

CITRUS RESEARCH AND DEVELOPMENT FOUNDATION, INC.

Minutes of the Board of Directors Meeting

May 21, 2019

A meeting of the Board of Directors of the Citrus Research and Development Foundation, Inc. was held on Tuesday, May 21, 2019 at the UF-IFAS Citrus Research and Education Center, Ben Hill Griffin Hall, Room 103 in Lake Alfred, Florida. The meeting was properly noticed and recorded. Board President Larry Black called the meeting to order at 10:05 am. Roll was called, and a quorum was present. Board members present were Rob Atchley, Bobby Barben, Larry Black, Ned Hancock, David Howard, Jeanna Mastrodicasa, Bob Newsome, Tom Obreza, Pat Ouimet, and John Updike, Jr. Members that were absent were Greg Hodges, Charlie Lykes, and Jerry Newlin. Also participating were Brandy Brown, Rick Dantzler, Fred Gmitter, Jim Graham, Audrey Nowicki, Juanita Popenoe, Michael Rogers, Brian Scully, and Mike Sparks.

Also, in attendance were Mike Aerts, Ute Albrecht (telephone), Yiannis Ampatzidis (telephone), Kristen Carlson, Dan Casper (telephone), Peter Chaires, Allison Drown, Winsor Everland, Sharon Garrett (telephone), Jude Grosser, Alec Hayes (telephone), Sean McCoy, Andrew Meadows (telephone), Kelly Morgan, Ernie Neff, Jawwad Qureshi (telephone), Gee Roe, Shannon Shepp (telephone), Steve Smith, Ed Stover (telephone), Christopher Vincent, Rosa Walsh, and Yu Wang.

Mr. Black presented the board minutes from the April 23, 2019 meeting. Mr. Hancock moved to accept the minutes of the April 23, 2019 Board of Directors meeting. The motion was seconded by Mr. Updike and it passed unanimously.

Executive Committee: Mr. Black reported the Executive Committee has not met.

Finance and Audit Committee: Chairman Ned Hancock reviewed the April 30, 2019 Financial and Investment Account Summaries. He reported that the spending continues to run slightly behind due to some of the projects getting a later start. The operation expenses are under budget due to the current vacancies. Mr. Updike made a motion to approve the April 30, 2019 summaries as presented. The motion was seconded by Mr. Atchley and it passed unanimously.

Mr. Hancock discussed the consideration of the Florida Citrus Mutual (FCM) request for additional funding at the Annual Grower Conference in Bonita Springs. It was recommended that we stay at the current sponsorship of \$10,000, and also pay the incidentals as in previous years.

Mr. Hancock discussed the consideration of Dr. Steve Futch as a contract scientist for CRDF. He reported that Mr. Dantzler has great ideas of how to utilize Dr. Futch to help with special projects. Mr. Dantzler reported that Dr. Futch will be retiring, and his last day with the UF is June 30, 2019. Dr. Futch has reached out to Mr. Dantzler and has offered his help and assistance for whatever CRDF's needs are. Mr. Dantzler reported that after the Research Director applicant declined the position, he decided that the best thing for CRDF to do would be to hire a time-limited contract scientist since the organization's DSO status is unclear with UF. Until the DSO

status has been resolved, Mr. Dantzler would like to hire Dr. Futch to assist Drs. Graham and Syvertsen with their responsibilities. Dr. Futch's role would be to help with the new contracts from the 2019 RFP and to handle special projects, like the work being done by the Select Committee on Plant Improvement. Dr. Futch would be contracted through Kelly Service and CRDF would pay Kelly Services his contract fee, based on an hourly service. Mr. Updike made a motion to approve Dr. Futch as a contracted scientist for CRDF. The motion was seconded by Mr. Atchley and it passed unanimously.

Mr. Hancock reviewed the FY 2019-20 draft budget. He reported that of the \$8 million received from the legislature, \$2 million will be used towards the large-scale field trials, as described in the proviso language. There will be approximately \$1.2 million available for new contracts from the 2019 RFP. Mr. Hancock reported that F&A will have the full proposed budget for FY 2019-20 to approve at the next board meeting.

Mr. Dantzler reported on the upcoming 2019-20 financial and budget position of CRDF. CRDF received an \$8 million appropriation from the legislature. Of that \$8 million, \$2 million is incumbered with proviso language, which requires CRDF to spend those funds on large-scale field trials for new plantings. Mr. Dantzler reported that we will have an approximate funding total for FY 2019-20 in the amount of \$12.1 million. The breakdown of this funding includes:

- \$6 million in legislative appropriation
- \$2.1 million in box tax
- \$4 million is cash carried forward

Revenue obligated for FY 2019-20 is \$10.7 million:

- \$8 million in 49 existing contracts
- \$950,000 in office and field administration
- \$1,750,000 in desired balance carried forward

Revenue available for new contracts is \$1,288,490. Mr. Dantzler explained the breakdown of the costs for the 30 pre-proposals if funded as:

- The first-year cost of the 30 pre-proposals was \$3,131,000. The range was \$37,500 - \$200,000, for an average of \$105,000
- Number of proposals that could be funded based on an average first-year price of \$105,000 would be 12 proposals

Mr. Dantzler reported that at the last board meeting, Dr. Rogers asked that the RMC be a little more diligent about our pre-proposal process and not ask the PIs to submit a full proposal, especially if their full proposal does not have much chance of being funded.

Mr. Hancock gave an update on the Frankel Media website redesign, reporting the launch of the website went live on Monday, May 20, 2019. He thanked Audrey and Brandy for their hard work on making sure the redesign went smoothly with Frankel.

Ms. Nowicki did a demonstration of the new website and navigated through all the features with the board and audience.

Governance Committee: Chairman John Updike, Jr. reported that the Governance Committee met this morning to review the Conflict of Interest (COI) forms with declarations. He thanked Brandy and Audrey for getting the forms completed quickly and thoroughly. He reported there are five members with potential conflicts, including Bob Newsome, Ben McLean, Tim Eyrich, Jim Snively, and Daniel Scott. Mr. Atchley made a motion to accept the COI with declarations as presented and prepare the report to file with the UF. The motion was seconded by Mr. Howard and it passed unanimously.

Mr. Updike discussed the SAB review of the current portfolio. He reported the Governance Committee has advised CRDF staff to compile a list of 12 projects and have the SAB review the projects to determine if they should continue to be funded.

Research Management Committee: Chairman David Howard reported the RMC met on May 15 to review and rank the 91 pre-proposals that were submitted. Of the 91 pre-proposals, the RMC is recommending 27 be invited to submit full proposals. Mr. Barben made a motion to accept the 27 pre-proposals recommended by the RMC and to invite them to submit a full proposal. The motion was seconded by Mr. Updike and it passed unanimously. There was lengthy discussion about if late or outstanding progress reports will affect any of the 27 invite proposals. Audrey reported that she has contacted the PIs and explained that if they have an outstanding progress report then their full proposal will not be considered.

There was discussion on how the \$2 million for large-scale field trials be handled, which will need to be spent in the first year. It was discussed that there would be an RFP related to the CRaFT program for the \$2 million that CRDF must spend on large-scale field trials.

Commercial Product Delivery Committee: Dr. Ouimet asked Mr. Sparks to give an update on the CRaFT program. Mr. Sparks reported that on June 1, there is a submission due for the CRaFT program. FCM has begun to take steps to form a special DSO for the CRaFT program. The Ag Commissioner is helping with the process of moving everything forward. The CRaFT program will launch this year and FCM is paying for the help to get the program up and running. The state appropriations should give flexibility on spending the \$2 million discussed in the proviso language. The charge is to get an RFP posted as soon as possible. There was discussion about a Plan B for the \$2 million in case the special DSO does not happen.

Mr. Dantzler read the proviso language for the \$2 million that CRDF received, and what and how they will need to spend it. He reported that the funds must be spent in this fiscal year or they are lost.

Dr. Ouimet reported that the CPDC met on May 9 and one of the action items discussed was a report from the Transformation Lab Review Panel with the responses from Drs. Orbovic and Zale. She gave a review of the report from the Citrus Tissue Culture and Transformation Laboratories (TCTL) that was presented by Dr. Ralph Scorza. Dr. Ouimet made a motion to accept the report as

presented, send the report to the UF for review, highlighting the four areas for improvement. The motion was seconded by Mr. Hancock and it passed unanimously.

Dr. Ouimet discussed the NIFA policy change on co-funding. She reported that any researcher applying for funding requires in-kind matching. Mr. Dantzler added that the policy regarding the co-funding request will be required from this point going forward, but the 2018 grant requests will not be required to have the co-funding request.

Dr. Ouimet discussed the CPDC jurisdiction which covered what projects CPDC will focus on. These include commercial products, large-scale field trials, off-cycle proposals and possibly those that miss a deadline, and infrastructure related issues that include the service labs.

Select Committee on Plant Improvement: Vice Chairman Bobby Barben reported that the Select Committee on Plant Improvement has not met since the last meeting. Mr. Dantzler reported that there will be a meeting either in Bonita Springs in June or in Fort Piece after the June meeting and the committee will discuss redefining the orange.

Researcher Presentation: Mr. Dantzler introduced Peter Chaires and Fred Gmitter and reported that they will be giving a presentation on “Redefining the Orange.”

Mr. Chaires introduced the topic by reporting on the discussion that took place on April 18, 2019 with scientists, regulators and industry groups.

Dr. Gmitter gave a presentation on the HLB-Tolerant Hybrids: update & potential for supplementing Florida OJ production.

COO Report: Mr. Dantzler reported that Tim Eyrich has finished his analysis of the bactericide data survey’ they will meet on June 4 to review the results for the data survey.

Mr. Dantzler reported that if the special DSO is created for the CRaFT program, CRDF can offer assistance from Brandon Page and Emily Collins to help with data collection.

Mr. Dantzler gave an update on CRDF’s DSO status with the UF, reporting that there may be some potential by-laws that will be problematic for CRDF. Mr. Dantzler plans to speak to the UF Board of Trustees on June 6, explaining why CRDF is a different kind of DSO and why the changes proposed will not work for CRDF. Specifically, we have been told that there will be an amendment to our by-laws that requires CRDF to spend 100% of our research money with UF-IFAS. Mr. Dantzler reported that currently 65% of CRDF funding is to UF, with 64% of our projects being funded by UF researchers.

There were discussions about obtaining our DSO status under another state department or even being an independent entity.

Lastly, Mr. Dantzler reported on project #18-011, Gmitter. This project was approved to be funded by CRDF for year 1, and year 2 and 3 would be contingent on receiving co-funding from CRB. Unfortunately, we were unsuccessful in receiving the co-funding from CRB. This project will be discussed at the next RMC meeting.

Partnership Updates: Mr. Mike Sparks gave a brief report on research funding and legislative matters. He reported that the Annual Citrus Conference will begin on Wednesday, June 12, starting with the CRDF Board Meeting, followed by the FCM Annual Meeting. On Thursday, June 13, the Educational Session will take place with presentations from several researchers, then that evening will be the Industry Banquet. Friday, June 14, will be the Citrus Scramble Golf Tournament, the Cornhole Tournament, and the Family Night Dinner to close out the conference.

Dr. Michael Rogers reported that CREC UF/IFAS appreciates CRDF and the funding and support that their researchers receive. He hopes that UF-IFAS and CRDF can work out the DSO situation.

Dr. Juanita Popenoe gave an update from the Citrus Extension Agents. First, she reported that harvesting should end in early June. She reported that Dr. Futch will be retiring on June 30, 2019 after 34 years with the UF. She then gave a report from the Gulf Area saying the groves are setting an average crop. The Citrus Black Spot Quarantine areas are expanding in Hendry, Collier, Lee, and Desoto counties. Lastly, she reported Lake County area has been pretty hot and dry and the crop average has been the same as the last two years, with a little more PFD than normal.

Dr. Scully gave reports from USDA/ARS. He thanked CRDF for hosting the Citrus Field Day in March on Rootstocks. He reported that ARS is working with the Whitmore Foundation on having a demonstration grove. ARS is working with FCM on the technical workgroup on the CRaFT program. Lastly, he reported that ARS has an accidental mandarin release, which has a little bit of tolerance to HLB, but is “yield resistant.”

New Business: There was no new business.

Future CRDF Meetings: The next meeting will be held Tuesday, June 12, 2019 at 9:30am, which is the Box Tax Advisory Meeting, followed by the Board Meeting at the Annual Grower Conference in Bonita Springs.

With no further business, the meeting was adjourned at 12:41 pm.

Minutes submitted by Rob Atchley, Secretary.