



AGENDA

California Avocado Commission Executive Committee Meeting

Meeting Information

Date: September 2, 2022

Time: 9:00 a.m.

Location: Web/Teleconference Meeting

Web/Teleconference URL:

<https://californiaavocado.zoom.us/j/83359103459?pwd=YXI5NSStXS3VzTFZQcS9TMnd1dHdYdz09>

Conference Call Number: (669) 900-6833

Meeting ID: 833 5910 3459

Passcode: 956323

Meeting materials will be posted online at least 24 hours prior to the meeting at:
<https://www.californiaavocadogrowers.com/commission/meeting-agendas-minutes>

Committee Member Attendance

As of Monday, August 29, 2022, the following individuals have advised the Commission they will participate in this meeting:

Jason Cole, *Treasurer*

Rob Grether, *Chair*

Jessica Hunter, *Secretary*

Rachael Laenen, *Vice Chair*

Time	Item
------	------

- | | |
|-----------|---|
| 9:00 a.m. | <ol style="list-style-type: none">1. Call to Order<ol style="list-style-type: none">a. Roll Call/Quorumb. Introductions2. Opportunity for Public Comment<p>Any person may address the Committee at this time on any subject within the jurisdiction of the California Avocado Commission.</p>3. Consent Calendar<ol style="list-style-type: none">a. Consider approval of Executive Committee meeting minutes of August 3, 2022 |
|-----------|---|
-

Time	Item
	<p>4. Discussion Items</p> <p>a. Update on overall administration of the Commission</p>
	<p>5. Closed session regarding the appointment, employment, evaluation of performance, or dismissal of an employee pursuant to California Government Code Section 11126(a)</p> <p>a. The Committee may go into closed session to discuss and make recommendations regarding appointment, employment or dismissal of an employee.</p> <p>b. Return to open session and announce action taken in closed session, if any.</p>
10:30 a.m.	6. Adjourn Meeting

Disclosures

The times listed for each agenda item are estimated and subject to change. It is possible that some of the agenda items may not be able to be discussed prior to adjournment. Consequently, those items will be rescheduled to appear on a subsequent agenda. All meetings of the California Avocado Commission are open to the public and subject to the Bagley-Keene Open Meeting Act.

All agenda items are subject to discussion and possible action. For more information, or to make a request regarding a disability-related modification or accommodation for the meeting, please contact April Aymami at 949-341-1955, California Avocado Commission, 12 Mauchly, Suite L, Irvine, CA 92618, or via email at aaymami@avocado.org. Requests for disability-related modification or accommodation for the meeting should be made at least 48 hours prior to the meeting time. For individuals with sensory disabilities, this document is available in Braille, large print, audiocassette or computer disk. This meeting schedule notice and agenda is available on the internet at <https://www.californiaavocadogrowers.com/commission/meeting-agendas-minutes> and <http://it.cdfa.ca.gov/igov/postings/detail.aspx?type=Notices>. If you have questions on the above agenda, please contact April Aymami at aaymami@avocado.org or 949-341-1955.

Summary Definition of Conflict of Interest

It is each member's and alternate's responsibility to determine whether they have a conflict of interest and whether they should excuse themselves from a particular discussion or vote during a meeting. To assist you in this evaluation, the following *Summary Definition of Conflict of Interest* may be helpful.

A Commission *member or employee* has a conflict of interest in a decision of the Commission if it is reasonably foreseeable that the decision will have a material effect, financial or otherwise, on the

member or employee or a member of his or her immediate family that is distinguishable from its effect on all persons subject to the Commission's jurisdiction.

No Commission member or employee shall make, or participate in making, any decision in which he or she knows or should know he or she has a conflict of interest.

No Commission member or employee shall, in any way, use his or her position to influence any decision in which he or she knows or should know he or she has a conflict of interest.

**CALIFORNIA AVOCADO COMMISSION
EXECUTIVE COMMITTEE MINUTES
August 3, 2022**

A meeting of the California Avocado Commission (CAC) Executive Committee was held on Wednesday, August 3, 2022 with the following people present:

MEMBERS PRESENT

Jason Cole
Rob Grether
Jessica Hunter
Rachael Laenen

STAFF PRESENT

Monica Arnett
April Aymami
Jan DeLyser
Ken Melban

GUESTS PRESENT

Will Carleton
Gray Martin
Norm Traner

OFFICIALLY PRESENT

Victoria Carpenter, *USDA*
Ben Kardokus, *CDFA*
George Soares, *Kahn, Soares & Conway*

ITEM #1 CALL TO ORDER

Roll Call/Quorum – Item 1.a.

Rob Grether, CAC Executive Committee chairman, called the meeting to order at 3:33 p.m. with a quorum present.

ITEM # 2 OPPORTUNITY FOR PUBLIC COMMENT

Gray Martin provided his background in the California avocado industry, including his work on avocado breeding research at the University of California, Riverside and service on the California Avocado Society Board. He voiced concerns about the format of grower meetings and the need for the Commission to sponsor grower driven meetings in a format that fosters audience participation. Norm Traner echoed the sentiments of Mr. Martin.

Mr. Grether responded that Mr. Martin’s comments resonated with both the Executive Committee and Board. He expressed an interest in learning more from Mr. Martin of where CAC has fallen short and noted that while Covid had made gathering difficult in recent years, the Board was currently discussing holding grower district meetings in September.

Mr. Traner commented that he’d like to see more promotion/education of the new varieties to growers and was happy that it sounded as if they were all on the same page regarding grower engagement.

ITEM # 3 CONSENT CALENDAR

Consider approval of Executive Committee meeting minutes of July 12, 2022 – Item 3.a

Mr. Grether introduced the consent calendar items and asked for questions or comments. With no comments on the consent calendar items, the following motion was put forward:

MOTION:

The Executive Committee approves the Consent Calendar, Item 3.a as presented.

(Cole/Hunter) MSC Unanimous

MOTION 22-8-3-1

The Consent Calendar is included in the August 3, 2022 Executive Committee Packet and is attached to the permanent copy of these Minutes and identified as EXHIBIT A, Item 3.a.

ITEM #4 DISCUSSION ITEMS

Update on overall administration of the Commission – Item 4.a

An update was provided on the Commission operations since the last Executive Committee meeting of July 12, 2022, which included:

CAC Meetings

Mr. Grether informed the Committee that CAC had recently been advised that Commissions were once again able to conduct strictly web/teleconference meetings, without the need to notice a physical meeting location. In addition, he noted that CAC's health and safety guidelines for in-person meetings were currently being revised to reflect that CAC will adhere to local mandates, making masks optional unless mandated. Mr. Grether stated the revised policy will be in place for the upcoming hybrid Finance Committee and Board meetings scheduled for mid-August. Lastly, he commented that the next step in these policies was to bring the CAC employee covid preparedness plan into alignment with the revised health and safety guidelines for meetings.

Mr. Grether provided an opportunity for CAC's vice presidents to provide updates on their specific program areas:

Industry Affairs/Production Research

Ken Melban, CAC's vice president of industry affairs, reported on the recent Production Research Committee meeting, noting that CAC would be voicing concerns about the recent announcement from the University of California to relocate agricultural acres currently planted at the UC's Irvine South Coast Field Station, which include a significant number of mature avocado trees being used for CAC-funded research. Mr. Melban was in the process of scheduling a meeting to discuss these concerns with the UCANR Vice President Glenda Humiston and UC Ag Advisory Chair Mike Mellano, as well as CAC's research coordinator, chairman and members of the PRC.

Mr. Melban also noted that the PRC would be making a recommendation to the Board to fund sponsorship of the Avocado Brainstorming event at the \$10,001 level. He reported that CAC recently held a field day at Pine Tree Ranch with approximately 20 growers in attendance, at least one of which had driven up from Escondido. He suggested that in the future CAC could explore the option of offering a bus from the south to encourage grower participation in field days from that region. Lastly Mr. Melban stated that PRC would be reviewing details of a lease renewal for the Pine Tree Ranch and would bring a recommendation to the Board prior to negotiating terms with Cal Poly Pomona.

Marketing

Jan DeLyser, CAC vice president marketing, provided an update on recent marketing planning meetings with agencies and retail marketing directors, noting that the purpose of these meetings was to get ideas and feedback on plans for the coming year, which will then move from strategy into action plans that are incorporated into CAC's business plan.

There was discussion regarding next season's budget and the ability to look at variable budget ideas. Ms. DeLyser indicated that a moving to a flex budget could work for retail and foodservice, however, would not work for CAC's consumer program. Mr. Grether commented that during the call with the merchandisers, which he participated in, retail marketing directors felt shifting to a flex budget would be a hindrance in their work with retailers.

Additional discussion ensued regarding the marketing teams' ability to shift budget and plans based on the flow of California crop harvest. The specific example of the current year shift of August consumer advertising to July, as opposed to canceling the August media buy, was brought up. Ms. DeLyser indicated that typically the agency can adjust with two weeks to one month notice, but at times, not without a penalty. While Ms. DeLyser did not know what the penalty cost was, in this specific case, she was informed the penalty to cancel the August media buy would have cost more than running the media buy in July.

The Committee then discussed the percent allocation of the total marketing budget for the various marketing programs, including consumer (66%), merchandising (23%) and foodservice (8%). Ms.

DeLyser stated that the current allocations were typical to previous budgets and that the large cut made to the marketing budget last year was divided up proportionally. She noted that in planning for next year they are looking at the split between program areas and exploring an increase to social programs for retail and foodservice. Ms. DeLyser indicated they were also reviewing how to produce various marketing assets at a lower cost. With regard to the total budget, she noted that she was using last year's marketing budget as a starting point, but that could be scaled up or down based on Board direction. Mr. Grether commented that there is a desire from the industry for CAC to build more flexibility into the budget to reduce the large swings in the reserve balance, and that while there was great interest in this, the implementation could be challenging.

In closing, there was brief discussion about what form of support retailers request, to which Ms. DeLyser noted they enjoy the assets created from the consumer advertising campaign and their ability to roll out uniform messaging. Also discussed was the success of the t-shirt sale on the merch shop and while official numbers weren't available, Ms. DeLyser stated the marketing team was trying different price points and sale options to increase orders with a commitment to move on-hand inventory.

Finance/Administration

Mr. Grether reported that he had not had an opportunity to work with Monica Arnett, vice president of finance and administration, on the CAC Board travel policy, but would do so in the future. Ms. Arnett commented that she was currently working on budget planning, preparing for year end and finalizing the annual handler audit. She provided a brief overview of the purpose of annual handler audits, which is to verify handler compliance with CAC assessment policy.

Mr. Melban also reported that the Hass Avocado Board had requested use of the CAC conference room for an industry meeting on August 29, 2022. Mr. Melban noted that he had spoken with Mr. Grether and that both support allowing HAB to use CAC's office for the meeting, which met no dissent from the Committee. He stated that he would work with CAC's administrative staff to provide HAB access to the office.

ITEM #5 INTERIM ADMINISTRATION OF THE COMMISSION (CONTINUED)

Consider approval of delegation of authority – Item 5.a

Mr. Grether requested that Item 5.a be postponed until after the Closed Session portion of the meeting.

ITEM #6 CLOSED SESSION REGARDING APPOINTMENT, EMPLOYMENT, EVALUATION OF PERFORMANCE, OR DISMISSAL OF AN EMPLOYEE PURSUANT TO CALIFORNIA GOVERNMENT CODE SECTION 11126(a)

The Committee may go into closed session to discuss and make recommendations regarding appointment, employment or dismissal of an employee. – Item 6.a

Mr. Grether convened a Closed Session of the CAC executive committee members, legal counsel and CDFA representative at 4:30 p.m. Guest attendee, Will Carleton, who serves as CAC District 5 board alternate, also was allowed to join the Closed Session.

Return to open session and announce action taken in closed session, if any. – Item 6.b

Mr. Grether returned to open session at 5:32 p.m. and announced that the committee had taken no action during closed session.

ITEM #5 INTERIM ADMINISTRATION OF THE COMMISSION (CONTINUED)

Consider approval of delegation of authority – Item 5.a

Rachael Laenen reported that the CAC Board had accepted President Tom Bellamore's resignation, effective June 2, 2022, with the expectation that a new President would be hired prior to that date. Unfortunately, that did not happen, and the Commission has been operating without a President during

the past two months. She noted that Mr. Grether had previously reported to the Executive Committee that during this interim time some of the President's administrative responsibilities, such as contract signing, had been passed up to him as the Chairman. Ms. Laenen stated that there were issues above general administration of the organization that have made it clear that CAC needs an Acting President during this interim period.

George Soares, CAC's legal counsel, commented that CAC is at a point in time before the new fiscal year that decisions need to be made with regard to directing staff and programs in planning for the new year. While Mr. Grether has been acting informally, it is the recommendation of legal counsel that the position be formalized to provide the authority necessary to allow for action in this position.

MOTION:

I move to appoint Rob Grether as Acting President of the Commission until such time that the Board of Directors employs a new President, who shall in this capacity be in regular consultation with the Executive Committee, and that the Acting President shall have all the powers and duties specified for the President in Commission law and bylaws, and shall have the power to engage assistance as needed.

(Cole/Hunter) MSC Unanimous

MOTION 22-8-3-2

Mr. Soares requested that the background, intent and motion document regarding the appointment of the Acting President be included as an exhibit to the Committee meeting minutes and officially added to the records. It also was requested that it be record that Chairman Grether recused himself from the vote regarding the Acting President.

The Appointment of Acting President – Background, Intent, Motion document is attached to the permanent copy of these Minutes and identified as EXHIBIT B.

ADJOURN MEETING

Mr. Grether adjourned the meeting at 5:39 p.m.

Respectfully submitted,

April Aymami, CAC Industry Affairs Director

I certify that the above is a true statement of the minutes of the July 12, 2022 CAC Executive Committee, approved by the CAC Executive Committee on August 3, 2022.

Jessica Hunter, CAC Board Secretary

EXHIBITS ATTACHED TO THE PERMANENT COPY OF THESE MINUTES

Exhibit A August 3, 2022 Executive Committee Packet
Exhibit B Appointment of Acting President – Background, Intent, Motion
Exhibit C August 3, 2022 Executive Committee Meeting AB 2720 Roll Call Vote Tally Summary

CALIFORNIA AVOCADO COMMISSION
AB 2720 Roll Call Vote Tally Summary
To be attached to the Meeting Minutes

Meeting Name: <i>Executive Committee Meeting</i>	Meeting Location: <i>Hybrid In-person (Santa Paula) Online (Zoom)</i>	Meeting Date: <i>August 3, 2022</i>
--	---	---

<i>Attendees Who Voted</i>	<u><i>MOTION</i></u> <u><i>22-8-3-1</i></u>	<u><i>MOTION</i></u> <u><i>22-8-3-2</i></u>
Jessica Hunter	Yea	Yea
Rob Grether	Did Not Vote	Recused From Vote
Jason Cole	Yea	Yea
Rachael Laenen	Yea	Yea
<i>Outcome</i>	Unanimous	Unanimous