

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
FERTILIZER INSPECTION ADVISORY BOARD (FIAB)**

**CDFA Inspection Services Division
2800 Gateway Oaks Drive, Room 101
Sacramento, CA 95833**

**May 13, 2015
MINUTES**

MEMBERS

Brad Baltzer, Chair
Andrew Godfrey
David McEuen
Doug Graham
Gary Silveria
Jake Evans
Melissa McQueen
Steve Spangler

CDFA

Amadou Ba
Barzin Moradi
Dale Woods
Elaine Wong
Maria Tenorio
Marilyn Boehnke
Mark Cady
Mike Gingles

INTERESTED PARTIES

Daren Stemwedel
Deborah Stemwedel
Derek Zellars
Eva Gonzales
Mark Brady
Rebekah Menezes
Renee Pinel
Steve Beckley
Tim Stemwedel

INTRODUCTIONS AND ANNOUNCEMENTS

Chairman Brad Baltzer called the Fertilizer Inspection Advisory Board (FIAB) meeting to order at 9:00 a.m. Ms. Rachel Oster was unable to attend today's meeting. Self-introductions were made and a quorum was established. Chairman Baltzer informed the board Mr. Jack Wackerman, a long-time member of the Fertilizer Research and Education Program (FREP) Technical Advisory Subcommittee (TASC), is retiring at the end of his current term. Mr. Wackerman's last TASC meeting will be June 10, 2015.

APPROVE FEBRUARY 4, 2015 MEETING MINUTES

Chairman Baltzer requested the Board review the minutes of the February 4, 2015 FIAB meeting.

MOTION: Mr. David McEuen moved to approve the minutes of the last meeting as submitted; Mr. Gary Silveria seconded the motion. The motion passed unanimously.

ELECTION OF VICE CHAIR

Chairman Baltzer called for nominations for the FIAB Vice Chair.

MOTION: Mr. Dave McEuen moved to nominate Mr. Steve Spangler; Ms. Melissa McQueen seconded the motion. The motion passed unanimously.

DEPARTMENT, DIVISION, AND BRANCH UPDATES

Dr. Amadou Ba reminded the board members they must file the Form 700 - Statement of Economic Interests. He stated the Assuming Office and Leaving Office statements must be filed within 30 days of assuming or leaving office. The annual statement is due by April 1 of each year, with the exception of members who have filed an assuming office statement office between October 1 and December 31 of the previous year.

Dr. Ba reported CDFA has been tasked with the Healthy Soils Initiative in Governor Jerry Brown's May Revise of the 2015-16 Budget. The initiative regards increasing the carbon content in agricultural soil. CDFA is meeting with multiple-agencies to coordinate this effort. A public meeting will be held May 14, 2015, at the CDFA Auditorium, 1220 N Street, in Sacramento, to focus on potential opportunities to build soil carbon and to discuss strategies.

Dr. Ba reviewed current legislative issues:

Assembly Bill (AB) 1039 — would amend the Food and Agriculture Code (FAC) to regulate collecting penalties for violations of fertilizer materials regulations. Currently, if a person chooses to not pay a violation penalty, the only recourse is to bring a civil action in Superior Court. This bill would enhance CDFA's ability to collect penalties.

AB 1247 — would define organic input materials (OIM) in the Revenue and Taxation Code and clarify that OIM which are to be used in the production of organic food for human consumption or to be sold in the regular course of business are exempt from sales and use tax. Currently, fertilizers are exempt from sales and use tax. This bill would not affect CDFA's programs and activities or the FAC.

AB 300 — would establish an Algal Bloom Task Force to review the risks and negative impacts of toxic algal blooms and microcystin pollution and to submit a summary of its findings and recommendations to the Legislature by January 1, 2017. The impact to CDFA is staff time to serve on the task force and review research proposals for funding. It is important for CDFA to be included in the task force because toxic algae blooms are associated with excess nutrients in the waterways.

PROGRAM UPDATES/FUND CONDITIONS

Dr. Ba reviewed the fund conditions for the period beginning July 1, 2014 and ending March 31, 2015. The beginning balance for the Commercial Fertilizer fund was \$4,700,707; the revenues were \$3,128,495; the expenditures were \$2,843,478; the encumbrances were \$238,454; and the adjusted ending balance was \$4,747,270. The beginning balance for the OIM fund was \$405,993; the revenues were \$151,717; the expenditures were \$741,038; the encumbrances were \$44,664; and the adjusted ending balance was -\$227,991. The OIM fund balance is in the negative this year, because for budgeting purposes, we have not made the usual transfer of \$200,000 from the commercial fertilizer fund. The program is carefully accounting for all OIM expenditures in order to have a clear picture of the actual cost of the program. FREP's beginning balance was \$2,685,073; revenues were \$2,119,244; expenditures were \$1,462,819; encumbrances through fiscal year (FY) 14/15 were \$1,375,098 and the total encumbered for future contracts is \$1,145,250; and the adjusted ending balance was \$1,996,400.

OIM OUT-OF-STATE INSPECTION CONTRACTS

Dr. Dale Woods stated the contracts for OIM out-of-state inspections with Ecocert ICO LLC are now signed and implemented. Ecocert conducts inspections in over 80 countries. Mr. Nick Young began online training for their inspectors, traveling to Minnesota and Iowa to perform OIM inspections as part of the training. He will travel to more out-of-state locations to train inspectors in various regions. The Program has drafted two additional contracts that are currently out for bid – one for Canada and Mexico, and the other contract is for the remaining countries, China, India, etc.

INSPECTION AND COMPLIANCE UPDATES

Dr. Woods reported the sampling numbers are separated by conventional and OIM based on how the product is classified at CDFA. There was a combined total of 1,425 samples collected with an overall violation rate of 12 percent for the analytical nutrient assays. There were 165 registration violations (11.5% of the total samples), 28 unlicensed violations, and 84 label violations. Of the 320 heavy metal analyses, there were 5 violations from 3 unique products.

There were 561 OIM samples taken with an analytical nutrient violation rate of 18 percent. There were 101 registration violations (18% of the total OIM samples), 12 unlicensed violations, and 37 label violations. Of the 120 heavy metal analyses for OIM, there were 4 violations from 2 unique products.

Dr. Woods reported on four civil penalty cases: 1) the documents are being prepared to notify the firm, which will have 30 days to request a hearing; 2) the hearing officer ruled in favor of CDFA, payment has not been received yet; 3 and 4) the manufacturers have paid the penalties. Inspectors are currently collecting information on more cases.

LABEL REGISTRATION AND OIM ISO 17065 UPDATES

Dr. Woods reported on registration applications. Through the end of this January, 6,759 of the conventional applications were approved and 150 were pending review; 7,226 applications had been approved through April with 189 pending review. Through the end of January 1,176 OIM applications had been approved and 78 were pending review; 1,267 had been approved by the end April and 83 were pending review.

The program has received the International Organization for Standardization (ISO) 17065 accreditation certificate. It is a four-year accreditation with annual audits required to maintain the accreditation.

The annual fertilizer workshop has been very valuable, particularly for new firms. The next workshop is tentatively scheduled for October 2015 in Sacramento at the Holiday Inn.

FREP UPDATES

Dr. Barzin Moradi reported on the FREP proposal cycles currently in progress. The regular request for proposal (RFP) has two phases: phase one is concept proposals, which TASC has reviewed; and phase two is the full proposals. Seven of the concept proposals were selected. One submitter chose not to move forward with the full proposal, but the other six are currently being evaluated by TASC and peer reviewers. Twenty-one respondents submitted proposals to the Special RFP, which focuses on nitrogen. TASC recommended six proposals for funding. The cost to fund the projects over the next three fiscal years is \$1,345,827.

Chairman Baltzer asked about the timeframe on the special project, Train the Trainer: Nitrogen Management Training Program for Growers.

Dr. Moradi explained the grower training materials are being developed from the current California Certified Crop Adviser (CCA) training. The goal is to condense the course from one and one half days to five hours of training and still retain all the essential information. The course is expected to be completed within three to four months. Coalitions are advertising and will be interviewing to hire trainers for the program. March 2016 is the deadline to have the grower training sessions.

MOTION: Mr. Gary Silveria moved to approve the \$1,345,827 funding the six FREP proposals recommended by TASC. Mr. Steve Spangler seconded the motion. The motion passed unanimously.

Dr. Moradi reported the two-day CCA training workshops were held this year in Fresno on January 13-14, 2015; in San Luis Obispo on February 24-25, 2015; and in Sacramento on March 10-11, 2015. About 800 CCAs have been trained on Nitrogen Management. At least one more training workshop will be held next year. The slides are being annotated and the materials are being put online for self-study and as a refresher for those who have taken the training.

Mr. Steve Beckley stated there are now approximately 1,000 to 1,100 CCAs, and over 800, about 80 percent, are now certified in Nitrogen Management. In February 2015, over 200 individuals took the CCA exams. The California CCA Board expects about 160 will take the CCA exam at one of the four locations on August 7, 2015.

Dr. Moradi provided an overview of the ongoing FREP research projects. He reported there are 31 active projects, which includes four approved in 2014. The encumbrances through FY 17/18 total \$2,520,348. Many of the projects on the list have an end date of this calendar year or early next year. The six new projects will be added, in addition to any that may be approved from the regular RFP. FREP has a searchable database for completed projects, with a summary of the project and main findings. Currently, there are about 150 projects on the database. The database has links to the final report and to any known published reports.

LABORATORY UPDATES

Ms. Elaine Wong reported the Center for Analytical Chemistry (CAC) performed over 7,000 assays in 2014. For the period January 1 through March 31, 2015 282 samples were received. Of those, the routine samples received were 269; priority samples were 8, partial rush samples were 3, and rush samples were 2. The average assays per sample were 5.18; total assays requested were 1,460; routine assays were 1,439; and rush assays were 21. The majority of the lab's turn-around times were under 14 days.

AGENDA ITEMS FOR FUTURE MEETINGS

Chairman Baltzer asked for agenda items for the next meeting. The Chairman suggested the next agenda should include updates, if any, on the special RFP projects.

Dr. Woods stated the next agenda will include an update on the annual fertilizer workshop.

NEXT MEETING

The next FIAB meeting will be 9:00 a.m., Thursday, September 17, 2015, in Sacramento.

MOTION: Mr. Steve Spangler moved to adjourn the meeting; Mr. Gary Silveria seconded the motion. The motion passed unanimously.

Chairperson Baltzer adjourned the meeting at 10:40 a.m.

Respectfully submitted by:



Dr. Dale Woods
Environmental Program Manager I
Fertilizing Materials Inspection Program

May 13, 2015

Date