

**American Pecan Council  
Conference Call Meeting Minutes  
November 3, 2016**

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The American Pecan Council (Council) held a conference call meeting on November 3, 2016, with approximately 50 participants. Christian Nissen, Regional Director of the USDA Marketing Order and Agreement Division (MOAD), Southeast Marketing Field Office (SEMFO), called the meeting to order at 2:05p.m. EDT.

Jen Varela, SEMFO, welcomed and seated the new Council members from the selection order signed on October 24, 2016. Once seated, she proceeded to read the Secretary’s policy regarding lobbying and the antitrust guidelines. The roll call established 13 members and 13 alternates were present for the conference call meeting, enough to establish a quorum. Late arrivals brought total attendance to 15 members and 14 alternates. Other participants were asked to send an email to Ms. Varela to record their attendance.

SEMFO proceeded to make introductions of USDA, AMS attendees present for the conference call: Christian Nissen, Jen Varela, Abigail Campos (Marketing Specialist, SEMFO), Vincent Fusaro (Chief, Compliance & Enforcement Branch), Michelle P. Sharrow (Chief, Rulemaking Branch), Andrew Hatch (Chief, Program Services Branch) and Fiona Pexton (Marketing Specialist).

**American Pecan Council Members**

<b>Seat</b>	<b>Member</b>		<b>Alternate</b>	
<b>Eastern-Grower</b>	Buck Paulk	Present	Angie S. Ellis	Present
	Trent Mason	Present	Randy Hudson	Present
	Molly Willis	Present	Claire Powell	Present
<b>Central-Grower</b>	Mike Adams	Present	Jennifer Ivey	Present
	Michael L. Spradling	Present	Lalo Medina	Present
	Billy Scott Landgraf	Present	Mike Montgomery	Present
<b>Western-Grower</b>	Louie J. Salopek	Present	Frank P. Salopek	Present
	G.L. Straley	Present	Leslie L. Daviet II	Present
	Phillip Arnold	Present	John Heuler	Present
<b>Eastern-Sheller</b>	Jeff Worn	Present	M. Brandon Harrell	Present
	Lawrence Willson	Present	Kenny Tarver	Present
<b>Central-Sheller</b>	Daniel J. Zedan	Present	Helen Watts	Present
	William D. York, Jr.	Present	Rickey Jones	Not Present
<b>Western-Sheller</b>	Bruce Caris	Present	Deborah Walden-Ralls	Present
	Sonja Roeder	Present	Blake Houston	Present

Other attendees included:

Douglas R. Freeman, U.S. Pecan Growers Council; Diane Jackson, National Pecan Growers Association (NPSA); Jacque Knight NPSA; Russ Lemieux, NPSA; Emily Myers, NPSA; Paul

Quiros, King & Spalding LLP; Robert L. Redding, Jr., The Redding Firm; Cindy Wise, Texas Pecan Growers Association;

Ms. Varela addressed the Council with the overview of the meeting agenda. She informed Council members that this meeting was intended to lay the groundwork for the Council in anticipation of an in-person meeting. She further informed members that a few items that needed to be discussed, such as: administration, bylaws, nomination of officers, staffing, council headquarters, management services, rulemaking, budget and establishing an assessment rate. Mr. Louie J. Salopek moved that the Council change the meeting agenda to discuss Nomination of Officers before open issues. The motion was seconded by Mr. Scott Landgraf. When put to a voice vote, the motion carried. Mr. Mike Spradling indicated that there had not been discussion before the vote. Further, he noted that all members and alternates are not familiar with each other, and suggested that all nominations be held at the in-person meeting. Others raised concerns about establishing a budget before the structure of the organization. Given these concerns, Mr. Mike Adams moved that all decisions on open issues be postponed until the in-person meeting and Mr. Salopek seconded the motion. The motion was unanimously approved by roll call vote. In addition, Mr. Adams suggested that all members and alternates submit a brief bio or CV prior to the in-person meeting in order to assist members in become familiar with each other.

Ms. Varela asked the Council if they still wanted an overview of the issues to be discussed. The Council agreed.

Ms. Varela began with the subject of administration of the Council which included hiring a manager, staff and setting up a Council office location. She explained that SEMFO is currently acting as the Council's staff through the transition, but will have a smaller role once the Council has its own staff. Next, she noted that the Council had been provided copies of bylaws from other marketing orders as examples. In response to a question from a member regarding bylaws requirements, she indicated there are no set requirements, however, MOAD's internal controls policy does specify that programs have certain officers. She encouraged the Council to draw on expertise within the industry as it formulates its own bylaws. Regarding nominations for remaining Council seats, she informed members that the Council should document any outreach it undertakes searching for members and alternates for the accumulator and public member seats. Outreach should include seeking those who fall into underrepresented groups, including small business entities, women, and persons with disabilities. She suggested the Council think about what type of expertise it would like to add through its public members, such as experience in marketing or research.

Ms. Varela gave a brief overview of the rulemaking process the Council will use to establish an assessment rate, reporting, and budget. The overview included the description of formal and informal rulemaking, 10 point justification for rulemaking actions, and the timeframe for each process. A few members had questions about the timeframe and process of the assessment rule. Mr. Daniel Zedan asked how long it would take to get an assessment rule completed. Ms. Varela and Mr. Nissen informed members that SEMFO is already working on the language and that following a recommendation from the Council, a proposed rule would be published with a

comment period. Other members also raised concerns regarding industry reporting and when forms would be distributed in order to assess pecans. SEMFO informed members that the Council currently does not have any reporting forms that have been approved by the Office of Management and Budget (OMB), but that the 2016 pecan crop can be assessed beginning October 1, 2016, once the Council establishes an assessment rate. Mr. Spradling followed up with questions about how the range for the assessment rate had been determined. Ms. Varela explained this range was included in the proposed order under § 986.61 Assessments. She added that the language and range were established through the formal rulemaking that established the order. Mr. Adams concurred with USDA and reassured members that the range was and is important to let industry members know where they stand on assessments that will be collected.

Mr. Nissen proceeded to inform Council members of the arrangements being made for the upcoming in-person meeting in Houston, TX on November 16 – 17, 2016, at the Houston Airport Marriott at George Bush Intercontinental Airport. He requested that members and alternates notify USDA/SEMFO of when they plan to arrive and depart so that reservations can be made for all attendees. Further, he indicated the hotel will extend the government rate to all industry members interested in attending the in-person meeting if they notify SEMFO to be added to the list. He informed members that they will be receiving a travel guide and that their contact person for travel issues would be Dolores Lowenstine. He emphasized that members and alternates should not make any arrangements until they received notification from SEMFO.

With no other items to discuss, Mr. Landgraf moved to adjourn and Mr. Zedan seconded the motion. Without opposition, the meeting was adjourned.

The Council will hold their next meeting, in person, on November 16-17, 2016, in Houston, TX.