

CITRUS RESEARCH AND DEVELOPMENT FOUNDATION, INC.

Minutes of Board of Directors Meeting

October 22, 2013

A Meeting of the Board of Directors of the Citrus Research and Development Foundation, Inc. was held on Tuesday, October 22, 2013 at the Ben Hill Griffin Hall, Lake Alfred, Florida. The meeting was called to order at 9:30 A.M. by President Tom Jerkins. The meeting was properly noticed and recorded. Roll was called and a quorum was present. Board members present were: Mr. Barben; Mr. Jerkins; Mr. McLean; Mr. Newlin; Mr. Simmons; Mr. Stambaugh; and Mr. Thompson. Board members Dr. Conti, Dr. Joyce, and Mr. Kress participated by telephone. Board members absent were Mr. Black, Mr. Davis, and Dr. Duryea. Also present were Dr. Browning, Ms. Shepp, Mr. Neff, Ms. Lamb, Mr. Rucks, Dr. Arnold, Mr. Meadows, Ms. Nowicki and Ms. Johnson. Also participating by telephone were Dr. Turpen, Dr. Dukowitz, and Mr. Howard.

Mr. Stambaugh moved to accept the Minutes of the September 24, 2013 Board of Directors meeting. Seconded by Mr. Simmons, the motion passed unanimously.

Finance and Audit Committee: Chairman Hugh Thompson gave an overview of the financial statement for September 2013. Mr. Thompson reported the committee met and discussed the current portfolio of investments. Mr. Thompson reported UFICO had one down quarter this past year due to the selloff of bonds. This was an unusual event and the other quarters made up for that loss. CRDF has funds invested in 40% Enhanced cash and 60% Short Term Fixed Income which is what Mr. Kelly with UFICO recommends for the next year as well.

Governance Committee: Chairman Bob Stambaugh gave a brief update on discussion of the proposed UF's IDC rate at the October 10 Governance Committee meeting. Staff is working on budget projections and how implementation of the IDC policy will affect CRDF.

Commercial Product Delivery Committee: Chairman Ben McLean gave an update on the CPD project tiers. Dr. Conti gave an update on the best management practices program being developed in collaboration between the citrus industry and the beekeeper community.

Dr. Turpen summarized the five categories of CRDF's antibiotic strategy. The categories are antibiotics, agricultural antibiotics used on food crops in other countries, new molecular entities, biopesticides, and essential oils. Mr. McLean presented a proposal from Echelon, Inc. titled "Investigation of Non-Antibiotic Tetracycline Analogs and Formulations Against HLB". This proposal fits under the category of new molecular entities. Mr. Mclean made a motion to approve Echelon's proposal with a budget of \$116,275. Seconded by Mr. Barben, the motion passed unanimously.

There are many suppliers that have products that fall into the category of essential oils. Board members should recommend to Mr. McLean suppliers that provide these compounds and Dr. Turpen will communicate with the suppliers regarding their products.

Mr. McLean discussed the Brazil trip that is scheduled for October 26th through November 2nd. Mr. Juliano Ayres with Fundecitrus is hosting this trip. Dr. Brodersen and Dr. Schumann plan to go on a follow-up visit later.

Research Management Committee: Chairman Bobby Barben reported 49 of the 131 pre-proposals submitted for review were recommended to move forward and be invited to submit full proposals. Mr. Barben made a motion to approve the list of 49 pre-proposals to submit full proposals. Seconded by Mr. Newlin, the motion passed unanimously.

Co-funding of projects with CRB is being worked on by Dr. Turpen and Dr. Polek. Three pre-proposals coordinated through CRB went through the CATP process. One of the pre-proposals made it into the request for full proposal list. This pre-proposal has a significant overlap with the nuPssyllid project so it was removed from the invited list. Dr. Turpen and Dr. Polek will determine how this pre-proposal fits into the nuPssyllid project.

There has been criticism from the field that pre-proposals/proposals should have or should not have been funded. Mr. Newlin and others have made it known that the Research Management Committee meeting is where pre-proposals are addressed and the community has been encouraged to attend these meetings. Mr. Newlin made a statement that not one grower or one industry leader was present at the Research Management Committee meeting when the decisions were being made this year.

Industry Research Coordinating Committee: Chairman Wayne Simmons indicated there was no IRCC activity to report at this time.

Long Term Research Funding and Legislative Matters: Mr. Meadows reported that Mr. Sparks and Dr. Browning made a trip to Tallahassee to report on the \$8 million funding from the Legislature. On the Federal level, the trust fund is still being considered. Everyone is encouraged to attend a luncheon at Florida Citrus Mutual in Lakeland on November 7, 2013 with Congressman Buchanon.

COO Report: Dr. Browning proposed to define the process for sharing information to the citrus community. Agendas will be provided at the meetings. Previous month's minutes, once approved by the Board or committee, will be posted on the website following the meeting. Any visual aids presented in a public meeting become a public record. Once the meeting is over, the presentation will also be posted to the website. A quarterly audit summary will be posted to the website.

Dr. Browning reported that UF conducts operational and internal control audits for their departments and DSOs. A third-party financial audit is conducted yearly but an operational audit of internal controls has not been done since the inception of CRDF. Mr. Thompson made a motion to have UF conduct an operational audit. Seconded by Mr. McLean, the motion passed unanimously.

The CRRP held their annual Forum last week in Denver. This meeting provides a platform for scientists to share information on HLB. The meeting also fosters coordination between states. Mr. Jerkins stated that during this forum he realized that the citrus industry was melting away due to HLB. It became apparent to him that there must be a shift from research to product delivery. While research is essential, the industry needs solutions now. President Jerkins advocated serious consideration of how to move *CLas* therapy via antimicrobials to field use as soon as possible.

New Business: Mr. Jerkins named Mr. Joe Davis, Jr. and Mr. Tom Stopyra as members of the Commercial Product Delivery committee.

Future CRDF Meetings:

- CPDC meeting – December 10, 2013 9:30 a.m. EDT – Closed meeting
- Board of Directors meeting – December 10, 2013 1:30 p.m. EDT

With no further business, the meeting was adjourned at 11:25 A.M.

Minutes submitted by Jerry Newlin