



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
STANDARDIZATION ADVISORY COMMITTEE (STDZ)**

October 10, 2023, Meeting Minutes

Hybrid Teleconference

4437 South Laspina Street, Tulare, CA 93274

MEMBERS PRESENT

Louis Pandol - Chair
Jeff Simonian
Glenn Fankhauser
Marko Zaninovich –
Vice Chair

INTERESTED PARTIES

John Beall - Ventura Co.
Tom Tucker - Tulare Co.
Tesfaye Jimma - Tulare Co.
Carrie Mitchell - Merced Co.
Mario Gutierrez - Kings Co.
Eddy Greynolds - Kern Co.
Sandra Mendivil - Imperial Co.
Jeremy Wagner - San Mateo Co.
Nina Zlatkov - Los Angeles Co.
Misael Martinez - Riverside Co.
Sofia Hernandez - Fresno Co.
Monica Winters - San Diego Co.
Melissa Lovett - Stanislaus Co.
Sara Sanchez - San Bernardino Co.

CDFA

Marcee Yount
Stacey Hughes
Anna Carrasquillo
Sarah Cardoni
Kevin Jenkins

MEMBERS ABSENT

None

ITEM 1: CALL TO ORDER

The meeting was called to order at 10:00 a.m. by Louis Pandol, Chairperson.

ITEM 2: ROLL CALL/INTRODUCTIONS

Roll was called by Sarah Cardoni. A quorum was established, and self-introductions were made.

ITEM 3: ELECTION OF OFFICERS

Stacey Hughes opened the floor to nominations for Chair.

MOTION: Jeff Simonian nominated Louis Pandol for Chair. Marko Zaninovich seconded the motion. A vote by roll call was taken. The motion passed unanimously, with no abstentions.

Chair Pandol opened the floor to nominations for Vice Chair.

MOTION: Jeff Simonian nominated Marko Zaninovich for Vice Chair. Marko Zaninovich seconded the motion. A vote by roll call was taken. The motion passed unanimously, with no abstentions.

ITEM 4: PUBLIC COMMENTS

There were no public comments.

ITEM 5: REVIEW OF MARCH 21, 2023 MEETING MINUTES

Chair Pandol requested a motion to approve the March 21, 2023, Meeting Minutes, as submitted.

MOTION: Vice Chair Marko Zaninovich moved to approve the March 21, 2023, Meeting Minutes as submitted. Jeff Simonian seconded the motion. A vote by roll call was taken. The motion passed unanimously, with no abstentions.

ITEM 6: COMMITTEE VACANCY AND TERMS REPORT

Cardoni provided the Committee Vacancy and Terms Report. Current vacancies include: two fresh fruit members; one other fresh fruit member; four fresh vegetable members; two other fresh vegetable members; and one member representing other commodities subject to Standardization assessments. Marko Zaninovich's term will end on August 31, 2024, and he will be eligible for reappointment to serve his fourth term. Jeff Simonian's term will end on August 31, 2025, and he will not be eligible for reappointment as he has served four consecutive terms.

ITEM 7: FUND CONDITION UPDATE

Hughes provided the Fund Condition Update. For Fiscal Year (FY) 2022/23, the beginning fund balance was \$1,149,519. Total revenue was \$2,513,247, and available cash was \$3,662,766. Total expenditures were \$2,044,354. There were cash adjustments of \$198,412, bringing the total ending balance to \$1,420,000. Hughes noted that of the revenue amount of \$2,513,247, \$271,000 were assessments from FY 2021/22 due a one-month lag in reporting. Revenue has remained consistent in the past couple of years.

ITEM 8: FY 2022/23 COUNTY ENFORCEMENT ACTIVITY REPORTS

Hughes and County Agricultural Commissioners (CAC) in attendance presented the FY 2022/23 County Enforcement Activity Reports.

Alameda County inspected 9,840 lots, 103,345 containers, and did not issue any Notices of Noncompliance's (NNCs) or reject any containers.

Fresno County inspected 1,887 lots, 278,043 containers, issued 6 NNCs, and rejected 235 containers.

Imperial County inspected 119 lots, 19,594 containers, issued 23 NNCs, and rejected 2,067 containers.

Kern County inspected 981 lots, 416,364 containers, issued 24 NNCs, and rejected 10,937 containers. Eddy Greynolds reported that 10,300 containers of table grapes

were rejected for maturity. The county has one supervisor and four inspection staff that provide standardization enforcement part-time. Many complaints have been received about markings at wholesale markets that were traced back to Kern County. Product was returned to Kern County for correction and inspection staff focused their efforts to resolve the issue.

Kings County inspected 640 lots, 163,920 containers, and did not issue any NNCs or reject any containers. Mario Gutierrez reported that two packinghouses operate in the county for cherries, plums, and citrus. Additionally, there is a focus on field inspections for table grapes and melons within the county.

Los Angeles County inspected 10,726 lots, 1,235,842 containers, issued 266 NNCs, and rejected 62,563 containers. Los Angeles County also issued 98 Administrative Penalties. Nina Zlatkov reported that Los Angeles County has approximately 600 registered wholesale produce dealers with the majority located in the downtown wholesale produce market where an inspection team conducts standardization enforcement daily. There will be an expansion of inspection activities with the addition of two new staff that will be conducting warehouse inspections, one for the metro area and the other for the outside metro area.

Merced County inspected 84 lots, 41,420 containers, and did not issue any NNCs or reject any containers.

Monterey County inspected 336 lots, 334 containers, and did not issue any NNCs or reject any containers.

Riverside County inspected 24,514 lots, 5,272,332 containers, issued 191 NNCs, and rejected 44,618 containers. Riverside County also issued two Administrative Penalties. Misael Martinez reported that there is one dedicated staff that recently trained another part-time inspector to focus on production at packinghouses. Additionally, personnel costs continue to increase and have caused the postponement of work.

San Bernardino County inspected 13,000 lots, 33,037 containers, issued 16 NNCs, and rejected 3,135 containers.

San Diego County inspected 4,203 lots, 452,295 containers, issued 17 NNCs, and rejected 14,337 containers. San Diego County also issued one Administrative Penalty.

San Francisco County inspected 408 lots, 14,665 containers, issued 5 NNCs, and rejected 237 containers.

San Joaquin County inspected 571 lots, 56,947 containers, issued 13 NNCs, and rejected 9,634 containers.

San Mateo County inspected 7,807 lots, 1,991,182 containers, issued 58 NNCs, and rejected 3,211 containers. Jeremy Wagner reported that work is focused on the Golden Gate Produce Terminal in South San Francisco with maturity inspections and labeling enforcement. Additionally, industry has expressed significant concerns with pop up roadside vendors and produce stands. The county plans to utilize county agreement funding to expand enforcement to those areas.

Stanislaus County inspected 775 lots, 111,331 containers, and did not issue any NNCs or reject any containers.

Tulare County inspected 2,296 lots, 1,035,482 containers, issued 10 NNCs, and rejected 3,721 containers. Tesfaye Jimma reported that the county exceeded the FY 2022/23 contract by \$18,021 and will likely exceed the FY 2023/24 contract due to cost-of-living adjustments and increased enforcement activities.

Ventura County inspected 1,144 lots, 169,658 containers, issued 2 NNCs, and rejected 404 containers. John Beall reported that the county does a lot of enforcement at the Port Hueneme with inspections of cantaloupes, melons, and Peruvian table grapes.

Yolo County inspected 34 lots, 61,824 containers, and did not issue any NNCs or reject any containers.

Hughes stated that some counties have seen increased administrative costs that have caused a decrease in enforcement activities. Additional funding has been provided to counties over the last couple years to help assist with enforcement such as in Tulare County to allow for maturity testing of later harvested table grape varieties. Another trend that has affected administrative costs is the shift from seasonal staff to permanent staff that is in turn affecting enforcement levels.

County contracts were historically for production counties and were eventually expanded to include wholesale counties. Los Angeles County did not receive additional Standardization funding until 2014 and utilized their wholesaler registration fees and other sources of funding to conduct standardization enforcement. Standardization funding was initially provided to help cover administrative costs that occurred with the implementation of their civil penalty process.

Riverside County was historically provided funding to assist with the greater southern California region as they had two county biologists that helped at the inland border stations and provided training to new inspection staff. The county now assists in a different capacity with one county biologist that covers the Port of Long Beach and offsets work in Los Angeles and Orange counties. San Diego, Ventura, and San Bernardino counties no longer require assistance as these counties all have their own enforcement programs in place.

Hughes stated that discussions of reevaluation of county contracts are forthcoming as industry and county needs have changed since the establishment of county contract allocations. Industry input on where to focus enforcement efforts is welcomed so that the industry and consumers can be better served.

Jeff Simonian asked if enforcement activities include roadside stands. Hughes responded that the FY 2023/24 county contracts do allow counties to resume utilizing funding for retail enforcement activities. Funding restrictions prior to the mil assessment increase had resulted in discontinuing these types of activities. Counties have communicated issues with roadside stands and asked CDFA for retail inspection training which includes enforcement of proof of ownership and labeling laws. CDFA staff will provide field training to county personnel as there are many enforcement scenarios that occur with these types of venues.

Hughes noted that five counties showed that they exceeded their county agreements on their county enforcement activity report and anticipates additional funding to be requested for FY 2024/25. CDFA has also faced increased administrative costs and it is unknown at this time whether additional funding will be available. All additional funding requests must be received by November 30th and should include an explanation of how the funds will be utilized. A final decision of how funding will be allocated will be decided by the committee at the budget meeting next March.

Vice Chair Marko Zaninovich asked if county staffing costs need to be evaluated for the next fiscal year before approving the program budget. Hughes responded that the discussions for the FY 2024/25 county contracts will occur with counties prior to the budget meeting and will be presented to the committee at that time for reevaluation.

ITEM 9: LEGISLATIVE UPDATE

Marcee Yount provided a legislative update. Assembly Bill 1763 was enacted and eliminated the Standardization Program's sunset clause to extend the Standardization Program's enforcement authority indefinitely. Senate Bill 701 related to county wholesaler registration was also signed into law and removed barriers to allow counties throughout the state to issue the wholesale registration fee and increases the fee from \$250 to \$500.

ITEM 10: PROGRAM UPDATES

Hughes provided program updates. There was a regulation change for an amendment to the citrus assessment regulations. The California Citrus Advisory Committee (CCAC) met in March 2023 and voted to increase assessments collected for navels and mandarins commencing October 1, 2023. The Citrus Program oversees an orange maturity inspection program, a freeze inspection program, and works with the CDFA Marketing Services Division (MSD) and the United States Department of Agriculture National Agricultural Statistics Service to provide citrus crop survey reports to industry.

The increased assessments will go toward the increased MSD administration costs and two new crop surveys for mandarin citrus and Cara Cara oranges.

The Standardization Program contracts with the MSD to perform handler audits to ensure uniform payments are being received. There were five handler audits requested this fiscal year; however, personnel issues related to the Covid-19 Pandemic have delayed audits. At this time, one audit has been completed and two are in progress. The results of the completed audit determined the assessments were under reported by \$427 during the two-year reporting period.

ITEM 11: NEXT MEETING/AGENDA ITEMS

The next meeting will be held on Tuesday, March 19, 2024, and will be a hybrid meeting held at the Tulare County Agricultural Commissioner's Office and via Zoom.

ITEM 12: ADJOURNMENT

The meeting was adjourned at 11:24 a.m. by Chair Pandol.

Respectfully submitted by:

Stacey Hughes, Program Supervisor
Standardization Program