriculture: restrictions (2013-2014) introduced by Bradford requires a landlord to permit a tenant to participate in personal agriculture in portable containers in the tenant's private area.

AB 1597 Food and agriculture (2013-2014) introduced by the Committee on Agriculture would extend the repeal date of the Standardization Program provisions to January 1, 2020.

There are currently several industries looking to make changes to their regulations. The citrus industry is seeking to amend one of their containers and has submitted a petition to the Department. The avocado industry is interested in removing standard containers. Lastly, the cherry industry is looking to change their labeling because they want to mirror what the other north-western states practices.

ITEM 7: CITRUS FREEZE UPDATE

Ms. Hughes provided an update on the citrus freeze. There was damage to citrus due to low temperatures in December 2013. The damage is slightly more than anticipated. Estimated damage of navels is between 25-35% and 40% for mandarins.

The orange survey began last week. One of the reasons the survey is conducted is to determine the type of cut used to determine freeze damage in oranges. To make a determination for freeze damage in oranges the segment cut is used. The law does provide for the use of the transverse cut. When the damage is measurable at the same level or more the freeze damage has progressed and the Department will declare Date A so the transverse cut can be used. Regulations allow up to three weeks where both cuts can be used. Depending on what the survey reveals, the Date A declaration will be made. The Date B declaration usually immediately follows depending on weather. This

only applies to oranges and only volume cuts are used to determine freeze damage for other commodities.

The California Citrus Advisory Committee has approved \$1.4 million to fund the Frost Inspection Program. The counties are projecting to spend \$240,000 more than what is in the Program's reserve to continue inspection at the current level. Counties were asked to seek additional funding sources. Some counties have funding left in their standardization cooperative agreements that they will not be expending and want to shift funds to continue with frost inspections. The Citrus Program is separate from Standardization Program. The Committee agreed that standardization funds should not be shifted to cover the Frost Inspection Program.

ITEM 8: OTHER BUSINESS

Web-based commodity trainings will be available soon to county personnel. Cantaloupes, table grapes, citrus, and pomegranates maturity testing procedural videos have been completed so far. The web-based program is in the testing phase.

ITEM 9: PUBLIC COMMENTS

There were no public comments.

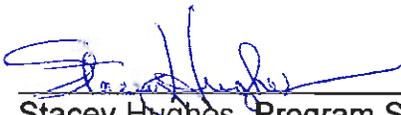
ITEM 10: NEXT MEETING/AGENDA ITEMS

The next meeting will be held in October 2014. Agenda items will include state reports and county enforcement reports.

ITEM 11: ADJOURNMENT

The meeting was adjourned at 12:49 p.m. by Mr. Patricio, Chairperson.

Respectfully submitted by:



Stacey Hughes, Program Supervisor
Standardization Program