



**Minutes of the Conference Call
Of the Board of Directors
Of
The Gypsy Moth Slow the Spread Foundation, Inc.**

**May 06, 2009
10:00 a.m. – 12:00 p.m. EDT**

Proper notice having been duly given to each Board member, a conference call of the Board of Directors was held on the above date.

Vice-President Gene Cross (NC) called the meeting to order and Secretary Frank Fulgham (VA) called the roll.

BOARD MEMBERS

Geir Friisoe, Minnesota, President	absent
Gene Cross, North Carolina, Vice-President/Treasurer	present
Frank Fulgham, Virginia, Secretary	present
Scott Frank, Illinois	present
Phil Marshall, Indiana	present
Tivon Feeley, Iowa	absent
Gary Gibson, West Virginia	present
Melody Walker, Wisconsin	present

OTHERS PARTICIPATING IN THE MEETING

David Adkins, Ohio
Ed Holloman, Southeastern Association Services
Larry Nichols, Virginia
Lloyd Garcia, USDA APHIS
John Kyle, Donna Leonard, Noel Schneeburger, and Patrick Tobin, USDA Forest Service

Whereas, the above noted directors constitute a quorum, and there is no objection to this proceeding, the following business was conducted:

APPROVAL OF THE MINUTES

The minutes of the Gypsy Moth Slow the Spread (STS) Foundation Board of Directors' 2008 Annual Meeting held in Indianapolis, IN on February 21, 2008 were approved and ratified by unanimous vote and shall be filed in the Minute Book.

The minutes of the Gypsy Moth Slow the Spread (STS) Foundation Board of Directors' 2009 Annual Meeting held in Indianapolis, IN on February 18, 2009 were approved and ratified by unanimous vote and shall be filed in the Minute Book.



STATUS UPDATES OF GRANT AGREEMENTS

Ed Holloman (SAS) discussed the current Grant Reporting Schedule and grant award balances and expenditures.

2009 Aphis Regulatory Grant

Ed indicated that he utilized the total award figures on the spreadsheet even though these amounts are not fully awarded until he receives award letters with authorized signatures. The total anticipated award is expected to be \$262,287.00. The \$47,946.59 shown as pending is waiting for the APHIS regulatory funding to hit the STS account which he expects to happen within the next 24 hours. As soon as that happens, Ed will complete the pending distribution of funds to NC, WV & WI.

- **ACTION:** Current 2009 REG Grant state reports that **are past due** are as follows:

At Once 424 A&B Revised – 56.99% IL

04/15/09 FSR Report (10/01/08 thru 03/31/09) IL, MN

04/15/09 Summary Report (10/01/08 thru 03/31/09) MN, NC, VA & ~~WI~~ (Received)

Ed noted that he is working with each state to resolve these issues to his satisfaction.

2008 Forest Service Trapping & Treatment Grant

Ed indicated as of 05/04/09 there is a balance of \$446,772.80 in grant funds available out of the total grant award of \$3,543,354.00 for funding to all states. The overall Foundation budget shows a balance of \$507,051.22 out of the original grant award of \$6,219,756.00.

Scott Frank (IL) indicated that Illinois has deobligated \$88,228.00 of their total state trapping funds since the trapping program is being implemented using contract trappers paid directly by the Foundation.

- **ACTION:** Current 2008 T&T Grant state reports that are **past due** are as follows:

04/15/09 FSR Report (10/01/08 thru 03/31/09) MN & OH

Ed is awaiting the above reports so that he can submit the Foundation's report which is now due.

2009 Forest Service Trapping & Treatment Grant

Ed indicated that he utilized the total award figures on the spreadsheet even though these amounts are not fully awarded until he receives award letters with authorized signatures. The total anticipated award to states is expected to be \$3,218,087.20.

- **ACTION:** Current 2009 T&T Grant state reports that are now **due** are as follows:

04/01/09 424 A&B Signed IL, IN, NC, VA & WV

Gary Gibson (WV) indicated that he just received word that his 424's have just been signed. Award letter will be submitted within the week to all states that have submitted their 424's.

Donna indicated that any state that has not submitted their 424 to date should check to see if their current projected 424 total equals what is shown on the current spreadsheet. If not, contact Donna or Ed to let them know of the discrepancy.

The initial total award for this grant was \$5,219,401; however, Donna indicated that this total has changed due to some significant changes in the program. This year, the cost of the mating disruption product and application cost was to be rolled into the Forest Service application contract. However, the purchase of the product needs to be moved from the Forest Service back to the Foundation's budget due to the tenuous budgetary and financial problems experienced by federal agencies this fiscal year. The Foundation will issue a Purchase Order to Hercon for the purchase of this year's pheromone flakes (Disrupt II). A revision of approximately \$620,000 will need to be processed to transfer these funds back to the Foundation.

The projected State awards and Foundation expenses total is \$5,839,401. Since the initial award to the Foundation was for only \$5,219,401, the pending revision for flake purchase of \$620,000 is needed to bring the total revised funding to \$5,839,401. Gene indicated that some State funding may be temporarily held until the revised funding is approved. If problems occur in the deobligation process from Forest Service to the Foundation, funds budgeted for the racemic purchase for next year can be held to balance the Foundation's budget without consequence to any State program.

- **NOTE:** Board members agreed that this appeared to be more of a paper exercise involving re-distribution of funding within the Foundation's budget and agreed to let Donna and Gene work this out in the best interests of the Foundation and States.

ITEMS FOR BOARD CONSIDERATION

Donna noted that there have been numerous changes to the budget since it was distributed at the Board meeting. Most changes addressed changes in contract prices for application, refining number of trappers, Illinois deciding to go ahead with a trapping contract through the Foundation, and changes in Purchase Orders for programs in North Carolina and Indiana.

The NC Department of Agriculture (NCDA) contract for Btk application and their trapping contracts came in cheaper than anticipated. Gene was unable to utilize these saving to restore previously deleted trapping and treatment blocks due to NCDA contracting guidelines. Gene approached Donna and requested that two treatment areas be handled through Purchase Orders issued by the Foundation at the NCDA agreed upon contract prices. Gene indicated that everything went well and they came in under budget.

- **NOTE:** At this point, Donna lost her phone service due to a power outage caused by a severe thunderstorm with tornado warnings in the Asheville, NC area.

Gene took the floor in Donna's absence and requested that Phil Marshall (IN) cover the situation in Indiana. Phil indicated that he did not incorporate any information on Splat at his public meetings because he thought there would only be pheromone flakes used. There is another block that has an objector to the use of Splat. Due to these and other procedural problems that occurred in Indiana, Phil asked the Board to allow the Foundation to issue a Purchase Order to contract to conduct the treatments in these two blocks using pheromone flakes.

- **MOTION:** Scott Frank (IL) made a motioned and Gary Gibson (WV) seconded the motion for the Board to issue a Purchase Order to accommodate the treatment of approximately 3,520 acres with pheromone flakes (Disrupt II) in Indiana. There being no further discussion, the motion passed unanimously. (Note: Phil Marshall (IN) excused himself from this vote.)
- **MOTION:** Scott Frank (IL) made a motioned and Gary Gibson (WV) seconded the motion for the Board to approve retroactively the issuance of a Purchase Order by the Foundation to accommodate the treatment of additional acres with Btk in North Carolina. There being no further discussion, the motion passed unanimously.

2009 FOREST CONTRACT TO APPLY MATING DISRUPTION

Gene asked Noel Schneeburger (FS) in the absence of Donna if he knew of anything additional to report regarding the two Forest Service treatment contracts that were awarded at the end of March. Noel indicated that he did not know of anything other than to just report this to the Board as follows:

- Dynamic Aviation will apply SPLAT GM to 92,000 acres in VA, OH, IL, WI, and MN at \$4.63/acre.
- Al's Aerial Spraying will apply Disrupt II to 275,000 acres in VA, WV, WI and MN at \$4.98/acre.

Btk and SWINE FLU ISSUES

Noel Schneeburger (FS) reported that 1) there was a pause in the Btk applications put in place late last week following discussions between the Forest Service, APHIS, and others, and 2) last night (05/05/09) the pause was lifted and the projects resumed. Neither Noel nor Donna is authorized to say anything more publicly. Noel suggested that any specific questions should be addressed directly to Rob Mangold with the Forest Service.

Unofficially, Gene said he heard through a 3rd party report that a single study was done that potentially linked individuals that had been exposed to the swine flu virus (H1N1) with additional adverse impacts if these individuals were exposed to a Btk treatment area. The 2000 Hernandez study was referenced and addressed in the 2004 gypsy moth Environmental Impact Statement (EIS). Patrick Tobin (FS) volunteered to send all Board members a copy of the study report.

Several members voiced concern regarding their state legal office's reluctance to resume treatments without any written authorization. Several states indicated that since nothing written was circulated regarding the pause or the lifting of the decision, then the whole issue carried the credence of a rumor. Gene volunteered to call Rob Mangold and let him know of the Board's concerns regarding the lack of any official written authorization to resume the treatment projects.

MICELLANEOUS

Audit Update

Gene reminded everyone to circulate their state's annual audit report to the 2009 Audit Committee composed of Scott Frank (IL), Gary Gibson (WV) and Phil Marshall (IN).

Regulatory Committee

Lloyd Garcia, USDA-APHIS, reported that the committee is working to get the data forms available on the website. They also are working on a generic compliance agreement that can be used by all states.

IL & NC Contract Trapping Services

The Illinois Department of Agriculture-Division of Natural Resources and the North Carolina Department of Agriculture requested the assistance of the GM STS Foundation, Inc. in contracting for trapping services for each state in 2009. Via e-mail, the Board unanimously approved the following actions:

- **ACTION:** 03/30/09 – Approval of all lowest bid NC Personal Services Contractors
- **ACTION:** 03/30/09 – Approval of 7 IL Personal Services Contractors
- **ACTION:** 04/27/09 - Approval of 3 additional IL Personal Services Contractors

Request to Join STS Foundation Board

On 04/07/09, the University of Kentucky, Department of Entomology, Office of the State Entomologist, submitted a request to the Board President to become a formal member of the Foundation. As 05/06/09, the request is pending with the Board.

Updates

- Dave Adkins' (Ohio) email address has changed to: adkins@agri.ohio.gov
- The Gypsy Moth STS Foundation's physical address has changed to:

GMSTS Foundation
4008 Barrett Drive, Suite 106
Raleigh, North Carolina, 27609

2009 STS CONFERENCE CALL & MEETING SCHEDULE

Conference Calls are scheduled for 1st Wednesday of each month at 10:00 a.m. unless otherwise scheduled by the Board President.

Call-in number for all 2009 Conference Calls: 404-347-7962

JAN 14	Conference Call	Held at 10:00 a.m. EST
FEB 4	Conference Call	Cancelled
FEB 18	STS Annual Mtg	Held in Indianapolis, IN
MAR 4	Conference Call	Cancelled
APR 1	Conference Call	Cancelled
MAY 6	Conference Call	Held at 10:00 a.m. EDT
JUN 3	Conference Call	<i>Scheduled for 10:00 a.m. EDT</i>
JUL 1	Conference Call	<i>Scheduled for 10:00 a.m. EDT</i>
AUG 5	Conference Call	<i>Scheduled for 10:00 a.m. EDT</i>
SEP 2	Conference Call	<i>Scheduled for 10:00 a.m. EDT</i>
OCT 7	Conference Call	<i>Scheduled for 10:00 a.m. EDT</i>
NOV 4	Conference Call	<i>Scheduled for 10:00 a.m. EST</i>
DEC 2	Conference Call	<i>Scheduled for 10:00 a.m. EST</i>

The foregoing motions and actions, by unanimous consent, are to have full force and effect as of May 06, 2009, unless otherwise indicated by the Board.

The meeting adjourned at 11:00 a.m. Eastern Daylight Time.

Frank Fulgham, Secretary
STS Foundation