

**C DFA APPROVAL SHEET FOR
MARKETING PROGRAM:
CALIFORNIA PROCESSING TOMATO BOARD**

This approval sheet is for the following document:

Document:	Relevant Date/Year
Minutes to meeting held on:	March 25, 2014
Location:	Stockton/Conference Call
Other:	

Documents Are Submitted for:

✓	Approval
Two	*Items noted require separate approval
	Contents Noted – No approval necessary

Notable Actions:

2014 0325 #1	BA 11-14 Motion to approved a budget amendment of \$30,000 . [<i>Approved by department order on May 1, 2014</i>]
2014 0325 #2	BA 12-14 Motion to approve a minor amendment to the marketing order to allow floating alternates. [<i>Approved by department order on April 22, 2014</i>]

Approval Block:

APPROVED
SECRETARY OF FOOD & AGRICULTURE

By:  , Chief
Marketing Branch

DATE: May 1, 2014



2014 0429 | 2014 0501 | 1690



**Processing Tomato Advisory Board
Telephone Conference Meeting Minutes
March 25, 2014**

San Joaquin County Cooperative Extension, Stockton, CA

CALL TO ORDER, ROLL CALL, ESTABLISH QUORUM

Board Chairman Chris Lehtikainen called the meeting to order at 10:10 A.M. Roll was called; a quorum was established. The following members were present:

Producers

Neil Dougherty (phone)
Lee Del Don
Earl Perez
Steve Meek (phone)
Mark Bacchetti (phone)

Processors

Chris Lehtikainen
Roger Scriven
Bob Cole
Randy Rickert
Tim Hamilton

Other Board Members Present:

Dan Burns
Chad Crivelli (phone)
Kevin Collins

Larry Tucci (phone)
Patrick Rooney
Frank Pitts
Steve Freeman

INTRODUCTIONS

Members of the audience introduced themselves (see roster Attachment A).

Approval Of Previous Meeting Minutes

BOARD ACTION 10-14

A motion was made, seconded, and passed unanimously to approve the minutes as posted of the January 29, 2014 meeting.

Board Manager's Report – Tom presented a quote for Directors and Officers Insurance. The policy would include discrimination claims and decisions made by the Board of Directors and staff. The limits are \$1 million in aggregate and the premium is \$5,116 annually.

There was considerable discussion about the budget. The budget approved in January was based on 13.5 million tons. Inspection fees (\$10.00 per) were set to raise the reserve to \$1.65 million to purchase more equipment next year. Water availability and other factors could negatively impact the crop and subsequently create a cash shortfall by yearend. The general consensus of the board was to not change the budget and if there is a shortfall then delay the equipment purchase until 2016. Tom asked to amend the budget for the cost of a sample weigh hopper and the D&O insurance policy. The total amendment is about \$30,000.



This action requires separate approval by the Department

BOARD ACTION 11-14

A motion was made, seconded, and passed unanimously to approve the budget **amendment of \$30,000 (Attachment B)**

Marketing Order Minor Amendment – Board Alternate Substitutions

This action requires separate approval by the Department

BOARD ACTION 12-14

A motion was made, seconded, and passed unanimously to amend the marketing order allowing floating alternates. (Attachment C)

Sample Frequency Change Request — Mark Evans (Morning Star) presented a slide program showing the impact of reduced sampling to the grade results. His numbers were from a study completed by PTAB and the University in 2009. Overall, the variability increases by 1.41 times. The grading speed would increase by half, meaning that trucks would be idling less causing fewer emissions. They propose allowing the grower and processor the flexibility to agree to the number of samples by establishing a MOU (Memorandum of Understanding). Under this plan those with a MOU would be sampled once and the rest twice. PTAB would have to develop a system to know which loads are one-sample versus two.

After considerable discussion, Bob Cole (Boswell) made the motion to change the Marketing Order to allow the grower and processor to decide the sample frequency – one or two per load. The motion was seconded by Roger Scriven (Morning Star). The motion did not pass. Producers: 1 in favor, 3 against and 1 abstention. Processors: 3 in favor and 2 against.

There being no further business the meeting adjourned at 11:30.

CERTIFICATION OF MINUTES

I Thomas M. Ramme, Manager of the California Processing Tomato Advisory Board, do hereby declare that the foregoing is a true and correct copy of the minutes of the California Processing Tomato Advisory Board meeting on March 25, 2014, in Stockton, California.

Thomas M. Ramme, Manager
Processing Tomato Advisory Board
(530) 759-7501

(Date)

PTAB Meeting March 25, 2014
San Joaquin Cooperative Extension Office
Stockton, CA
Roster

Neil Dougherty (phone) – Dougherty Farms
Chris Lehtikainen – Stanislaus Food Products
Lee Del Don – Del Mar
Roger Scriven – Morning Star Packing Company
Earl Perez – Perez Farms
Bob Cole – JG Boswell Tomato Company
Steve Meek (phone) – JH Meek and Sons
Randy Rickert – Unilever
Mark Bacchetti (phone) – Del Terra Farms
Tim Hamilton – ConAgra
Daniel Burns – Nickel Family LLC
Larry Tucci (phone) – Del Monte Foods
Chad Crivelli (phone) – Crivelli Farms
Patrick Rooney – Campbell Soup Company
Kevin Collins – Borba Farms
Frank Pitts – Neil Jones Food Co.
Steve Freeman – Pacific Coast Producers
Mark Evans – Morning Star Packing Company
Lance Dami – Los Gatos Tomato
Robert Poochigian – Los Gatos Tomato
Chuck Rivara – CTRI
Mike Montna – CTGA
Tom Ramme- PTAB
Connie Read – PTAB
Joe Monson - CDFA

PTAB 2014 Budget

	2014 Budget
1 Inspection Fee (per load)	\$10.00
2 Inspected Paid For Tons	13,500,000
3 Revenue:	
4 Other Revenue	\$166,882
5 GODAB Revenue	\$107,200
6 Inspection Fees	\$5,254,963
7 Interest	\$3,001
8 Total Revenue	\$5,532,046
9	
10 Expenditures:	
13 Marketing Branch	\$45,000
14 Salaries:	
15 Non-Seasonal Staff	\$669,900
16 Seasonal Clerks	\$0
17 Inspectors	\$2,484,917
18 Personnel Benefits:	
19 Med (1.45%) + SS (6.2%)	\$220,834
20 Unemployment	\$104,109
21 Workers Comp.	\$268,298
22 Health Insurance	\$170,000
23 Pension Plan Non-Seasonal	\$100,485
25 Insurance, Liability	\$16,000
29 Administration Travel	\$7,000
30 PTAB Automobile	\$10,000
31 Board Meetings	\$4,000
32 Seasonal Staff Travel	\$175,500
33 Printing, Contract	\$7,000
35 Telephones	\$23,000
36 Postage & Shipping	\$6,000
37 Rents	\$90,000
38 Office Upkeep & Utilities	\$20,000
39 Professional Services:	
40 EDP Services	\$48,000
41 Other	\$18,000
42 Operation Supplies	\$110,000
45 Repair & Maintenance:	
46 Operation Equipment	\$130,000
47 Office Equipment	\$13,000
48 Miscellaneous Expenses:	\$25,000
49 Research & Development	\$127,000
50 Total Operating Expenses	\$4,893,044
52 Capital Costs:	
53 Office Equipment	\$1,000
54 EDP Equipment	\$5,000
55 Operations Equipment	\$312,500
56 Total Capital Expenditures	\$318,500
57 Total Program Expenditures	\$5,211,544
	\$320,502
58 Net Cash Flow	\$320,502
59 Beginning Cash Reserve	\$1,321,807
60 Net cash Flow	\$320,502
61 Ending Cash Reserve	\$1,642,310

Marketing Order Minor Amendment – March 2014

CALIFORNIA PROCESSING TOMATO INSPECTION PROGRAM

ARTICLE II
PROCESSING TOMATO ADVISORY BOARD

Section E. ALTERNATE MEMBERS. An alternate member of the Board shall, in the absence of the member for whom he or she is an alternate, sit in the place and stead of such member at any meeting of the Board and shall have all the powers, duties, and privileges of the member while attending any such meetings. **In the absence of both a member and his or her alternate, the chairman may designate any other alternate of the same classification, producer or processor, to act in place of that member.** In the event of the death, removal, resignation, or disqualification of a member, his or her alternate shall act in his or her place and stead until a successor of such member is appointed and has qualified.