

CITRUS RESEARCH AND DEVELOPMENT FOUNDATION, INC.

Minutes of the Board of Directors Meeting

Tuesday, October 27, 2020

A teleconference meeting of the Board of Directors of the Citrus Research and Development Foundation, Inc. was held on Tuesday, October 27, 2020. The meeting was properly noticed and recorded. Board President David Howard called the meeting to order at 9:03 am. Roll was called, and a quorum was present. Board members present were Rob Atchley, Larry Black, Rob Gilbert, Ned Hancock, Aaron Himrod, Greg Hodges, David Howard, Ron Mahan, Jeanna Mastrodicasa, Pat Ouimet, and Josh Snively and John Updike. Also participating were Rick Dantzler, Steve Futch, Jim Graham, Audrey Nowicki, Brandon Page, Jim Syvertsen, and Deidra Whatley.

Other participants were Rhuanito Ferrarezi, Fred Gmitter, Andrew Meadows, Ernie Neff, Ajia Paolillo, and Michael Rogers.

Mr. Howard opened with the approval of the September 22, 2020 minutes. Dr. Hodges moved to approve the minutes of the September 22nd Board meeting. The motion was seconded by Mr. Atchley and it passed unanimously.

Executive Committee: Mr. Howard reported that the Executive Committee had not met. Mr. Dantzler reported on two matters to be potentially discussed by the Executive Committee at a meeting in November, the amendment to the Bayer contract and Mr. Black's replacement on the Board of Directors.

Finance and Audit Committee: Chairman Ron Mahan discussed budget changes. He also stated that working off a single year budget was not practical but looking over a multi-year period of time would give the best idea for how two- or three-year research projects can be funded. Mr. Mahan made a presentation which provided greater detail to the long-term budget plan. There were discussions on past, present, and potential future legislative appropriated funding amounts, and reserve box tax funding available. Mr. Mahan reported that if the appropriations stayed in the \$5 million range for the next fiscal year, additional projects and RFPs, totaling approximately \$3 Million, could be considered.

Next, Mr. Mahan stated that the annual audit had been completed and presented to the Finance & Audit Committee on October 15, 2020 and noted that the revisions discussed at the meeting were incorporated into the final copy. Mr. Black moved to accept the audit as presented. Mr. Mahan seconded the motion and, with no discussion the motion passed unanimously. It was recommended that, in the future, before the audit is finalized, the auditor appear before the Board to respond to any questions.

Mr. Mahan reviewed the September 30, 2020 Financial Statement. Brief discussions were had regarding the budgeting position on "no cost extensions". With no further questions or comments, Mr. Mahan made a motion to approve the September Financial Statements as presented. John Updike seconded the motion, and it passed unanimously.

Dr. Gilbert and Dr. Mastrodicasa reported on the resumption of research due to the pause resulting from Covid-19 restrictions, expenditures, and approaches to NCE requests at UF-IFAS sites around the State.

Mr. Dantzler went on to discuss the 8.5% holdback from the State, which equates to a \$680,000.00 reduction of budgeted funds. He also mentioned there could potentially be a second percentage holdback mandated by the State in the Spring session.

Mr. Dantzler also reported that the Finance & Audit Committee had tasked him with reaching out to co-funding partners Pepsico and The Coca Cola Company regarding the overbillings of the Bayer project bridge funding amounts. He will inquire about whether those funds can be applied toward another project that the partners would have an interest in funding.

Governance Committee: Chairman Larry Black stated the Governance Committee had not met. Mr. Dantzler stated he anticipated a nomination from Florida Citrus Mutual prior to the December Board meeting for consideration.

Research Management Committee: Dr. Ouimet reported that, while the Research Management Committee had not met since the September 22nd Board meeting, there were matters for reconsideration and approval. Since the revised “Roots” proposal, #20-004 from Dr. Evan Johnson, had not been received, it will be reconsidered at a later date.

The next proposal for reconsideration was Dr. Ferrarezi’s #20-003 “High Density Planting”, tabled at the September 22nd Board meeting to allow the Finance and Audit Committee time for budget discussions. Dr. Ouimet gave a brief synopsis of the 2020 Nutrition RFP process, as well as the recommendations to Dr. Ferrarezi regarding reductions to his proposal budget from \$535,000 to approximately \$372,000. Mr. Dantzler pointed out that the reduction in costs was achieved through the utilization of OPS employees instead of an FTE employee and grad student, and a further reduction in material costs. He also mentioned the project had requested a longer funding cycle but explained that CRDF does not typically fund an initial project longer than three years and would have to request an extension or make a subsequent proposal. Dr. Ouimet moved to approve Dr. Ferrarezi’s project with an adjusted budget of \$371,836.00 by the substitution of OPS workers for FTE employees, acquiring a leased vehicle instead of buying a vehicle, a reduction in material costs, and the elimination of root analysis work. Mr. Atchley seconded the motion, and with no discussion, the motion passed unanimously.

Commercial Product Delivery Committee: Mr. Updike reported that the off-cycle projects had either not been received or were awaiting SAB review. Once the process was completed the Committee would meet in November to further discuss the matters. Mr. Dantzler stated that there may be one or two additional projects to be considered at the November meeting.

Mr. Dantzler also reported on the 2Blades Foundation projects which CRDF initially funded in 2012. 2Blades engineered a genetically modified tree showing resistance to canker. He reported on an email received from Diane Horvath requesting CRDF's opinion on the commercialization value. Dr. Horvath had approached CRDF regarding its position in exercising the intellectual property rights outlined in the agreements on the projects. Mr. Dantzler explained what the potential IP rights were and mentioned that he was unsure of the value of those IP rights. Mr. Dantzler recommended that before any decisions were made, that Staff investigate the project further for a report on the opportunities and/or liabilities to be prepared and presented to the CPD Committee at the next meeting. Mr. Dantzler mentioned, in closing, that the 2Blades project was a successful project that CRDF funded.

Mr. Howard mentioned an open position on the NIFA Sub-Award Committee and noted that interested parties or individuals should contact Mr. Sparks at Florida Citrus Mutual.

Select Committee on Plant Improvement: Mr. Dantzler reported on the first meeting of the Select Committee on Plant Improvement, noting that it went very well. Mr. John Gose was selected as Chairman and all members of the Committee were engaged in the discussions. The primary action item of the meeting was the CRDF Phase III Field Trials. Mr. Dantzler and the Project Managers discussed the scions that were selected for the trials and mentioned that before the next meeting of the Committee, Staff would provide a template for rootstock recommendations for the plant breeders to complete. There was discussion on how the Committee would report their recommendations (financial decisions to the Committee of substance and rootstocks/scion recommendations to the Board) for approval. Mr. Mahan suggested that Mr. Page outline an RFP requesting proposals from the nurseries to bid trees for the trials. Mr. Snively moved to approve funding for the CRDF Phase III Field Trials and ratify the decisions of the Select Committee on Plant Improvement that came from the October 15, 2020 meeting. The motion was seconded by both Mr. Mahan and Mr. Black. After further discussion regarding grower involvement and rootstock numbers, the motion passed unanimously.

COO Report: Mr. Dantzler reported that Florida Citrus Mutual and CRDF had discussed having a Virtual Educational Seminar on peptides. There would be costs incurred by Mutual for advertising and organizing the event.

He reported that during his attendance at the Aldicarb event on Ben Hill Griffin property during October 2020, geared towards discussions with EPA and FDACS regarding Aldicarb, he spoke on the research of CRDF.

He noted that there will be a teleconference panel discussion on culturing on November 5, 2020.

Partnerships: Andrew Meadows, on behalf of Florida Citrus Mutual, provided an update on Tallahassee and the timeframes of legislative meetings. He also mentioned the CDS nominations and named Wayne Simmons as one of FCM's nominations.

Dr. Rogers provided a quarterly update on the two plant Transformation Labs. He mentioned that the labs had been intently focused on a business unit plan which would allow them to become self-sustaining within a few years. Dr. Rogers also mentioned that the labs would request funding for a

third year but at a significantly lower cost and, as a good faith effort, the University would subsidize some of the funding.

Extension Agent Report: Ajia Paolillo gave a brief report on behalf of the Extension Agents.

New Business/Public Comments: Dr. Ouimet announced PepsiCo had hired Dr. Catherine Hatcher to be a part of the PepsiCo technical test farm team.

Future CRDF Meetings: Teleconference CRDF Board of Directors Meeting, Tuesday, December 8, 2020 beginning at 9:00 a.m.

With no further business, the meeting adjourned at 11:33 a.m.

Minutes submitted by John Updike, Secretary.