



California Citrus Nursery Board

MINUTES OF MEETING

December 13, 2016

Visalia, California

Vice Chairman Don Dillon called a meeting of the California Citrus Nursery Board to order at 10:07 a.m. on Tuesday, December 13, 2016 at the Wyndham Hotel in Visalia, California. Roll was taken, showing a quorum was present with the following in attendance:

Members

Don Dillon
Robert LoBue
Gary Moles
Tom Mulholland
Tia Russell

Alternates

Leonard Massey*
CJ Buxman*
Jackie Maxwell

*Voting in lieu of member

CDFA

Kacie Fritz

Staff

JD Allen, Assistant Manager
John Gilstrap, Manager

Guests

Roger Smith, Tree Source
Eric Valle, Tree Source

Minutes of Previous Meeting

On a motion by Moles and second by LoBue, the minutes of the meeting held December 15, 2015 were approved as distributed.

Board Vacancies and Nominations

Gilstrap explained that due to the resignation of Chairman Bob Zuckerman earlier in the year, the Board would need to elect a new Chairman. He also explained that if Vice Chairman Don Dillon were to be elected Chairman, the Board would need to elect a new Vice Chairman, however if someone other than Dillon were elected Chairman, Dillon would continue as Vice Chair.

Dillon opened the floor for nominations for Chairman. Mulholland, with a second by Moles, nominated Don Dillon as Chairman.

With no further nominations being offered, Dillon called for a vote.

Board Action 12-13-16-1 Don Dillon was unanimously elected as Chairman of the California Citrus Nursery Board with nobody abstaining.

Dillon then opened the floor for nominations for Vice Chairman. At this time Gary Moles mentioned that he would be resigning from the Board effective 12-31-16, and Tia Russel said Duarte Nursery would be getting out of the Citrus Nursery business in the near future which would result in her ineligibility to serve.

Massey, with a second from Russell, nominated Tom Mulholland to serve as Vice Chair.

Hearing no additional nominations, Dillon called for a vote.

Board Action 12-13-16-2 Tom Mulholland was unanimously elected Vice Chairman of the California Citrus Nursery Board with nobody abstaining.

Dillon then addressed the vacancies on the Board. Gilstrap reminded the Board that at the meeting in December of 2015 some names of possible members were put forward as possible nominees. Gilstrap said he had contacted those individuals and reported to Chairman Zuckerman but, he had resigned before the Board took any action. Gilstrap said one of the potential members (Roger Smith) was present at the meeting, and that another that had been willing to serve was John Gless. Roger commented that he was no longer available to serve but, would like Tree Source to be involved and suggested that the Board consider nominating Eric Valle, who was also present.

Board Action 12-13-16-3 LoBue moved with a second from Mulholland, to nominate Eric Valle and John Gless to serve as members of the California Citrus Nursery Board.

MOTION CARRIED UNANIMOUSLY WITH 0 ABSTAINITIONS

Gilstrap reminded the Board that there were still vacant positions. There was one opening last year at this time and since then Zuckerman had resigned, Moles was leaving as well and the Russell resignation was expected in 2017. Dillon asked everyone to consider who might be willing to serve on the Board and a conference call would be held sometime in the next few months to try to fill the remaining openings. Dillon said he would consider the existing committees and make adjustments to those at the same time.

Public Comments

There was nobody from the general public in attendance at the meeting.

Committee Reports and Recommendations

Dillon reported that the Research Committee had met for several hours the previous week and reviewed 10 proposals, 7 of which were continuing projects and 3 of which were new. Dillon explained that the Committee was recommending the Board approve the projects as listed in the handout distributed in the meeting packet (Exhibit A).

Board Action 12-13-16-4 Mulholland moved with a second by Buxman, that the Board approve the recommendations of the Research Committee as submitted.

MOTION CARRIED UNANIMOUSLY WITH 0 ABSTAINITIONS

The Board continued the discussion on research and both Massey and Smith suggested that sometime prior to RFP's being sent next fall, that the research priorities be revisited by the entire Board. This idea was thought to be particularly important due to the prospect of so many new members on Board who might have a different perspective on the priorities.

Financial Report and Budget worksheet

Gilstrap went through his estimated final expenses and expenditures and his suggested budget for 2017 (Exhibit B). He reminded the Board that 2016 revenues are not paid until January of 2017. He also asked the Board to reaffirm that the Research Committee would have the authority to spend the funds in the research reserve and that the Education Committee would have the authority to spend the Education Budget.

Board Action 12-13-16-5 Moles moved with a second by Russell, to give the Research Committee authority to spend the research reserve (budget line 513) and the Education Committee the authority to spend the funds designated for Education (budget line 403).

MOTION CARRIED UNANIMOUSLY WITH 0 ABSTAINATIONS

Annual Resolutions

Resolution A – Crop Estimate and Rate of Assessment

WHEREAS, the California Citrus Nursery Board provides that the Board recommend a rate of assessment for each marketing season, and

WHEREAS, the Board has estimated a crop value of \$35,425,000 to be produced in the 2017 season, and

WHEREAS, the Board has considered the estimated expenditures in its preliminary 2017 budget,

BE IT RESOLVED that the Board recommend to the Secretary that the assessment rate for the period January 1, 2017 thru December 31, 2017 be one percent (1.0 percent) of the first sale of propagated citrus.

Resolution B – 2017 Preliminary Budget

WHEREAS, it is estimated that there will be a carry-over of \$577,000 from the Board's 2016 budget, and

WHEREAS, the attached preliminary budget (Exhibit C) reflects estimated income and expenditures for the 2017 marketing season,

BE IT RESOLVED that the Board recommend the approval by the Department of Food and Agriculture of the attached preliminary budget and authorization of the transfer of the estimated carry-over to the 2017 budget.

Resolution C – Retaining Monfort Management Services

WHEREAS, Monfort Management Services, Inc. has provided the necessary office facilities and staff services, and the Board Manager has performed in a satisfactory manner, and

WHEREAS, Monfort Management staff members are also involved in the management of other advisory boards or commissions, which allows MMS, Inc. to minimize the expenses of the involved board by the sharing of such expense items as multi-purpose trips, memberships, subscriptions, or certain purchases.

THEREFORE BE IT RESOLVED that the Board approve the retention of Monfort Management Services, Inc. for the 2017 Marketing Season for a total amount of \$35,664, with the Board to be billed in twelve equal monthly installments of \$2,972, which shall cover the following:

1. The services of John Gilstrap as Board Manager and J.D. Allen as Assistant Manager,
2. The services of MMS's secretarial, bookkeeping and clerical staff on an as-needed basis, and
3. The furnishing of Office space, utilities, phone equipment, postage meter, mailing system, computers, printers and other miscellaneous equipment, and

BE IT FURTHER RESOLVED that when appropriate opportunities arise for cost-sharing with the other boards managed by Monfort Management Services, Inc., an officer of MMS, Inc. be authorized to pro-rate such shared costs based on a suitable formula calculated to distribute the costs according to the benefit derived by each board involved. This distribution may be on an equal basis, a percentage of usage basis, or according to the direct benefit obtained by each board, based on such things as the time spent on a trip.

BE IT FURTHER RESOLVED that the Board recommend that the Department approve establishing a contractual relationship between the Board and Monfort Management covering the provision of the aforementioned services and facilities, and that the Board Chairman be authorized to sign said contract, and approve the appropriate invoices involved on behalf of the Board.

Resolution D – Retaining Borchardt, Corona, and Faeth.

WHEREAS, the Department of Food and Agriculture has developed a plan whereby Advisory Boards are to have the Board's annual financial audit and fiscal and compliance audit for the 2016 fiscal year, and

WHEREAS, the Department's policy allows Certified Public Auditing firms to complete the Audit along with their annual fiscal audits, and

WHEREAS, the firm of Borchardt, Corona and Faeth has been contracting to do the California Citrus Nursery Board's fiscal audit for the past several years,

THEREFORE BE IT RESOLVED that the Board allow Monfort Management Services to contract with Borchardt, Corona and Faeth to do the Board's annual fiscal and compliance audit for the 2016 fiscal year.

Board Action 12-13-16-6 Moles moved with a second by Mulholland to adopt Resolutions A through D.

MOTION CARRIED UNANIMOUSLY WITH 0 ABSTAINMENTS

CDFA Issues

Gilstrap explained the new legislation will again make conference calls a more reasonable tool for commodity boards. The new guidelines will have some new rules including the need to commit to attending the meeting at least 24 hours in advance but, in general it will be much easier to hold a conference call.

Other Business

Gilstrap suggested something be done to recognize Bob Zuckerman for his service to the industry and the Board.

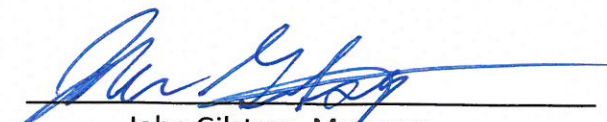
Board Action 12-13-16-7 Mulholland moved with a second by LoBue, that the Board have Gilstrap purchase ceremonial gavel with an inscription to recognize the service of Bob Zuckerman.

MOTION CARRIED UNANIMOUSLY WITH 0 ABSTAINMENTS

Dillon thanked Moles and Russell for their service to the Board.

There being no further business the meeting was adjourned at 11:51 a.m.

I, John Gilstrap, Manager of the California Citrus Nursery Board, do hereby certify that to the best of my knowledge, the foregoing is a true and correct copy of the minutes of a meeting of the California Citrus Nursery Board held in Visalia, California on December 13, 2016.



John Gilstrap, Manager

CALIFORNIA CITRUS NURSERY BOARD

2017 Research Proposals



CONTINUING PROJECTS					
	Researcher	Project Title	2017 Request	2017 Rec.	Board Decision
1	Grafton-Cardwell	Tristeza Indexing (ongoing)	10,416	10,416	
2	McCollum	Early Detection of HLB Following Infestation with ACP (year 3 of 3)	33,505	33,505	
3	Lieth	Optimization of Citrus Nursery Production in Screened Houses (year 3 of 4)	-0-	Yes#	
4	Vidalakis	Staff Research Associate (ongoing)	*52,800	*52,800	
5	Vidalakis, Osman	Implementation of High Throughput Diagnostic System (year 4 of 5)	80,692	75,000	
6	Vidalakis	Citrus Nursery Stock Pest Cleanliness Program...(ongoing)	27,590	27,590	
7	Ramadugu	Development of Rapid, Field-Deployable Diagnostic Assays for... (year 3 of 3)	50,000	50,000	
SUBTOTAL CONTINUING PROJECTS			255,003	249,311	

NEW PROPOSALS					
	Researcher	Project Title	2017 Request	2017 Rec.	Board Decision
8	Falk	Improved detection and characterization of <i>Citrus leprosis virus...</i> (1 of 2)	60,911	**0-	
9	Lavagi	Optimizing the timing and plant introduction of transmissible... (1 of 5-7)	2,200	2,200	
10	Yokomi	Improved sensitive detection of the HLB ... (1 of 2)	70,188	41,650	
SUBTOTAL NEW PROPOSALS			\$133,299	\$43,850	
2017 TOTAL RECOMMENDATION			\$293,161		

Requested no new funds for 2017, just a no cost extension of 2016 funds.

* Paid from acct# 511. Not part of the research budget.

** The Research Committee thought parts of this proposal had merit. Suggested researcher narrow focus and submit again next year.

CALIFORNIA CITRUS NURSERY BOARD
2017 Budget Worksheet

<i>Acct Code</i>	<i>Estimated Income</i>	<i>Estimated Final</i>	<i>Potential Budget</i>	<i>Preliminary Budget</i>
		<i>2016</i>	<i>2017</i>	<i>2017</i>
	Carryover Funds	\$509,394	\$577,000	
	Current Year Interest	3,000	3,300	
	Assessments			
	15 \$3,210,700 @ 1%	32,107		
	16 \$35,425,000 @ 1%	354,250	375,000	
	TOTAL ESTIMATED INCOME	\$898,751	\$955,300	
	<i>Estimated Expenditures</i>	<i>Operating Expenses</i>		
305	Management Services	35,664	35,664	
315	Audits	3,000	3,000	
320	Office Supplies	200	500	
330	Telephone	700	900	
335	Postage	100	300	
345	Dues & Subscriptions	-0-	-0-	
355	Travel & Mileage	700	2,000	
360	Meetings	1,000	4,000	
365	Annual Report	100	100	
370	Insurance & Bonds	463	500	
390	Miscellaneous	-0-	200	
392	Website	1,425	1,425	
403	Education	0	25,000	
510	Research	212,008	240,361	
511	Disease Testing/Staff Research Asst.	52,096	52,800	
513	Research Reserve	-0-	10,000	
	TOTAL OPERATING EXPENSE	\$307,456	\$376,750	
		<i>Departmental Charges</i>		
710	Marketing Branch Charges	14,000	15,000	
	TOTAL EST. EXPENDITURES	\$321,456	\$391,750	
	Carryover Funds	577,295	563,550	
	TOTAL EXPENSES & RESERVE	\$898,751	\$955,300	

