



Update

The bimonthly newsletter of Corona-College Heights Orange & Lemon Association, a nonprofit citrus cooperative serving California's citrus growers and buyers since 1899

January-February 2020

Report from the Field



Association includes 9,500+ acres and more than 400 growers of California Citrus



Organic and conventional citrus and specialty fruit growers



Self-funded, grower-owned cooperative



Transportation savings and convenience



Year-round, state-of-the-art packing facilities and marketing strategies

New W-4 for 2020

Newly hired employees in 2020 are required to file a new version of the IRS Form W-4, Employee's Withholding Allowance Certificate. Current employees are not required to complete a new Form W-4 for 2020 unless they want to adjust their withholding as a result of changes to federal income tax withholding calculations.

District 1: Kern and Tulare counties (Nenna)

Navels: We are currently harvesting Navels and are approximately 40% harvested. We are starting to see some puff and crease in certain areas. However, most fruit is firm with good size. The harvesting has been slow due to market conditions.

Lemons: We are currently harvesting and are about 80% harvested. Fruit has color and is in good shape.

Grapefruit: We have not started to harvest but anticipate starting by the end of March or early April.

Minneolas: Harvest will begin mid-February.

D1 Field Representative Maribel Nenna can be reached at (559) 907-7560 or via email at Maribel@cchcitrus.com.

District 2: Ventura and Santa Barbara counties (Gage)

Lemons: We have started color picking and size picking with a 10-ring. It looks like the overall crop size is equivalent to last year. Fruit quality appears to be good with decent sizing.

Valencias: We are in the process of estimating the crop.

D2 Field Representative Steve Gage can be reached at (805) 427-3515 or via email at stevegage@cchcitrus.com.

District 2: Riverside and San Diego counties (Sevilla/Gutierrez)

Navels: We have started harvesting. Fruit has good size and color, but we are starting to see puff and crease in all areas. Harvesting has been very slow due to market conditions.

Lemons: We are color picking with a 10-ring.

Grapefruit: We are in the process of estimating the crop.

Valencias: We are in the process of estimating the crop.

District 3: Riverside and Imperial counties (Sevilla/Gutierrez)

Lemons: Lemons are 80% harvested and should be finished by the first week in March. Fruit has color and is peaking on 115s. Harvesting has slowed due to market conditions. ♦

D2 and D3 Field Representative Ruben Gutierrez can be reached at (951) 323-9875.



Citrus Market Report

John Demshki, CCH President

Navels: The overall market is extremely slow with low pricing. Domestically, supply exceeds demand, which will most likely continue to put downward pressure on prices for the remainder of the season until we get into the late season. Export demand is low, but we anticipate more demand in February.

Organic Navels: Supply exceeds demand, putting downward pressure on pricing.

Lemons: The market is currently efficiently supplied on the larger-sized fruit, but we are seeing demand on 165s and smaller on both Fancy and Choice grades. Pricing is slightly below that of last season at the same time, but we are seeing the smaller price moving upward.

Organic Lemons: Movement is up from last season at this time; however, pricing is 5-10% lower. We anticipate pricing will strengthen in March once the desert harvest is finished.

Grapefruit: We have not started harvesting, but expect to start in the desert soon.

Organic Grapefruit: Mexico is in the market; however, the California fruit is moving with fair demand. ♦

Stats from the Packinghouse

as of January 28, 2020

Note: Stats do not include organic or chem-free totals.

Lemons in storage: 177,082 cartons

| Variety-District | Fancy | Choice | ORC | Standard | Juice | Total |
|------------------|-------|--------|------|----------|-------|--------|
| Lemons-D1 | 65.8% | 25.5% | 0.0% | 1.0% | 7.7% | 100.0% |
| Lemons-D2 | 49.6% | 25.0% | 0.0% | 0.0% | 25.4% | 100.0% |
| Lemons-D3 | 44.5% | 28.8% | 0.0% | 3.9% | 22.8% | 100.0% |
| Navels-D1 | 60.0% | 19.6% | 0.0% | 5.1% | 15.3% | 100.0% |
| Navels-D2 | 49.2% | 25.5% | 0.0% | 0.0% | 25.3% | 100.0% |
| Valencias-D1 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Valencias-D2 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Rios-D3 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Stars-D1 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Stars-D2 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Stars-D3 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Minneola-D1 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Minneola-D3 | 62.9% | 23.7% | 0.0% | 0.0% | 13.4% | 100.0% |
| Tangos-D3 | 71.3% | 0.0% | 0.0% | 0.0% | 28.7% | 100.0% |
| Daisy-D3 | 65.3% | 0.0% | 0.0% | 0.0% | 34.7% | 100.0% |
| Gold Nuggets-D2 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

CCH Update

January-February 2020

Volume 19, No. 1

CCH Update is published bimonthly in odd-numbered months by Corona-College Heights Orange & Lemon Association, a nonprofit cooperative serving California's citrus growers.

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CCH Pool Payment Policy

For all fruit varieties except lemons:

Monthly pools are advanced to growers 45 days from the close of receiving for that pool. Final payment will be made 90 days from the close of receiving for that pool. On season pools, advance dates and final payment have not been determined.

For lemons:

Monthly pools will be advanced 45 days from the close of receiving for that pool. A second advance will be made 90 days after close of receiving for that pool, with final payment made 45 days after the second advance. **District 1** pools will continue to be monthly. **District 2 local** (Riverside and San Diego) pools will be monthly. **District 2 north** (Ventura and Santa Barbara) will be a season pool from 1/1 through 10/31; November and December are monthly pools. Advances will be made 5/15, 7/15, 9/15, and 11/15, with a final payment on 12/15. November and December pools will be advanced like any other monthly lemon pool. **District 3** pools will continue to be weekly throughout the season.

The Pool Payment policy is subject to change based on market and fruit conditions. If CCH is unable to comply with this advance policy, growers will be notified. If you have any questions, please contact Garff Hathcock at (714) 920-0192.

Estimated Pool Closing Schedule *(as of January 24, 2020)*

The projected schedule estimates when the major open pools will be closed and paid. Closing dates listed are estimates only and subject to change based on market conditions. **Not all pools are included in this report; contact Grower Accounting for more information.**

| Pool Name | First Date Received | Last Date Received | 45-day Advance | Final Date |
|-----------|---------------------|--------------------|----------------|------------|
| Le 2-20 | 12/16/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Le 2-62 | 12/12/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Le 2-91 | 11/21/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Le 2-92 | 12/17/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Le 3-19 | 8/29/2019 | 08/31/19 | 10/15/19 | 01/31/20 |
| Mg 3-1 | 8/24/2019 | 11/30/19 | 01/14/20 | 01/31/20 |
| Mg 3-13 | 10/1/2019 | 10/31/19 | 12/15/19 | 01/31/20 |
| Mg 3-14 | 11/2/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Rg 2-1 | 9/3/2019 | 10/31/19 | 12/15/19 | 01/31/20 |
| Rg 2-10 | 8/22/2019 | 08/31/19 | 10/15/19 | 01/31/20 |
| Va 1-5 | 9/4/2019 | 09/30/19 | 11/14/19 | 01/31/20 |
| Va 1-6 | 10/5/2019 | 10/31/19 | 12/15/19 | 01/31/20 |
| Va 1-21 | 7/6/2019 | 07/31/19 | 09/14/19 | 01/31/20 |
| Va 1-23 | 9/4/2019 | 09/30/19 | 11/14/19 | 01/31/20 |
| Va 2-17 | 10/1/2019 | 10/31/19 | 12/15/19 | 01/31/20 |
| Va 2-30 | 8/8/2019 | 08/31/19 | 10/15/19 | 01/31/20 |
| Va 2-31 | 9/4/2019 | 09/30/19 | 11/14/19 | 01/31/20 |
| Va 2-32 | 10/1/2019 | 10/31/19 | 12/15/19 | 01/31/20 |
| Va 2-50 | 8/26/2019 | 08/31/19 | 10/15/19 | 01/31/20 |
| Va 2-51 | 9/2/2019 | 09/30/19 | 11/14/19 | 01/31/20 |
| Va 2-60 | 11/5/2019 | 11/08/19 | 12/23/19 | 02/06/20 |
| Da 3-1 | 12/6/2019 | picking | picking | picking |
| Da 3-10 | 12/2/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Fa 3-1 | 11/26/2019 | picking | picking | picking |
| Le 1-1 | 9/2/2019 | 09/30/19 | 11/14/19 | 01/31/20 |
| Le 1-2 | 10/15/2019 | 10/31/19 | 12/15/19 | 01/31/20 |
| Le 1-3 | 11/1/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Le 1-4 | 12/2/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Le 1-5 | 1/2/2020 | picking | picking | picking |
| Le 3-3 | 9/17/2019 | 09/21/19 | 11/05/19 | 01/31/20 |
| Le 3-4 | 9/23/2019 | 09/28/19 | 11/12/19 | 01/31/20 |
| Le 3-5 | 9/30/2019 | 10/05/19 | 11/19/19 | 01/31/20 |
| Le 3-6 | 10/7/2019 | 10/12/19 | 11/26/19 | 01/31/20 |
| Le 3-7 | 10/14/2019 | 10/19/19 | 12/03/19 | 01/31/20 |
| Le 3-8 | 10/21/2019 | 10/26/19 | 12/10/19 | 01/31/20 |
| Le 3-9 | 10/28/2019 | 10/31/19 | 12/15/19 | 01/31/20 |
| Le 3-10 | 9/7/2019 | 09/30/19 | 11/14/19 | 01/31/20 |
| Le 3-11 | 10/1/2019 | 10/31/19 | 12/15/19 | 01/31/20 |
| Le 3-12 | 11/5/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Le 3-13 | 12/3/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Le 3-14 | 1/2/2020 | picking | picking | picking |
| Le 3-40 | 11/1/2019 | 11/09/19 | 12/24/19 | 02/07/20 |
| Le 3-41 | 11/11/2019 | 11/16/19 | 12/31/19 | 02/14/20 |
| Le 3-42 | 11/18/2019 | 11/23/19 | 01/07/20 | 02/21/20 |
| Le 3-43 | 11/25/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Le 3-44 | 12/2/2019 | 12/07/19 | 01/21/20 | 03/06/20 |
| Le 3-45 | 12/9/2019 | 12/14/19 | 01/28/20 | 03/13/20 |
| Le 3-46 | 12/16/2019 | 12/21/19 | 02/04/20 | 03/20/20 |
| Le 3-47 | 12/23/2019 | 12/28/19 | 02/11/20 | 03/27/20 |
| Le 3-48 | 12/29/2019 | 01/04/20 | 02/18/20 | 04/03/20 |
| Le 3-49 | 1/6/2020 | 01/11/20 | 02/25/20 | 04/10/20 |
| Le 3-50 | 1/13/2020 | 01/18/20 | 03/03/20 | 04/17/20 |

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AB 51 Limiting Mandatory Arbitration Agreements Ruled Invalid

by Barsamian & Moody,
"The Employers' Law Firm"

As recently reported, on December 29, 2019, just days before it was to go into effect, AB 51, which would have prohibited pre-dispute arbitration agreements as a mandatory condition of employment, a federal judge in the US District Court of the Eastern District of California granted a temporary restraining order to enjoin initial enforcement of AB 51.

In an action filed by a number of business groups, including the Chamber of Commerce, challenging the statute as being preempted by the Federal Arbitration Act ("FAA"), Judge Kimberly Mueller, on January 31, 2020, issued a final ruling that invalidated AB 51 and issued a preliminary injunction to prohibit enforcement of the new law.

The next step for the fate of AB 51 certainly appears to be the Ninth Circuit Court of Appeals. Judge Mueller stated that the issue may end up in the U.S. Supreme Court.

What this means is that employers can still have mandatory arbitration agreements, or arbitration agreements with an opt-out provision. AB 51 is not enforceable for now. ♦

If you have any questions about AB 51 or how to respond to this new law, please call Barsamian & Moody at 559-248-2360.

Federal Judges Slow California Policy Overreach

provided by Farm Employers Labor Service

In addition to AB 51 being ruled invalid, on Jan. 16, 2020, US District Judge Robert Benitez for the Southern District of California issued a permanent injunction barring the State of California from enforcing AB 5 against motor carrier operators after a lawsuit was brought by the California Trucking Association.

When Judge Benitez issued his temporary restraining order on New Year's Eve, he found four different points that would support his final decision: 1) The Federal Aviation Administration Authorization Act (FAAAA) "prohibits any state from enacting or enforcing a law, regulation, or other provision having force and effect of law related to a price, route

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Orange & Lemon Association**
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CHANGE SERVICE REQUESTED

Estimated Pool Closing Schedule (continued)

| Pool Name | First Date Received | Last Date Received | 45-day Advance | Final Date |
|-----------|---------------------|--------------------|----------------|------------|
| Le 3-51 | 1/20/2020 | picking | picking | picking |
| Li 3-1 | 11/19/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Li 3-2 | 12/2/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Mi 3-1 | 12/28/2019 | picking | picking | picking |
| Mi 3-10 | 12/18/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Mi 3-11 | 1/2/2020 | picking | picking | picking |
| Na 1-1 | 10/18/2019 | 10/31/19 | 12/15/19 | 01/31/20 |
| Na 1-2 | 11/1/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Na 1-3 | 12/3/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Na 1-4 | 1/2/2020 | picking | picking | picking |
| Na 1-20 | 11/25/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Na 1-21 | 12/6/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Na 1-22 | 1/11/2020 | picking | picking | picking |
| Na 1-30 | 12/10/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Na 1-31 | 1/2/2020 | picking | picking | picking |
| Na 2-1 | 1/4/2020 | picking | picking | picking |
| Na 2-10 | 1/8/2020 | picking | picking | picking |
| Na 3-1 | 1/13/2020 | picking | picking | picking |
| Pl 3-1 | 1/14/2020 | picking | picking | picking |
| Rr 3-11 | 11/11/2019 | 11/30/19 | 01/14/20 | 02/28/20 |
| Rr 3-12 | 12/14/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Rr 3-13 | 1/18/2020 | picking | picking | picking |
| Sr 2-10 | 12/21/2019 | 12/31/19 | 02/14/20 | 03/30/20 |
| Sr 2-11 | 1/2/2020 | picking | picking | picking |
| Ta 3-1 | 1/21/2020 | picking | picking | picking |

Judges/AB 5 (continued from page 3)

or service of any motor carrier...with respect to transportation of property”; 2) AB 5’s “prong B” test effectively mandates that motor carriers treat owner-operators as employees rather than independent contractors; 3) Plaintiffs established that imminent irreparable harm is likely, requiring motor carriers to restructure their operations to treat independent owner-operators as employees; and 4) that Plaintiffs had “carried their burden for purposes of emergency relief to show they would likely succeed on the merits, likely to suffer irreparable harm in the absence of relief, that the balance of equities tips in their favor, and that their requested relief is in the public interest.”

Judge Benitez’ order applies only to motor carriers, although other litigation seeking to overturn AB 5 is pending. For more information about how AB 5 impacts agriculture, read these FAQs from the California Farm Bureau Federation: <https://www.cfbf.com/wp-content/uploads/2019/12/AB-5-Frequently-Asked-Questions-for-Farmers-1.pdf> ♦