



CALIFORNIA **OLIVE** COMMITTEE  
2565 Alluvial Ave • Suite 182  
Clovis, CA 93611  
PHONE 559/456-9096 FAX 559/456-9099

**AGENDA**  
**Inspection Subcommittee**  
**Double Tree • Sacramento Room**  
**Thursday, November 10, 2016**  
**10:00 a.m.**

- I. Call to Order
  - a. Roll call
  - b. Approval of 2-17-16 Inspection Subcommittee Minutes (action item)
  - c. Comments from Chairwoman
  
- II. Electronic Reporting System
  - a. Status Report Year 3
  - b. Enhancements
  - c. Phase 2 update
  
- III. Approval of 2017 Inspection Budget (action item)
  
- IV. Approval of authority to the Executive Director and Chairman for inter-item transfers of the Inspection budget. (action item)
  
- V. Other Business
  
- VI. Adjournment

## COC Subcommittees for 2015-2017

### Executive Subcommittee:

12 Michael Silveira, G-1  
Mark Hendrixson, G-2  
Dennis Burreson, MUS  
Julia Tinsley, BCF  
Tim T. Carter, BCF  
Ed Curiel, G-1  
Janet Edwards, MUS  
Felix Musco, MUS  
Edward Garcia, G-1  
Mark Heuer, G-2  
Pat Ricchiuti, G-2  
Doug Reifsteck, BFC

### Marketing Subcommittee:

14 Bill McFarland, MUSCO  
Vacant, BCF  
Tim T. Carter, BCF  
Ed Curiel, G-1  
Wai Wu, MUS  
Julia Inestroza, G-2  
Pat Ricchiuti, G-2  
Scott Hamilton, MUS  
Mark Hendrixson, G-2  
Vacant, BCF  
Edward Garcia, G-1  
Michael Silveira, G-1  
Rick Benson, G-2  
Pablo Nerey, G-1

### Inspection Subcommittee:

16 Julia Tinsley, BCF  
Paul Danielson, G-2  
Julia Inestroza, G-2  
Dennis Burreson, MUS  
Pablo Nerey, G-1  
Rick Benson, G-2  
Janet Edwards, MUS  
Ben Hall, MUS  
Chris Henderson, G-1  
Doug Reifsteck, BCF  
Cody McCoy, BCF  
Larry McCutchen, MUS  
Vito Deleonardis, G-2  
Phil Quigley, BCF  
Art Hutcheson, G-2  
Edward Garcia, G-1

### Research Subcommittee:

14 Dennis Burreson, MUS  
Julia Tinsley, BCF  
Art Hutcheson, G-2  
Scott Patton, G-1  
Bert Ouezada, G-2  
Paul Danielson, G-2  
Vito Deleonardis, G-2  
Chris Henderson, G-1  
Cody McCoy, BCF  
Ben Hall, MUS  
Phil Quigley, BCF  
Felix Musco, MUS  
Pablo Nerey, G-1  
Ed Curiel, G-1



**CALIFORNIA OLIVE COMMITTEE**  
**COC Inspection Subcommittee Meeting Minutes**  
**Wednesday, February 17, 2016**  
**9:30 a.m.**  
**Pacific Rim Advisory Group - Modesto, CA**

**I. CALL TO ORDER**

A meeting of the Inspection Subcommittee was called to order by Committee Chairwoman Julia TINSLEY at 9:30 a.m., and the following members were present:

**Members**

Dennis Burreson  
Phil Quigley  
Ed Curiel  
Pablo Nerey  
Cody McCoy  
Edward Garcia  
Rick Benson  
Scott Patton  
Michael Silveira  
Ben Hall  
Larry McCutcheon  
Julia Inestroza  
Julia Tinsley  
Doug Reifsteck

**Affiliation:**

Musco  
Bell-Carter  
Grower  
Grower  
Bell-Carter  
Grower  
Grower  
Grower  
Grower  
Musco  
Musco  
Grower  
Bell-Carter  
Bell-Carter

**Others Present:**

Alexander Ott	COC
Denise Junqueiro	COC
Liza Ramon	COC
Terry Vawter	USDA
Peter Sommers	USDA

With a majority of the Subcommittee members present, a quorum was established.

**MOVED BY Scott PATTON, duly second by Rick BENSON, and unanimously carried THAT the minutes of the 11-5-15 Inspection Subcommittee be approved. (Motion 2-17-16 #1)**

## **II. Brief on Incoming Inspection Working Group Call**

Elected spokesperson Cody MCCOY reviewed what was discussed on the conference call regarding Multi-scan and what has been the issues with USDA.

## **III. RECOMMENDATION FROM WORKING GROUP**

The working group is recommending to the Inspection Subcommittee suspension of size grading on incoming inspection requirements within the marketing order. As well as, directly contracting with CDFA (California state inspection services) using current sizing chart standards. While still moving forward with 3<sup>rd</sup> party validation of the Multiscan I5.

Over the years there have been many discussions concerning incoming and outgoing inspections, pertaining to sizing. In an effort to address these matters the COC established a working group.

In 2010, industry began researching optical sizing technologies for sizing incoming fruit. After two years of research, trials, \$80,000 spent and approval from USDA marketing order and inspection service divisions, the industry decided to purchase two Multi-Scan I5 optical sizers.

The industry implemented the use of the Multiscan I5 during the 2014 season. During the 2014 and 2015 seasons, USDA persisted to question the use of the machines. Specifically, they continue to ask for excessive and un-necessary measures to prove and validate the use of the machine. Optical sizing technology has been vetted by many other industries and is widely used. Olives is the first federal marketing order to implement the use of these technologies with federal standards. To date the industry has spent between \$15-20K to satisfy USDA's concerns. The constant demand for more validation puts additional costs on the industry, coupled with not knowing if the machine will be accepted for the upcoming season. The machines were purchased for the purpose of increasing accuracies, taking out subjectivity and decreasing costs.

USDA has provided notification to the industry to have the machine validated by a third party by June of 2016. Industry is currently waiting on USDA for the parameters and guidelines of the validation process to hire a third party. Third party companies have been researched and are ready to execute the project when parameters are received. Should industry and USDA not come to an agreement on complete validation by June 2016, industry will have to perform tray counts every 30 minutes. Currently, the machines calibration is verified every four hours by a known sample (TSO). This method has proven to be sufficient from industry's point of view. Tray counts every 30 minutes is excessive, defeats the purpose of the machines and will cost the industry more money due to more inspectors needed onsite.

3 options were proposed to the working group to address these issues:

1. Do as USDA is requesting concerning third party machine validation, TSO validation and tray counts every 30 minutes.
2. Suspend incoming inspection requirements in the marketing order and contract directly with CDFA (state department) using current standards to inspect incoming fruit. While still moving forward with 3<sup>rd</sup> party validation of the machine.
3. Revert back to cable grading.

**MOVED BY Rick BENSON, duly seconded by Cody MCCOY, and unanimously carried THAT the Committee suspend the size grading on incoming inspection requirements within the marketing order giving USDA the authority to make conforming changes, and THAT the Industry directly contract with CDFA (California State Inspection Services) using current sizing chart standards and THAT the Committee move forward with 3<sup>rd</sup> party validation of the Multiscan I5. (Motion 2-17-16 #2)**

## **VI. ADJOURNMENT**

With no further business to discuss the meeting was adjourned.

**MOVED BY Cody MCCOY, duly seconded by Rick BENSON, and unanimously carried THAT the meeting be adjourned at 10:06 a.m. (Motion 2-17-16 #3)**

I hereby certify that the above is full, true and correct copy of the minutes of the meeting held on February 17, 2016 in Modesto, California, by the Subcommittee.

*February 18, 2016*  
Date: February 18, 2016

*Liza Ramon*  
Liza Ramon, Programs Coordinator

**SUMMARY OF MOTIONS FOR FEBRUARY 17, 2016**

**Motion 2-17-16 #1**

**MOVED BY Scott PATTON, duly second by Rick BENSON, and unanimously carried THAT the minutes of the 11-5-15 Inspection Subcommittee be approved.**

**Motion 2-17-16 #2**

**MOVED BY Rick BENSON, duly seconded by Cody MCCOY, and unanimously carried THAT the Committee suspend the size grading on incoming inspection requirements within the marketing order giving USDA the authority to make conforming changes, and THAT the Industry directly contract with CDFA (California State Inspection Services) using current sizing chart standards and THAT the Committee move forward with 3<sup>rd</sup> party validation of the Multiscan I5.**

**Motion 2-17-16 #3**

**MOVED BY Cody MCCOY, duly seconded by Rick BENSON, and unanimously carried THAT the meeting be adjourned at 10:06 a.m.**

**\*\*\*\*\* FOR YOUR INFORMATION \*\*\*\*\***

**FROM:** INSPECTION SUBCOMMITTEE

**SUBJECT:** ELECTRONIC REPORTING- OERS

**BACKGROUND:** In 2014, the Committee launched the Olive Electronic Reporting System (OERS). In 2015, the system was refined as the COC added additional features to aide with congestion at the scale house. These included: bin tag print outs, a new entry application, and improvements for the users of the system. In addition to the OERS system, the COC and the industry continue to capitalize on technology in an effort to provide real value by implementing usage of the Multiscan I5 Optical Sizing machines. The optical sizer cuts down on labor, processors' time, and provides a higher degree of accuracy while also decreasing subjectivity in the grading process. Going into year three of this technology's usage, we have continued confidence with the system, its functionality, and stabilization. In June of 2016, the COC was able to suspend the incoming inspection requirements in the marketing order. In turn, we were able to contract directly with CDFA by using current standards to inspect incoming fruit.

Based on the circumstances we have faced in the previous year, we are recommending the following enhancements:

- Digital inventory reports from each canner;
- Direct printing of sample tags and certificates;
- Multi-scan integration to the COC Application; and
- Increased support and database maintenance.

**Phase III Update**

Phase III has begun, but is at a standstill until further operations are ready at the canner level to test, run, and implement. Due to the extra trouble shooting, support, and unforeseen enhancements with inspection services, much of this budget was used.

We are proposing the following budget for 2016:

Phase III	\$27,000
Optical sizer integration	\$5,200
Support	\$6,500
Travel	\$1,300
Miscellaneous	\$10,000
<b>Total</b>	<b>\$50,000</b>

**\*\*\*\*\* ACTION REQUIRED \*\*\*\*\***

**FROM:** INSPECTION SUBCOMMITTEE

**SUBJECT:** 2017 BUDGET

**RECOMMENDATION:** THAT the Committee adopt the Inspection Budget for the 2017 FY.

**BACKGROUND:** Last year, the Committee did not allocate dollars for inspection as electronic reporting and optical sizing projects were carried over from previous years. With the systems in place, the industry is seeing success in both the reporting and optical sizing. Adjustments to the program will be made in order to ensure integrity of the system and to ensure the technology keeps up with software and other items.

For the 2017 FY, phase three of the two major projects will expand. The following items are expenditures for the Inspection program.

- |                                     |   |          |
|-------------------------------------|---|----------|
| 1. Travel                           | - | \$8,000  |
| 2. Electronic Reporting (Phase III) | - | \$40,000 |
| 3. Optical Sizer                    | - | \$50,000 |

Staff has put together a history of previous Inspection Committee Budgets.

<i>FISCAL YEAR</i>	<i>2017 (Proposed)</i>	<i>2016</i>	<i>2015</i>	<i>2014</i>	<i>2013</i>	<i>2012</i>	<i>2011</i>	<i>2010</i>
<b><i>INSPECT</i></b>	\$98,000	\$102,000	\$132,000	\$0	\$105,000	\$50,000	\$75,000	\$50,000
<b><i>%Differ</i></b>	-3.9%	-22.2%	100.0%	-100.0%	110.0%	-50.0%	50.0%	-

The Sub-Committee must decide:

- 1) Approval of the 2017 Inspection Budget

**FISCAL IMPACT:** \$98,000 for FY 2017.

**\*\*\*\*\* ACTION REQUIRED \*\*\*\*\***

**FROM:** INSPECTION SUBCOMMITTEE

**SUBJECT:** INTER-ITEM TRANSFERS OF THE INSPECTION BUDGET

**RECOMMENDATION:** THAT the Committee grant authority to the Executive Director and Chairman for inter-item transfers of the Inspection Budget.