

# Citrus Administrative Committee

## Minutes of Meeting

A meeting of the Citrus Administrative Committee was held on Thursday, April 26, 2018 at the Grove House in Lake Wales and via conference call.

Chairman George Hamner called the meeting to order and asked Mr. Chadwell to call the roll of members and alternates. Mr. Chadwell called the roll of members and alternates and reported 8 grower members and 7 shipper members and the public member were present and seated. He reported there was a quorum.

The following members and alternates of the 2017-18 Citrus Administrative Committee were present and seated:

### Growers

Lindsay Raley, alternate  
Ellis Hunt, Jr.,  
Dennis Broadaway  
Julie Obney -c  
John Husted, alternate - c  
Greg Nelson  
Jon Marone, alternate  
Emma Reynolds Ezell, alternate - c

### Shippers

Melanie Ressler - c  
Gee Roe  
Rusty Varn, alternate - c  
George F. Hamner, Jr.  
Paul Genke  
Steven Callaham, alternate  
Frank M, Hunt, III

### Public Member

Ernie Neff - c

Others Present:

Arthur B. Chadwell	Abigail Campos
Scott McClure	Jimmy Martin
Peter Chaires	Daniel Hunt
Deloris Jamieson	Jimmy Johnson
Quentin Roe	Emery Smith

Chairman Hamner asked if there were any additions or corrections to the CAC Minutes of the September 28, 2017 and November 9, 2017 meeting, there were no changes or corrections..

Mr. Frank Hunt moved seconded by Mr. Genke that the CAC Minutes of the September 28, 2017 and the November 9, 2017 meeting be approved as mailed and posted on the website. The motion carried unanimously on a voice vote of the committee.

Mr. Raley moved seconded by Mr. Mitchell that the financial statements be approved as mailed, posted and included in the meeting folders. The motion carried unanimously on a voice vote of the committee.

Chairman Hamner called on CAC Treasurer Raley to report on the CAC Budget for the 2017-18 season..

CAC Treasurer Lindsay Raley reported on revising the assessment rate for the 2017-18 budget as follows;

“On June 29<sup>th</sup> the committee approved the 2017-18 budget based on regulated shipments of 8.6 million cartons and adopted an assessment rate of \$0.009 per regulated carton. The Executive Committee did discuss raising the assessment back in June but determined the \$0.009 rate would be sufficient due to projected fresh shipments at that time.

After Hurricane Irma, the committee on November 9, 2017 approved an increase assessment rate to \$0.02 per regulated carton due to the projected decline in fresh citrus shipments for the 2017-18 seasons.

The most current projection for 2017-18 fresh shipments are approximately 8 million cartons with regulated cartons of approximately 7 million cartons. Total budgeted expenses for the 2017-18 budget are \$132,000. Expenses for this season should be approximately \$122,000 a estimated decrease of about \$10,000. Given the \$124,040 in carryover from the 2016-17 season coupled with expected revenue of \$140,00 less the projected expenses, the CAC should have approximately \$142,00 in carryover on August 1, 2018.”

Mr. Raley stated the first and second quarter financial reports were sent out to all members and posted on the website. He noted the committee was in a strong financial position and appreciated Mr. Chadwell’s management to hold the line on expenses. He asked if there were any questions concerning the budget or reports. There were no questions and Mr. Raley moved, seconded by Mr. Frank Hunt that the first and second quarter financial reports be approved as presented. The motion carried unanimously on a voice vote of the committee.

Chairman Hamner reviewed the action taken at the June 29, 2017 meeting when the committee made a number of recommendations to the Secretary of Agriculture. He noted due to Hurricane Irma in mid September and the change in the USDA administration a few of the recommendations were put on hold in order that the two most important size regulations could be acted upon in a timely manner.

He then reviewed each of the recommendations that were put on hold.

The first recommendation was to combine Early-Midseason and Valencia oranges into one orange classification along with classifying red and white seedless grapefruit into one grapefruit classification.

Mr. Chadwell noted the Early-Midseason and Valencia oranges shared the same minimum grade and size regulations as did the Red and White grapefruit. He suggested combining these varieties would make have no adverse effects and could make for easier record keeping.

There was support within the committee to combine these varieties. Mr. Raley moved, seconded by Mr. Frank Hunt to affirm the action taken on June 29, 2017 by the committee to combine the orange and grapefruit varieties. The motion carried unanimously on a voice vote of the committee.

Mr. Chadwell noted in the past committees had removed a number of varieties that were considered to have limited commercial value due to limited shipments. He gave Dancy and Robinson tangerines along with K-early citrus fruit as examples. He noted both Ambersweet oranges and Temple oranges (Royal tangerines) production and shipment levels had declined to non commercial levels.

Mr. Frank Hunt moved, seconded by Mr. Ellis Hunt to affirm the action taken on June 29, 2017 by the committee to remove minimum grade and size regulations on Ambersweet oranges and Temple oranges (Royal tangerines). The motion carried unanimously on a voice vote of the committee.

Chairman Hamner then turn to the recommendation to utilizing the authority in the marketing order register packinghouses (handlers). He noted this authority has been approved a number os seasons ago but the committee had not moved to register handlers until the June 29, 2017 meeting.

Ms. Campos, USDA requested the committee discuss the points for informal rulemaking.

Mr. Chadwell noted currently as in the past, Florida fresh fruit handlers register each season with the Florida Department of Agriculture and Consumer Service (FDOACS), Division of Fruit & Vegetables prior to the beginning of each season. He noted this requirement would not change but that the committee felt it needed to have each handler register with the committee in order to have additional control over handlers.

Chairman Hamner noted it was an additional tool for the committee to have to operate the marketing order. He noted registering handlers could assist the committee in collection of assessments as an example.

Mr. Chadwell noted it was important to obtain the most current contact information from handlers as the number handlers was changing yearly and there has been a number of handlers combining operations. He also stated in the future the committee could be the only government entity in the state of Florida regulating fresh citrus handlers and the product they ship.

He also stated the Florida citrus industry was changing very quickly and the committee needed to be ready to meet these changes. Also, he said the committee had invested in an update website

and data collection program to better serve the fresh industry and the registration of handlers would assist in the administration of the marketing order.

Chairman Hamner noted in the past decade the committee has amended the marketing order twice to provide the fresh segment of the Florida citrus industry with the tools to administer complete marketing order that meets the needs of an ever changing citrus industry for both growers and shippers of Florida citrus.

Chairman Hamner then reviewed the request by the Florida Citrus Packers (Packers) for the Florida Department of Citrus (FDOC)

Mr. Chadwell noted the request was by the Packers for the fresh segment of Florida's citrus industry. He stated he had attended meetings at the Florida Department of Citrus (FDOC) when there were discussions by the FDOC, Packers and the Division of Fruit & Vegetables (Division) on what fresh citrus rules in FDOC Chapter 20 should be kept, revised or deleted. He said he attended these meetings to advise of any conflicts with marketing order 905 or changes that may need to be addressed under marketing order 905.

Chairman Hamner noted he had been very active in pursuit of changes fresh fruit rules under FDOC Chapter 20 as a grower/handler, Board Member of the Indian River Citrus League and a member of the Packers.

Chairman Hamner and Peter Chaires, Florida Citrus Packers discussed and reviewed why the Packers had requested changes to FDOC Chapter 20 fresh fruit rules. It was noted that a majority of the rules being deleted were outdated and no longer a how the fresh industry operates. They noted the proposed rule changes would better match the current operating systems of modern packinghouse.

Mr. Chadwell noted this was an exercise by the Packers, much like how the committee has been updating the marketing order 905 rules to match how the fresh segment of the Florida citrus industry currently operates.

Chairman Hamner asked Mr. Chadwell to brief the committee on the status the data collection contract with Pro-Pak Software.

Mr. Chadwell reported the Division of Fruit & Vegetable was working closely with the committee and Pro-Pak Software on the data collection process for fresh shipments and the develop a new website. He noted the project was taking a little longer due to the challenges in timing caused by Hurricane Irma.

Chairman Hamner noted this project would be very beneficial to fresh citrus growers and shippers moving forward and there should be savings to the cost of administering the marketing order. He stated there would be additional information coming forward on this project during the season.

Chairman Hamner noted he and Mr. Chadwell have been working closely with the USDA staff in Winter Haven on developing a Memorandum of Agreement between the Citrus Administrative Committee and the Florida Fruit & Vegetable Association to administer federal Marketing Order 905 beginning with the 2018-19 season. He further noted the Executive Committee had reviewed a draft copy of the Memorandum of Agreement (MOA) between the Citrus Administrative Committee and the Florida Fruit & Vegetable Association and were supportive and recommends moving forward with a MOA for the 2018-19 season. He stated Peter Chaires would manage the CAC under the MOA.

Mr. Chadwell noted he will be working closely with Mr. Chaires during the season to ensure a smooth transfer of management. He also noted Mr. Chaires was very familiar with marketing orders and the restrictions of marketing orders and political envelopment with government agencies.

Mr. Callaham moved, seconded by Mr. Bouldin the committee move forward with a Memorandum of Agreement (MOA) between the Citrus Administrative Committee and the Florida Fruit & Vegetable Association beginning on August 1, 2018.

Chairman Hamner asked if there were any additional comments on moving forward in the development of a Memorandum of Agreement (MOA) between the Citrus Administrative Committee and the Florida Fruit & Vegetable Association beginning on August 1, 2018. He noted the final agreed upon MOA would be brought to the committee for approval. There being no additional comments the motion carried unanimously on a voice vote.

Chairman Hamner asked if there was any additional business, There was no additional business.

Chairman Hamner thanked everyone for participating in the meeting and the next meeting would be at the call of the Chair, he then adjourned the meeting.