

# **Fruit Tree, Nut Tree and Grapevine Improvement Advisory Board**

Meeting Minutes

May 10, 2016

Trinchero Family Estate Building

Peter Christensen Conference Room - UC, Davis

## **Members**

Nicholas Podsakoff - Chair  
Cliff Beumel  
Ernest Bowman  
Tom Burchell  
David Cox  
Mike Farris (absent)  
Andrew Jones  
Benjamin Kaesekamp  
Clifford Little  
Denise Moore  
Public Member - Vacant

## **Guests**

Deborah Golino  
Tia Russell

## **CDFA Staff**

Sean Dayyani - Manager  
Joshua Kress  
Phuong Lao

## **Tree and Grapevine Sub-Committees Meetings @ 9:15-10:30**

Tree and Grapevine Sub-Committees each met separately at 9:15 a.m. to discuss the respective research and service funding proposals for FY 2016-17.

## **Call to Order**

Nicholas Podsakoff called the meeting to order at 10:35 a.m., followed by self-introductions.

## **Minutes Approval – November 4, 2015 and April 13, 2016**

David Cox **moved** to recommend approval of the meeting minutes from November 4, 2015 and April 13, 2016 as presented. Andrew Jones seconded the motion, and the Board unanimously approved the motion.

## **UC Overhead/Indirect Cost Update**

Deborah Golino reported that effective January 2016, the Office of the President of the University of California, the Chancellor of the California State University system, and the Governor's office agreed that state departments would begin paying standard overhead costs on all future grants and contracts with the UC, starting at a rate of 25 percent in 2016, and increasing to 40 percent within the next four years. She added that CDFA marketing orders had been exempted from this standard rate, and that the UC had determined that the IAB did not qualify for this exemption.

Joshua Kress added that CDFA was continuing discussion of this issue with the UC, but noted that the decision on whether or not the IAB or other affected programs at CDFA qualified for the exemption would be made by the UC.

## **2015-16 Assessment Collection Update**

Sean Dayyani reported that an additional \$543,076 had been collected since April 13 meeting. He added that this brought the total assessments collected to \$2,657,557 (\$1,691,344 for fruit and nut trees; \$23,214 for olive trees; \$939,434 for grapevines; and \$3,565 for penalty fees). He projected that an additional \$12,000 would be collected later in the year for late payments.

### **Methyl Bromide QPS/CUE Application & Funding Update**

Due to Critical Use Exemptions (CUE) no longer being available, it was recommended to approve a smaller budget of \$10,000 for this project for 2016-17. The allocated budget would provide funding for monitoring events and attending meetings regarding the Montreal Protocol, changes to Quarantine and Preshipment (QPS) uses, other Methyl Bromide legislation, and to participate in the Nematode Study Committee.

### **Review and Approval of Budget FY 2016-17**

Deborah Golino submitted a total request of \$767,832 for Foundation Plant Services (FPS) for 2016-17 (attachment No. 1). It was recommended that the request should be partially funded at an amount of \$676,035, and it was noted that the previously discussed UC indirect cost rate of 25% would be an additional \$169,009, for a total of \$845,044.

In reference to the IAB proposal summary (attachments No. 2 & 3) and budget sheet (attachments No. 4 & 5), it was recommended funding for the following research proposals and the personnel & operating expenses for FY 2016-17:

Fruit and Nut Tree Research Proposals for a total of \$207,539 with 25% UC indirect rate, \$169,630 without;  
Grapevine Research Proposals for a total of \$205,913 with 25% UC indirect rate, \$171,550 without;  
Service contract for FPS for a total of: \$845,044 with 25% UC indirect rate, \$676,035 without;  
Service contract for Washington State University (FTQP/NCPN) for \$30,000;  
Service contract for MeBr CUE for \$10,000;  
CDFA R&C testing charges for \$281,894; and  
Program Personnel Services & Operating Expenses for \$582,103.

Testing charges included a cost for deciduous fruit and nut tree testing of \$2.62 testing fee per tree, an increase of \$0.12 per tree over prior years. Program expenses included increased costs for high-throughput PCR testing for red blotch, including salary and benefits for a new Environmental Scientist and an additional \$30,000 for PCR supplies and equipment over the prior year.

David Cox **moved** to recommend approval of the IAB budget for FY 2016-17 for a total amount of \$2,162,493 if it was determined that the UC indirect cost rate of 25% was determined to apply to those grants recommended for funding, and that if the rate was determined not to apply that indirect costs not be paid to the UC. The total budget minus the UC indirect costs was \$1,921,212. Ernest Bowman seconded the motion, and the Board unanimously approved the motion.

### **Review and Approval of Proposed Budget FY 2017-18**

In reference to the FY 2016-17 approved budget as a baseline, David Cox **moved** to recommend the amount of \$2,162,493 for the proposed budget for FY 2017-18. Clifford Little seconded the motion, and the Board unanimously approved the motion.

### **FPS Heat Therapy for Prunus Status Update**

Deborah Golino reported that the cultivar 'Denny Prune' which was believed to have cleared virus therapy had tested positive for *Prunus necrotic ringspot virus*, and this led to some nurseries asking if FPS could provide clean stock. In response, FPS staff took the material and used virus elimination methods developed by USDA and FPS on the infected plants.

The USDA method is to establish nodal tissues, allow shoots to grow from the nodes, heat-treat the new shoots in vitro for three months, and then perform meristem. The FPS method is to cut out the meristem and create plantlets which are tested with qPCR. According to Dr. Golino this allows for a shorter time in culture, lower risk of media contamination, and is less labor intensive.

After the process was completed, all the material was re-tested: only 20% of the material using the FPS method tested negative, while 100% of the plants using the USDA method tested negative. Dr. Golino concluded that she believes the FPS method is still more effective due to its shorter culture period and the diagnostic reliability of qPCR, and she added that FPS is prepared to provide these services to the industry and welcomed the Board's thoughts and recommendations.

### **Olive Program Update**

None.

### **IAB Regulation Proposal**

Joshua Kress noted that the law allowed for exemptions from the assessment, and that CDFA had exempted certain species and varieties based on recommendations from the Board. However, to comply with the Administrative Procedures Act such exemptions should be set in regulations. Mr. Kress presented proposed regulations (attachment No. 6) mirroring the notification of exemptions sent to nurseries each year that was previously approved by the Board.

David Cox **moved** to recommend CDFA pursue rulemaking to establish regulations exempting certain species and varieties from the assessment as presented. Cliff Beumel seconded the motion, and the Board unanimously approved the motion.

### **Board Members Terms Update**

Sean Dayyani reminded the Board that Ray Tonella had resigned as public member, and noted that vice chair Chuck Fleck had termed out from the Board leaving the position vacant.

Nicholas Podsokof **moved** to nominate Clifford Little as the new vice chair. Cliff Beumel seconded the motion, and the Board unanimously approved the nomination.

The Board recommended that CDFA contact Dr. David Gilchrist to ask for his interest in joining the Board as its public member.

### **Next Meeting Date and Agenda Items**

The next meeting was scheduled to be held at the same location on November 2, 2016.

### **Adjournment**

The meeting was adjourned at 12:15 p.m.

Respectfully Submitted By:

Sean Dayyani,  
Senior Environmental Scientist, IAB Manager  
CDFA Nursery, Seed, and Cotton Program

Approved by the Improvement Advisory Board on November 1, 2016

Attachments

**FPS 2016-17 Approved IAB Budget Summary Table**

BUDGET ITEM	BASE PROGRAM	SUPPLEMENT TO BASE PROGRAM	TREE	GRAPE	TOTAL	Approved
1. Support to the FPS tree program for 2016-2017.	✓		239,268		\$239,268	\$239,268
2. FPS Plant Pathologist salary & benefits.	✓		63,054	63,054	\$126,108	\$126,108
3. ELISA testing of 2/3 of the orchard for PNRSV and PDV.	✓		54,048		\$54,048	\$54,048
4. PCR Test 1/5 Classic Foundation vineyard for 10 viruses.	✓			91,797	\$91,797	\$0
5. PCR Test 1/5 Russell Ranch Foundation vineyard for 20 viruses	✓			105,938	\$105,938	\$105,938
6. Methyl bromide fumigate the grape index.	✓			31,800	\$31,800	\$31,800
7. Support for ampelographic services.	✓			5,000	\$5,000	\$5,000
8. Support for tree ID work.		✓	5,000		\$5,000	\$5,000
9. Micro satellite analysis of grapevines.		✓		20,000	\$20,000	\$20,000
10. Micro satellite analysis of orchard.		✓	20,000		\$20,000	\$20,000
11. Tissue Culture virus elimination for grapes.		✓		68,873	\$68,873	\$68,873
<b>TOTAL FUNDS REQUESTED</b>	\$0	\$0	\$381,370	\$386,462	\$767,832	<b>\$676,035</b>

Approved \$676,035 plus 25% UC indirect/overhead

**Final Budget: \$845,043.75**

**California Fruit Tree, Nut Tree and Grapevine  
Improvement Advisory Board  
May 10, 2016  
Budget Meeting**

Approved Budget #1  
5/10/2016

	FY 2015/16	FY 2015/16		FY 2016/17
<b>Personnel Services</b>	<b>Budget<sup>1</sup></b>	<b>Projected<sup>2</sup></b>	<b>Difference</b>	<b>Proposed Budget</b>
Permanent Salary (100% of YPZhang, 40% S Dayyani, *100% ES)	\$126,242	\$127,243	\$1,001	\$188,967
Temporary Salary	\$67,348	\$67,348	\$0	\$70,000
Staff Benefits (Includes Unemployment Insurance)	\$95,853	\$104,115	\$8,262	\$130,354
<b>Total Personnel Services</b>	<b>\$289,443</b>	<b>\$298,706</b>	<b>\$9,263</b>	<b>\$389,321</b>
<b>Operating Expenses</b>				
General Expenses and Supplies	\$1,500	\$2,000	\$500	\$1,500
Communications	\$500	\$401	-\$99	\$500
Postage	\$1,000	\$589	-\$411	\$1,000
Travel In-State	\$2,000	\$0	-\$2,000	\$2,000
Travel Out-of-State	\$3,000	\$0	-\$3,000	\$3,000
Training	\$1,000	\$0	-\$1,000	\$1,000
Facilities Operations	\$3,000	\$0	-\$3,000	\$3,000
Consulting and Professional Services (MeBr CUE)	\$21,990	\$0	-\$21,990	\$10,000
Intradepartmental Charges	\$47,000	\$56,799	\$9,799	\$51,368
Includes Division Costs, Executive/Administration, IT				
Audits	\$10,000	\$0	-\$10,000	\$10,000
R&C: Testing Charges	\$266,970	\$258,383	-\$8,588	\$281,894
Indirect State Administrative Costs (Pro Rata)	\$67,853	\$68,183	\$330	\$59,414
FPS	\$708,989	\$708,989	\$0	\$676,035
Fruit Tree Qualification Program (FTQP)	\$30,000	\$30,000	\$0	\$30,000
Laboratory Supplies & Equipment	\$30,000	\$83,483	\$53,483	\$60,000 <sup>3</sup>
Research Contracts	\$357,772	\$327,772	-\$30,000	\$341,180
<b>Total Operating Expenses &amp; Equipment</b>	<b>\$1,552,574</b>	<b>\$1,536,599</b>	<b>-\$15,975</b>	<b>\$1,531,891</b>
<b>Total Personnel Services and Operating Expenses</b>	<b>\$1,842,017</b>	<b>\$1,835,305</b>	<b>-\$6,712</b>	<b>\$1,921,212</b>

<sup>1</sup>Budget recommended by IAB 5/10/16

<sup>2</sup>Based on mid-year budget projections

<sup>3</sup>Includes lab supplies for GFLV, ToRSV, GLRaV, and GRBaV

**Note: Budget without indirect/overhead cost**

**IAB Proposals  
FY 2016/17**

Approved Budget #1  
5/10/2016

Item	P/I	Program	Amount Requested	Amount Approved
<b>Fruit and Nut Tree Research Proposals</b>				
1	Westphal	Evaluating Novel Nematicidal Chemistry for Usefulness In the Nursery Industry	\$61,726	\$61,726
2	Gradziel	Molecular Marker Validation of Interspecific Breeding Germplasm for Rootstock Development	\$9,420	\$9,420
3	Shackel	Managing the Water Relations of Bare Root Nursery Stock to Improve Establishment, Performance, and Disease Resistance	\$32,742	\$32,742
4	Kluepfel	Anaerobic Soil Disinfestation Against Soilborne Phytopathogenic Agents	\$30,000	\$30,000
5	Bostock	Integrated Management of Fusarium Canker in Bare Root and Container-Propagated Stone Fruit Seedlings	\$35,742	\$35,742
<b>Tree Research Subtotal</b>			<b>\$169,630</b>	<b>\$169,630</b>
<b>Grapevine Research Proposals</b>				
6	McRoberts	Education and Outreach for the Grapevine Certification and Registration Program, and an Assessment of Recently Established Production Vines From Increase Blocks	\$82,336	\$0
7	Rowhani	Study of the Effects of Red Blotch Disease on Different Grapevine Rootstocks and Different <i>Vitis vinifera</i> Plants.	\$87,450	\$87,450
8	Walker	Development of Next Generation Rootstocks for California Vineyards	\$50,000	\$50,000
9	Sudarshana	Evaluation of dPCR for the Feasibility of a Cost-Effective Multiplex Detection of Grapevine Viruses Using TaqMan Probes	\$34,100	\$34,100
<b>Grapevine Research Subtotal</b>			<b>\$253,886</b>	<b>\$171,550</b>
<b>Research Total</b>			<b>\$423,516</b>	<b>\$341,180</b>
<b>Service Contracts</b>				
10	Golino	Support to Foundation Plant Services	\$767,832	\$676,035
11	Grove	Heat Therapy and Indexing of Stone and Pome Fruit Cultivars	\$30,000	\$30,000
<b>Subtotal</b>			<b>\$797,832</b>	<b>\$706,035</b>
<b>Professional Services</b>				
12	Wells	Methyl Bromide CUE	\$21,900	\$10,000
<b>CDFA</b>				
13	Dayyani	Testing Charges	\$281,894	\$281,894
<b>TOTAL</b>			<b>\$1,525,142</b>	<b>\$1,339,109</b>

**Note: Budget without indirect/overhead cost**

**California Fruit Tree, Nut Tree and Grapevine  
Improvement Advisory Board  
May 10, 2016  
Budget Meeting**

Approved Budget #2  
5/10/2016

	FY 2015/16	FY 2015/16		FY 2016/17
<b>Personnel Services</b>	<b>Budget<sup>1</sup></b>	<b>Projected<sup>2</sup></b>	<b>Difference</b>	<b>Proposed Budget</b>
Permanent Salary (100% of YPZhang, 40% S Dayyani, *100% ES)	\$126,242	\$127,243	\$1,001	\$188,967
Temporary Salary	\$67,348	\$67,348	\$0	\$70,000
Staff Benefits (Includes Unemployment Insurance)	\$95,853	\$104,115	\$8,262	\$130,354
<b>Total Personnel Services</b>	<b>\$289,443</b>	<b>\$298,706</b>	<b>\$9,263</b>	<b>\$389,321</b>
<b>Operating Expenses</b>				
General Expenses and Supplies	\$1,500	\$2,000	\$500	\$1,500
Communications	\$500	\$401	-\$99	\$500
Postage	\$1,000	\$589	-\$411	\$1,000
Travel In-State	\$2,000	\$0	-\$2,000	\$2,000
Travel Out-of-State	\$3,000	\$0	-\$3,000	\$3,000
Training	\$1,000	\$0	-\$1,000	\$1,000
Facilities Operations	\$3,000	\$0	-\$3,000	\$3,000
Consulting and Professional Services (MeBr CUE)	\$21,990	\$0	-\$21,990	\$10,000
Intradepartmental Charges Includes Division Costs, Executive/Administration, IT	\$47,000	\$56,799	\$9,799	\$51,368
Audits	\$10,000	\$0	-\$10,000	\$10,000
R&C: Testing Charges	\$266,970	\$258,383	-\$8,588	\$281,894
Indirect State Administrative Costs (Pro Rata)	\$67,853	\$68,183	\$330	\$59,414
FPS	\$708,989	\$708,989	\$0	\$845,044
Fruit Tree Qualification Program (FTQP)	\$30,000	\$30,000	\$0	\$30,000
Laboratory Supplies & Equipment	\$30,000	\$83,483	\$53,483	\$60,000 <sup>3</sup>
Research Contracts	\$357,772	\$327,772	-\$30,000	\$413,452
<b>Total Operating Expenses &amp; Equipment</b>	<b>\$1,552,574</b>	<b>\$1,536,599</b>	<b>-\$15,975</b>	<b>\$1,773,172</b>
<b>Total Personnel Services and Operating Expenses</b>	<b>\$1,842,017</b>	<b>\$1,835,305</b>	<b>-\$6,712</b>	<b>\$2,162,493</b>

<sup>1</sup>Budget recommended by IAB 5/10/16

<sup>2</sup>Based on mid-year budget projections

<sup>3</sup>Includes lab supplies for GFLV, ToRSV, GLRaV, and GRBaV

Note: Budget with indirect/overhead cost (25%) for all UC Research

**IAB Proposals  
FY 2016/17**

Approved Budget #2  
5/10/2016

Item	P/I	Program	Amount Requested	Amount Approved
<b>Fruit and Nut Tree Research Proposals</b>				
1	Westphal	Evaluating Novel Nematicidal Chemistry for Usefulness In the Nursery Industry	\$77,158	\$77,158
2	Gradziel	Molecular Marker Validation of Interspecific Breeding Germplasm for Rootstock Development	\$11,775	\$11,775
3	Shackel	Managing the Water Relations of Bare Root Nursery Stock to Improve Establishment, Performance, and Disease Resistance	\$40,928	\$40,928
4	Kluepfel	Anaerobic Soil Disinfestation Against Soilborne Phytopathogenic Agents	\$30,000	\$33,000
5	Bostock	Integrated Management of Fusarium Canker in Bare Root and Container-Propagated Stone Fruit Seedlings	\$44,678	\$44,678
<b>Tree Research Subtotal</b>			<b>\$204,538</b>	<b>\$207,539</b>
<b>Grapevine Research Proposals</b>				
6	McRoberts	Education and Outreach for the Grapevine Certification and Registration Program, and an Assessment of Recently Established Production Vines From Increase Blocks	\$102,920	\$0
7	Rowhani	Study of the Effects of Red Blotch Disease on Different Grapevine Rootstocks and Different <i>Vitis vinifera</i> Plants.	\$109,313	\$109,313
8	Walker	Development of Next Generation Rootstocks for California Vineyards	\$62,500	\$62,500
9	Sudarshana	Evaluation of dPCR for the Feasibility of a Cost-Effective Multiplex Detection of Grapevine Viruses Using TaqMan Probes	\$34,100	\$34,100
<b>Grapevine Research Subtotal</b>			<b>\$308,833</b>	<b>\$205,913</b>
<b>Research Total</b>			<b>\$513,370</b>	<b>\$413,452</b>
<b>Service Contracts</b>				
10	Golino	Support to Foundation Plant Services	\$959,790	\$845,044
11	Grove	Heat Therapy and Indexing of Stone and Pome Fruit Cultivars	\$30,000	\$30,000
<b>Subtotal</b>			<b>\$989,790</b>	<b>\$875,044</b>
<b>Professional Services</b>				
12	Wells	Methyl Bromide CUE	\$21,900	\$10,000
<b>CDFA</b>				
13	Dayyani	Testing Charges	\$281,894	\$281,894
<b>TOTAL</b>			<b>\$1,806,954</b>	<b>\$1,580,390</b>

Note: Budget with indirect/overhead cost (25%) for all UC Research



## Fruit Tree, Nut Tree and Grapevine Improvement Advisory Board Draft Regulations

### [Section # TBD]. Fruit Tree, Nut Tree, and Grapevine Assessment.

(a) In accordance with Section 6981 of the Food and Agricultural Code, the Secretary exempts the sales of the following species of pome and stone fruit trees, nut trees, and grapevines, varieties of olive trees, and ornamental varieties of apple, apricot, crabapple, cherry, nectarine, olive, peach, pear, and plum from assessment:

- (1) Amur chokecherry (*Prunus maackii*)
- (2) Butternut (*Juglans cinerea*)
- (3) Canada red chokecherry (*Prunus virginiana* 'Shubert')
- (4) Carolina laurel cherry (*Prunus caroliniana*)
- (5) Catalina cherry (*Prunus lyonii*)
- (6) Crabapple (*Malus* spp.)
- (7) English laurel (*Prunus laurocerasus*)
- (8) Evergreen pear (*Pyrus kawakamii*)
- (9) Flowering almond (*Prunus glandulosa* and *Prunus triloba*)
- (10) Flowering plum (*Prunus americana* and *Prunus cistena*)
- (11) Hazelnut/filbert (*Corylus* spp.)
- (12) Hickory (*Carya* spp.)
- (13) Hollyleaf cherry (*Prunus ilicifolia*)
- (14) Macadamia (*Macadamia* spp.)
- (15) Olive varieties Manzanillo and Gordal Sevillano
- (16) Otto Luyken laurel (*Prunus laurocerasus*)
- (17) Pecan (*Carya illinoensis*)
- (18) Pistachio (*Pistacia* spp.)
- (19) Portugal laurel (*Prunus lusitanica*)
- (20) Zabel laurel (*Prunus laurocerasus* 'Zabeliana')

Note: Authority cited: Sections 407 and 6981, Food and Agricultural Code.  
Reference: Sections 6981, 6982, 6983, and 6986, Food and Agricultural Code.