

CITRUS RESEARCH AND DEVELOPMENT FOUNDATION, INC.

Minutes of the Board of Directors Meeting

January 28, 2020

A meeting of the Board of Directors of the Citrus Research and Development Foundation, Inc. was held on Tuesday January 28, 2020 at the UF-IFAS Indian River Research and Education Center, Room 219 in Ft. Pierce, Florida. The meeting was properly noticed and recorded. Board President David Howard called the meeting to order at 10:04 am. Roll was called, and a quorum was present. Board members present were Rob Atchley, Larry Black, Ned Hancock, Aaron Himrod, Greg Hodges, David Howard, Ron Mahan, Jeanna Mastrodicasa, Bob Newsome, and Josh Snively. Also participating were Rick Dantzler, Steve Futch, Jim Graham, Audrey Nowicki, Brandon Page, Jim Syvertsen, and Deidra Whatley.

Also, in attendance were Mike Aerts, Doug Bournique, Harold Browning, Sharon Garrett (via telephone), Stephanie Gray, Alec Hayes (via Zoom meeting), Matt Joyner, Juan Carlos Motamayor, Ernie Neff, Brian Scully, Callie Walker, and Rosa Walsh (via Zoom meeting).

Mr. Howard recognized Larry Black as outgoing President of CRDF and presented him with a plaque of appreciation for his leadership and commitment to the citrus industry and thanked him for his service as President to the Board of Directors for 2018 and 2019.

Mr. Howard welcomed the new board members, Aaron Himrod and Josh Snively. Mr. Himrod and Mr. Snively both introduced themselves and spoke of their employment, experiences, and citrus background.

Mr. Howard presented the board minutes from the December 3, 2019 meeting and noted one correction on page 4, FAAR needed to be FFAR. Mr. Mahan moved to accept the minutes of the December 3, 2019 Board of Directors meeting, with the cited correction. The motion was seconded by Mr. Newsome, and with no further discussion it passed unanimously.

Executive Committee: Mr. Howard stated that the Executive Committee had nothing to report.

Finance and Audit Committee: Chairman Ron Mahan presented the November 30, 2019 and December 31, 2019 Financial Statements and Summaries. Mr. Mahan reminded the Board that the November financials had not been completed at the time of the December 3, 2019 Board meeting and had not been approved. Mr. Mahan reviewed the December 31, 2019 Financial Statement and budget variances. Mr. Mahan then asked for questions or discussion regarding the statements; with there being none he recommended the November 30, 2019 and December 31, 2019 Financial Statements be approved by the Board as presented. The motion to approve the November 2019 and December 2019 Financial Statements was made by Mr. Black. The motion was seconded by Mr. Newsome, and with no further discussion it passed unanimously.

Mr. Mahan stated the Finance and Audit Committee met earlier and discussed the continuation of funding for the Bayer Crop Science project. Mr. Mahan asked Mr. Dantzler to expound further on the

matter. Mr. Dantzler gave a brief history of the Bayer project, noting that the project funding is paid through June 30, 2020, with CRDF expenditures to date exceeding \$12 million. The project has two goals: to develop a plant defense modulator and to develop an antimicrobial. Mr. Dantzler stated that the Bayer project costs are \$4.96M in current previous fiscal year and could be expected to continue at that level as the project is running at maximum output. Mr. Dantzler explained that since CRDF is unable to fund \$4M year after year, he reached out to the Citrus Research Board (CRB) and proposed co-funding, collectively with Coca-Cola and Pepsi, to enable the project to continue while a NIFA proposal is submitted seeking federal funding. If successful, the Bayer project would be funded by the Federal Government for the duration of the NIFA award. The proposal before the Board would be a co-funding partnership with CRDF, CRB, Coca-Cola and Pepsi to share equally in the expense of the project from July 1 through December 31, 2020 during the grant submission process. After the June 30, 2020 termination of the current project, with the elimination of one field trial, an overall budget reduction from \$4.9M to approximately \$3.3M would be realized. The \$3.3M would be divided equally between the four co-fund partners, at approximately \$421,000 each, for the six-month period of July 1-December 31, 2020. If the NIFA application is successful and the Federal Government executes a contract starting earlier than January 1st, co-funded partner costs would cease once the contract takes effect. Mr. Dantzler explained the architecture of the continuing Bayer proposal, noting that CRDF and Pepsi are in support of the proposal and CRB will be presenting the co-funding proposal to their Board of Directors on January 30, 2020. Coca-Cola is also in agreement, but it must be ratified by their funding board in February. Mr. Mahan, on behalf of the Finance and Audit Committee, made a recommendation for CRDF to partner with the three other co-funding entities, Pepsi, Coca-Cola, and CRB beginning July 1, 2020 for up to six months at an cost not to exceed \$421,000. Mr. Atchley made a motion for Mr. Dantzler to move forward with partnering with the Citrus Research Board on the bridge funding for the Bayer Project. The motion was seconded by Mr. Mahan. Mr. Howard clarified the motion is limits CRDF's expense to \$421,000. With no further questions or discussion, the motion passed unanimously.

Governance Committee: Chairman Larry Black reported the Search and Screen Committee has selected a potential candidate for the Research Director position. Through the UF hiring process, the position was re-opened in October and there were 23 applicants. Of those 23, one resume seemed to fit the requirements. This applicant was interviewed by the Search and Screen Committee, on January 16, 2020, and a follow up visit with the applicant is scheduled for the weekend of February 8, 2020. During the return visit the candidate will have the opportunity to tour the area, meet with board members and growers, and receive answers to questions that he may have regarding the position and the organization. Mr. Black spoke to the candidate's scientific experience in plant breeding and noted the Committee made it clear that the role is heavy administration and project management based. Mr. Black stated that the position has been approved by the Board and included in the budget. Mr. Dantzler gave a brief synopsis of the candidate's education and employment history. Mr. Atchley asked if the discussion was to add permanency to the matter of adding a Research Director and what would CRDF be gaining by adding a full-time position versus what is in place currently with the three part-time Project Managers? Mr. Dantzler responded that the permanency matter was a decision for the Board. He also outlined the pros and cons of a full-time Research Director and asked the Board to weigh in. Mr. Dantzler pointed out with a Research Director there may be a more rigorous review of the projects

and quarterly reports, as well as have more interaction with the researchers. He explained how the candidate's plant breeding education and experience would help to better understand and provide input on the proposed Standing Committee being recommended by the Select Committee on Plant Improvement. Mr. Dantzler asked the Board if they felt this would justify the financial expenditure of the position. Mr. Howard stated that the Board discussion indicated agreement to move forward with the Research Director candidate. There was discussion as to the procedure to move to the next step. Mr. Hancock stated that this Board meeting would be the time for any member to speak up should there be any staunch objection to moving forward with filling the Research Director position. No further was action taken by the Board.

Research Management Committee: Chairman Dr. Ouimet was not present at the meeting and Mr. Dantzler reported on the status of Dr. Gmitter's gene sequencing project #18-010 that is based on using newer technologies such as PAC-BIO, proximity ligation, and ducktail genomics vs. clementine assembly, allowing for greater speed and efficacy. The project is currently under way and is being conjunctively worked on with collaborators at UC Berkley. Dr. Gmitter's proposal was for a three-year project and CRDF agreed to fund year one, with years two and three contingent on obtaining co-funding. The Texas Citrus Producers Board was contacted first, and they are financially unable to be a viable partner. Mr. Dantzler then contacted the Citrus Research Board (CRB) in California for requesting co-funding for Dr. Gmitter's project #18-010. CRB informed CRDF a few days before the submission deadline that Dr. Gmitter would have to submit his proposal through their current RFP. Dr. Gmitter made the decision not to pursue the CRB submission process. Mr. Dantzler then summarized the project costs for each of the three years, and the costs invoiced to date. The co-funding requirement caused a significant delay in the project's start due to issues with the sub-award between UF and UC Berkley as well as royalty arrangements between the two parties. Mr. Dantzler went on to report on the three quarterly reports due from Dr. Gmitter for the project due have been submitted tardy and outlined CRDF's procedure for requesting over-due project progress reports. Mr. Dantzler reminded the Board that there is no denial of scientific merit of the project. The Select Committee on Plant Improvement, in their report soon to be distributed, has recognized its importance and recommended that the project be funded regardless of having co-funding. Mr. Dantzler outlined the choices CRDF is has regarding continuation funding of project #18-010: a) fund the project entirely for years two and three, without co-funding; b) fund year two entirely and make year three contingent on co-funding; c) terminate the project for lack of funding; d) grant a no-cost extension to utilize the balance of year one funding; and e) attach contingencies on the tardiness of the quarterly reports, which may need to be attached to several of the options. After discussion of the above choices, Mr. Howard asked the Board for a motion on the matter. Mr. Mahan moved to request that Dr. Gmitter apply for a no-cost extension and be asked to present his progress and reasons for tardy reporting at the next Board of Directors meeting before considering continued funding past year 1. Mr. Snively seconded the motion. Mr. Dantzler asked Ms. Nowicki to explain the no-cost extension process. Ms. Nowicki stated that it is the PI's responsibility to request a no-cost extension rather than the Board. The request can be for up to six months. Mr. Dantzler explained that he approves the no-cost extension requests and would ensure that Dr. Gmitter is allotted the time needed to prudently spend the funds remaining and no time beyond. Without further discussion, the motion passed unanimously.

Next, Mr. Dantzler reported he received a request recently for a letter of commitment to co-fund a Brazilian research organization proposing a three-pronged research project developing a product for HLB. The organization asked for a response by February 17, 2020, which Mr. Dantzler explained would be virtually impossible. Mr. Dantzler indicated that no action is being requested at this time but wanted the Board to be aware of the request that may come up again in the future.

Nutrition Working Group: Mr. Dantzler asked the Board to refer to their materials regarding the latest version of the Nutrient Management Concepts to Study. The Group, comprised of researchers and growers, met to develop very specific nutritional questions from growers that would help establish the priorities for projects to obtain answers. After much editing, The Nutrient Management Concepts to Study document is essentially the Staff analysis resulting from the Nutrition Working Group that will be recommended to the Research Management Committee and CRDF Board as priorities for funding projects in the next RFP. Since the handout being referenced will be discussed further at the Board Retreat, no action is required at this time.

There was discussion regarding the previous nutrition projects that were not funded during the 2019 RFP and the Working Group's position as to resubmission for the 2020 RFP. Mr. Dantzler stated that those proposals were not specifically addressed by the Nutrition Working Group.

Commercial Product Delivery Committee: Chair John Updike was absent; the CPDC has not met.

Select Committee on Plant Improvement: Mr. Dantzler reported on the status of the Interim Report from the Select Committee on Plant Committee. He discussed the background for the creation of the Select Committee and that it was formed to confirm the work being done in plant improvement was getting to an HLB resistant or tolerant tree as quickly as possible and assist however possible in obtaining results. Through its discussions the committee has devised questions to be answered, such as: "what do the researchers need to get the results quickly?"; "are there improvements to be made by the researchers to improve upon what they were doing?"; and "how to facilitate the industry working more in-step with the plant breeders?". The report also creates a snapshot as to the current status of research and where it is going, what germ plasms have been created, and what may be in the near-term pipeline. The primary recommendation coming from the Select Committee is for the creation of a Standing Committee representing researchers, growers and industry which would replicate the Sugar Cane Model to an extent, to collaborate and facilitate communication between all interested parties. The exercise will not be without its challenges as the UF economic model regarding plant breeding is different than the ARS model, but with a blending of both it will allow the process to work more efficiently. The goal is for the Standing Committee to hold quarterly meetings between the industry and the breeders so the industry may provide guidance as well as have a better understanding as to what is happening in the breeding community.

Guest Speaker: Mr. Howard introduced Ms. Stephanie Gray, Assistant Vice President and Director of Sponsored Programs at the University of Florida and gave a brief background on Ms. Gray. Ms. Gray discussed the University's contracting process for sponsored research.

COO Report: Mr. Dantzler deferred his report until the Board Retreat.

Special Presentation: Mr. Howard reported that he requested a synopsis of the different federal funding entities and opportunities they present.

Mr. Brandon Page reported on NIFA Funding.

Dr. Harold Browning gave an overview of federal funding.

Dr. Stephen Futch spoke to CRDF's NuPsyllid NIFA project that terminated in August 2017.

Dr. Jim Graham spoke regarding the MAC program funding.

Dr. Jim Syvertsen compared the Citrus Research Board and CRDF areas of funding.

Partnerships: Dr. Brian Scully, USDA, gave an in-depth overview of the USHRL in the state of Florida, discussing the USDA's prioritization of funding and the departments dedicated to the different types of agriculture research.

Mr. Mike Aerts spoke of the recertification of the Streptomycin Section 18 approved in December 2019, which will carry through the 2020 calendar year. There have been no changes with regards to application or PHI. On the other hand, OTC received a Federal Section 3 during 2019, prohibiting an application for Section 18 for the 2020 calendar year. The OTC Section 3 will follow the federal label for AgroSource which will amount to fewer applications and longer PHI. Clothianidin, soil drench treatment, was also allotted a Section 18. Mr. Aerts also spoke to the re-registration cycle of ingredients, noting that re-registration takes place over a fifteen-year cycle and is currently in the twelfth year of said cycle. There are currently 1,100 active ingredients to be registered and the EPA is approximately half-way through.

Mr. Matt Joyner, on behalf of Florida Citrus Mutual gave a brief update on Florida legislative activities, funding amounts requested, and the current expected appropriations for said funding. Mr. Joyner noted that it is expected that, from the eight million dollars recommended for CRDF in the upcoming fiscal year, approximately three million dollars will be directed toward funding large-scale field trials (CRAFT). Mr. Joyner fielded questions from the Board regarding funding in future years.

New Business: No new business.

Future CRDF Meetings: The next board meeting will be held on Tuesday February 25, 2020 at 10:00am, at UF/IFAS CREC in Lake Alfred, FL.

With no further business, the meeting was adjourned at 12:57 pm.

Minutes submitted by John Updike, Secretary.