

Nursery Advisory Board (NAB)
Conference Call
California Department of Food and Agriculture (CDFA)

Tuesday, November 7, 2017
11:00 a.m. – 12:00 p.m.

1. Roll Call

The meeting was called to order at 11:10 a.m. by Steve McShane, Board Chair. The following members and guests attended the meeting:

David Cox*	Joshua Kress	Steve McShane*
Robert Crudup*	Janet Silva Kister*	Jan Merryweather
Bruce Jensen*	Erin Lovig	Scott Nicholson*
Jay Jensen*	Thomas Lucas*	Loc Phan

* Nursery Advisory Board Member

2. Opening Remarks and Housekeeping

McShane welcomed Board Members and guests, and reviewed housekeeping and agenda items. Robert Crudup announced that he was attending the meeting at a non-public location. Joshua Kress informed him that he could attend the meeting, but could not vote.

3. Nursery Services Program Budget and Fund Condition

Kress provided the Board with a proposal for out-of-state travel for Fiscal Year 2018/19 (Attachment 1), which consisted of \$2,000 for program staff to attend the 2018 Annual Meeting and Education Seminar of the Western Chapter of the Horticulture Inspection Society (WHIS).

Kress provided the Board with a Budget Summary (Attachment 2) and Fund Condition Statement (Attachment 3), and noted changes from the reports presented at the prior meeting.

A few expenditures/adjustments had been made for Fiscal Year 2015/16, totaling an increase of \$23 from the prior meeting. As noted during the prior meeting, out-of-state travel charges for Fiscal Year 2015/16 were incorrectly included on the Fiscal Year 2014/15 budget, and correction of this error was still pending.

Various expenditures/adjustments were made for Fiscal Year 2016/17, including final payments for county contracts. Total expenditures for Fiscal Year 2016/17 were \$6,435 more than presented at the prior meeting.

The final approved budget for Fiscal Year 2017/18 was presented. Changes from the budget presented at the prior meeting included: an increase in personal services, an increase in in-state travel, an increase in external services, decrease in total indirect costs, slight decrease in pro rata, and slight decrease in authority for county contracts. Kress noted that the Program was not likely to spend the full authority for county contracts. Kress also noted that a \$2,000 increase for in-state travel was due to the Program proposing a combined figure for in-state

and out-of-state travel, and that the Board-approved \$2,000 for out-of-state travel had been added onto the approved budget separately.

The total approved budget for Fiscal Year 2017/18 was \$112,332 higher than previously presented.

An updated Proposed Spending Plan for Fiscal Year 2018/19 was presented. Kress noted that the budgeted temporary salary for Fiscal Year 2016/17 was lower than anticipated expenditures; however, it would be balanced with the increase in permanent salary. In addition, the equipment expense had increased by \$50,000, for the purchases of 2 vehicles and 1 copier. Kress explained that the program would not utilize the full amount, due to cost-sharing with Seed Services. Thus, the expected expenditures would be around \$55,000.

Janet Silva Kister recommended that the budget should reflect the expected expenditures of \$55,000 rather than \$100,000. In addition, Kister requested a breakdown of staff benefits be presented in the next meeting.

Kress reviewed the Fund Condition Statement, and noted the changes for Fiscal Year 2015/16 and Fiscal Year 2016/17 revenue. Total revenue for Fiscal Year 2015/16 was \$20,695 higher than presented at the prior meeting. Meanwhile, total revenue for Fiscal Year 2016/17 was \$8,665 higher than previously presented, which included revenue from outstanding invoices. Kress noted the continued deficit, which was discussed at prior meetings and the program was working with the participants of the registration and certification programs on increasing fees.

David Cox moved to recommend Nursery Services allocate \$2,000 for out-of-state travel in Fiscal Year 2018/19 for attendance by program staff at the Western-Chapter of the Horticultural Inspection Society's Annual Meeting and Education Seminar. Bruce Jensen seconded. The Board voted as follows via roll call:

Yes: David Cox, Bruce Jensen, Jay Jensen, Janet Silva Kister, Thomas Lucas, Steve McShane, Scott Nicholson
No: None
Abstained: Robert Crudup
Absent: Don Dillon, Ernest J. Rodriguez, Daniel Waterhouse

Motion carried.

Janet Silva Kister moved to recommend to the Secretary the proposed spending plan of **\$3,390,421** for Nursery Services for Fiscal Year 2018/19, as amended to reflect \$55,000 for equipment. Thomas Lucas seconded. The Board voted as follows via roll call:

Yes: David Cox, Bruce Jensen, Jay Jensen, Janet Silva Kister, Thomas Lucas, Steve McShane, Scott Nicholson
No: None
Abstained: Robert Crudup
Absent: Don Dillon, Ernest J. Rodriguez, Daniel Waterhouse

Motion carried.

4. PlantRight Letter of Support

Steve McShane presented to the board a drafted letter of support for PlantRight, which was discussed at the prior meeting (Attachment 4).

The board discussed seeking General Funds, the placement of the program outside of CDFR, and the need for review and suggestions from California Association of Nurseries and Garden Centers and Nursery Growers Association.

Joshua Kress read the full content of the proposed letter of support. After discussion, revisions were recommended as follows: “within State government” was changed to read “within the State”; and the statement “recommend that Secretary seek General Funds for support of this program” was added.

David Cox moved to recommend that Board Chair Steve McShane submit a letter of support for PlantRight to the Secretary of Food and Agriculture, and to recommend that the Department seek General Fund support for PlantRight in the future. Janet Silva Kister seconded. The Board voted as follows via roll call:

Yes: David Cox, Bruce Jensen, Jay Jensen, Janet Silva Kister, Steve McShane, Scott Nicholson
No: Thomas Lucas
Abstained: Robert Crudup
Absent: Don Dillon, Ernest J. Rodriguez, Daniel Waterhouse

Scott Nicholson voted in writing via the GoToWebinar application; Joshua Kress read Nicholson’s vote. Motion carried.

5. Public Comments:

Jan Merryweather, Senior Project Manager of PlantRight, thanked the Board for drafting a letter of support to the Secretary.

6. Next Meeting/Agenda Items

The next meeting will be held in February/March. A Doodle poll will be sent to Board Members by Erin Lovig in December to determine the preferred date and location.

The Board discussed possible agenda items for the next meeting, including officer elections, plant pest of concerns, and restrictions regarding RoundUp.

7. Adjournment

Meeting was adjourned at 12:09 p.m.

Respectfully submitted by:

Erin Lovig
Senior Environmental Scientist
CDFA Nursery, Seed, & Cotton Program

Approved by Board Motion on February 28, 2018

2018/19 Proposed Out-of-State Travel for Nursery Services Program

Presented November 7, 2017 - Nursery Advisory Board Meeting

Class Title	Total Attending	Total Days of Trip	Cost	PCA	Purpose / Justification (include benefit to state)
Envir. Scientist or Designee	1	5	\$2,000	14040	<p>To attend the Annual Meeting and Education Seminar of the Western Chapter of the Horticultural Inspection Society (WHIS). Established by the National Plant Board, WHIS is an organization of agricultural inspectors in the member states and territories of the Western Plant Board that promotes high standards for inspections and regulatory activities, provides training and outreach on new tools and concepts, and increases uniformity among inspection and certification activities in the western states.</p> <p>The designee serves as Treasurer and Past-President of WHIS. As Treasurer, the designee participates in the arrangement and coordination of the meeting and seminar, and prepares an annual audit and performs other fiscal duties of the organization.</p> <p>The state will benefit by the promoting of uniform inspection and enforcement standards that will lead to easier regulatory communication between states and improved standards of cleanliness for all nursery stock being shipped into of within California. The training and communication with other states are critical for CDFA's ability to maintain orderly markets for the shipment of plants, prevent the introduction of pests in nursery stock, and maintain a high standard of cleanliness for nursery stock being shipped to and produced in California.</p> <p>If this trip was denied, CDFA would not receive updates on potential invasive species and inspection tools, impacting the training of the state's agricultural inspectors and increasing the pest risk of shipped plant material moving to and from California.</p> <p>Travel will not interfere with regularly assigned duties.</p>
Total = \$2,000					

Nursery Services Program Budget Summary

	PPY 2015/16 per 10/31/17	PY FY 2016/17 per 10/31/17	CY FY 2017/18 per 10/31/17	Proposed FY 2018/19 per 10/31/17
Permanent Salary	947,522	969,639	1,091,145	1,140,414
Temporary Salary	147,819	190,704	89,738	89,738
Staff Benefits (includes Unemployment Ins)	608,322	650,905	719,303	742,502
TOTAL PERSONAL SERVICES	1,703,663	1,811,248	1,900,186	1,972,654
General Expenses	27,975	26,323	40,000	40,000
Printing	4,217	4,479	5,000	5,000
Communications	12,629	14,713	14,000	14,000
Postage	6,144	5,050	8,000	8,000
Insurance-Vehicles	2,761	4,382	3,000	3,000
Travel In-State	27,608	31,035	37,000	35,000
Travel Out-of-State	7	1,625	2,000	2,000
Training	373	1,700	10,000	10,000
Facilities	148,360	152,813	145,000	145,000
Utilities	6,504	6,117	10,000	10,000
Cons & Prof	1,382	7,996	2,000	2,000
Atty General Charges	0	0	5,000	5,000
External Services (includes web payment service)	4,922	5,196	9,000	9,000
Intradeptl Charges (includes Division Costs, Executive/Administration, IT)	412,520	429,954	464,761	467,225
Pro Rata	112,335	104,837	102,890	110,106
IT Purchases	12,326	14,379	14,000	14,000
Equipment	22,962	28,179	50,000	100,000
Field Expenses/Agri & Lab Supplies	25,989	41,469	21,000	21,000
Vehicle Operations	31,161	28,238	50,000	50,000
Other Misc. Charges	-44	84	0	0
Subtotal Oper Exp/Equip	860,131	908,571	992,651	1,050,331
County Contracts	646,980	658,952	664,443	667,395
Nematode Lab Costs	67,120	65,600	68,000	68,000
TOTAL OPER EXP/EQUIP	1,574,231	1,633,123	1,725,094	1,785,726
Recovery from other programs	(258,383)	(271,259)	(281,894)	(281,894)
Reimbursement 224c - Admin	(42,327)	(43,586)	(41,065)	(41,065)
TOTAL COST RECOVERIES	(300,710)	(314,845)	(322,959)	(322,959)
TOTAL BUDGET w Personnel & Benefits	2,977,184	3,129,526	3,302,321	3,435,421

Nursery Services Program Fund Condition

	PPY 2015/16 EOY Actual	PY 2016/17 Actual	CY 2017/18 Projection	Projection for 2018/19 Fund Condition	Projection for 2019/20 Fund Condition
BEGINNING RESERVE BALANCE	\$1,594,823	\$1,445,720	\$1,191,433	\$655,962	(\$12,860)
REVENUE CATEGORIES					
Nursery License Fee	1,789,250	1,823,275	1,800,000	1,800,000	1,800,000
Acreage Fee	304,650	301,866	305,000	305,000	305,000
Delinquent (Penalty) Fee	41,625	42,150	40,000	40,000	40,000
Directory Sales	105	140	100	100	100
R&C & Nematode Certification	679,052	697,718	611,750	611,500	611,500
Interest & Miscellaneous Income	13,399	10,090	10,000	10,000	10,000
TOTAL REVENUE	\$2,828,081	\$2,875,239	\$2,766,850	\$2,766,600	2,766,600
EXPENDITURES					
Personnel Services	1,703,663	1,811,248	1,900,186	1,972,654	1,972,654
Operating Exp & Equipment	860,131	908,571	992,651	1,050,331	1,050,331
County Contracts	646,980	658,952	664,443	667,395	667,395
Lab Services	67,120	65,600	68,000	68,000	68,000
COST RECOVERIES					-
Recovery from other programs	(258,383)	(271,259)	(281,894)	(281,894)	(281,894)
Reimbursement 224c - Admin	(42,327)	(43,586)	(41,065)	(41,065)	(41,065)
TOTAL EXPENDITURES (BUDGET)	2,977,184	\$3,129,526	\$3,302,321	\$3,435,421	3,435,421
ENDING RESERVE BALANCE	\$1,445,720	\$1,191,433	\$655,962	(\$12,860)	(\$681,681)
AG TRUST FUND					
Interest	318,943	\$320,284	322,658	323,658	323,658
	1,341	2,374	1,000	1,000	1,000
ENDING AG TRUST FUND	\$320,284	\$322,658	\$323,658	\$324,658	\$324,658

NOTES OF INTEREST:

Reserve Calculation: The Department recommends that this program maintain a reserve of between 1/3 and 1/2 of its annual expenditures; this calculates to between \$1M and \$1.5M.



November 6, 2017

Secretary Karen Ross
California Department of Food and Agriculture
1220 N Street
San Francisco CA 95814

Support for PlantRight

Dear Secretary Ross,

On behalf of your Nursery Advisory Board, we would like to offer our support for PlantRight. As you may know, PlantRight is a program that provides valuable education on invasive species to stakeholders in the California nursery industry.

Since 2005 PlantRight has been working to stop the sale of horticultural invasive plants in ways that are good for business and the environment. Nearly half of California's known invasive plants are of horticultural origin; yet, prior to PlantRight, there was no collaborative effort in place to help the nursery trade identify and phase out invasive plants from the supply chain. In a 2008 study by Cal-IPC found that invasive plant eradication costs CA taxpayers more than \$82 million each year.

Recognizing that prevention is the most cost-effective way to combat the further spread of invasive plants, PlantRight offers an opportunity for the nursery industry to take the lead on problem solving, while protecting California's unique biodiversity and curtailing the need for regulation. PlantRight's science-based, collaborative and voluntary approach has resulted in some of the following major success:

- Of PlantRight's original list of 19 invasive garden plants, 15 have since been "retired" (found at less than 1% of garden stores surveyed for 3 consecutive years).
- In 2006 virtually all garden centers carried one or more invasive plant on the original plant list. Today, just 11% sell one or more plants on the original list.
- PlantRight retail partners include garden centers small and large – from independents like Yamagami's, to small chains such as Green Acres and SummerWinds, to big box garden centers at The Home Depot and Lowe's (CA).

The nursery trade is faced with a daunting number of challenges and invasive horticultural plants does not have to be one of them. PlantRight's program makes

addressing this challenge practical and possible, while providing customers with even better plants.

We know there is ongoing discussion as to where PlantRight will best fit within State government. We want to underscore the importance that managing invasive species be voluntary and free of any cost to the industry. We recommend contact with Chris Zanobini of the California Association of Nurseries and Garden Centers as a resource on the program. Alternatively, any of your State Nursery Advisory Board Members are ready to be of advice as well.

Should you have any questions or need further discussion on this, feel free to contact me at (831) 970-4141 or steve@mcsshanesnursery.com.

Sincerely,

Steve McShane

Steve McShane
Chair, CA State Nursery Advisory Board