



The American Pecan Council – Phone Conference Meeting

Meeting Minutes – October 6, 2017

Phone Council meeting was called to Order by Chairman Adams at 10:03 am CST.

Roll called by Karen Crow

Seat	Member		Alternate	
Eastern Growers	Buck Paulk	Present	Angie S Ellis	Not Present
	Trent Mason (Secretary)	Present	Randy Hudson	Not Present
	Molly Willis	Present	Claire Powell	Not Present
Central Growers	Mike Adams (Chairman)	Present	Jennifer Ivey	Not Present
	Michael L Spradling	Not Present	Lalo Medina	Not Present
	Billy Scott Landgraf	Present	Mike Montgomery	Present - seated for Mike Spradling
Western Growers	Louie J Salopek	Present	Frank P Salopek	Not Present
	GL Straley (Treasurer)	Present	Leslie L Daviet, II	Not Present
	Phillip Arnold	Present	John Heuler	Not Present
Eastern Shellers	Jeff Worn	Present	M. Brandon Harrell	Present - seated for Larry Willson
	Lawrence Willson	Not Present	Kenny Tarver	Not Present
Central Shellers	Daniel J Zedan	Present		
	William D York, Jr	Not Present	Rickey Jones	Not Present
Western Shellers	Bruce Caris (Vice Chairman)	Present	Deborah Walden-Ralls	Present – seated for Dan York
	Sonja Roeder	Present	Blake Houston	Not Present
Public	Donna Volz	Not Present	Ronald Hayes	Not Present

Also present on the call Byron Gossett (APC), Emma Garner (APC), Jennie Varela (USDA), Abigail Campos (USDA), Tom Dans, Texana Pecans, Matthew Bailey (Pecan Report) ***35 were on at the start of the call, leaving an estimated 14 unidentified. Attached call report.

Chairman Adams explained this meeting would be an open meeting to address item number 2 of the Governance Committee recommendation. Due to budget nature of the recommendation, the recommendation requested approval of a line item for \$125,000 to fund the executive search firm. American Pecan Council, Treasurer, GL Straley, recommended the funds come from unallocated funds. Bruce Caris requested clarification on the cost. Chairman Adams advised the amount is based on information provided by Russell Reynolds Associates and the initial engagement is approximately \$90,000-100,000 and the additional amount would be for instances in which additional prospects may be requested by the Council and/or any additional service or contingencies that may occur. Deborah Walden-Ralls (Deborah) asked what the Firm's guarantee is for replacement if the selection does not workout. Chairman Adams advised it had not yet been discussed, but would be an important part of the agreement. Chairman Adams believes it will be part of final negotiations. Louie Salopek (Louis) asked if referrals from the Council would be sent to the firm. Chairman Adams advised recommendations would be given to the Governance Committee to be vetted and the Committee would forward to Russell Reynolds Associates. Jeff Worn reiterated the importance of Deborah's concern about negotiating for a candidate guarantee. Deborah added the

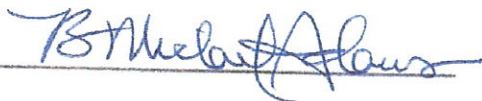
ideal window would be 90 – 100 days. Louie asked when the Firm would begin. Chairman Adams advised additional firms would need to be contacted and the goal is to move forward right away, but with good process. Sonja Roeder suggested revisiting previous candidates. Chairman Adams felt the Governance Committee did not feel they were viable candidates.

Bruce Caris motioned to approve the \$125,000 to be categorized under unallocated funds to engage in the executive firm's search; second by Dan Zedan. No discussion; vote unanimously approved.

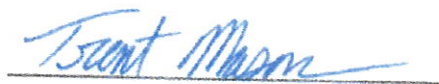
Jennie Varela requested an update on crop impact due to hurricane/storms. Jennie inquired, will the damage create more loss in following years. The damage has been assessed as an estimated 30% loss. Buck Paulk, Trent Mason, and Molly Willis stated that the estimate is still the same. Jeff Worn asked specifically for Buck Paulk, Trent Mason, and Molly Ellis opinions on the high numbered estimate, the realistic estimate, and the supply impact. Trent Mason stated 30% was the accurate estimate and Molly Ellis and Buck Paulk agreed. Jeff Worn asked if the state impact was safely estimated at a loss of supply nearing 100,000,000 pounds. Trent Mason felt it would be at least that or close to it. Buck Paulk agreed and added the later varieties may not be as dramatically impacted, but would still see about 30% losses. Trent added his orchard and a specific variety was more dramatically impacted. Dan Zedan reiterated the inquiry on long-term impact. Trent Mason stated that despite losing thousands of trees, his young trees will compensate for the loss and will not impact their volume dramatically long-term. He continued that the trees have responded well. Buck Paulk agreed the younger trees would absorb the loss from the damaged trees, and future growth would not likely be a result of the hurricanes. Molly Willis added there were several undamaged 4 and 5 year trees. Phillip Arnold inquired if trees in the south and east provide early indication of poor crop as a result to weather conditions. Buck Paulk indicated there are signs and it contributes to their determination of about 30% and added that crops can be surprising despite those indicators. Jennie Varela extended their gratitude and well wishes for no more storms to impact the region.

Dan Zedan moved to adjourn, seconded by Deborah Walden-Ralls. No discussion; vote carried unanimously.

Meeting Adjourned 10:30 am CST



B. Michael Adams
American Pecan Council, Chairman



Trent Mason
American Pecan Council, Secretary

Minutes prepared by: Karen Crow