



## Hass Avocado Committee Meeting Minutes

Wednesday, December 7, 2022  
9:00 a.m.

Hybrid – In-Person and Virtual Via Zoom  
The Hyatt Regency, Newport Beach, CA

An in-person and virtual via zoom meeting of the Hass Avocado Committee (HAC) was held on Wednesday, December 7, 2022, at 9:00 a.m., with the following people present:

### HAC DIRECTORS PRESENT

Aaron Acosta – in person  
Ben Van Der Kar – in person  
Bob Schaar – in person  
Chris Henry – in person  
CJ Shade – in person  
Debbie Willmann – in person  
Elaine Bannatyne – in person  
Jaime Rivas Campbell, MHAIA – virtual  
Jamie Johnson – in person  
Jorge Covarrubias, CAIA – virtual  
Jorge Hernandez – in person  
Jorge Restrepo, CAB – virtual  
Ohannes Karaoghlanian, CAC – in person  
Susan Pinkerton – in person

### HAC DIRECTORS ABSENT

Jose Antonio Castro, PAC – excused  
Mark Vawter – excused  
Sergio Chavez – excused

### HAC ALTERNATES PRESENT

Andy Bruno – virtual  
Byron Talley - virtual  
Bob Lucy, PAC – virtual  
Daniel Harte – in person  
Elizabeth Ayala – in person  
Ivor VanWingerden – virtual  
Jeff Dickinson – virtual  
Juan Monsalve – in person

### HAC ALTERNATES PRESENT - continued

Peter Shore – virtual  
Ricardo Vega – virtual  
Rocco Fiore II – in person  
Will Carleton – in person

### HAC ALTERNATES ABSENT

Brock Becker, CAIA – excused  
Kimberlin Brown Pelzer - excused  
Ricardo Uribe, CAB – absent

### OFFICIALLY PRESENT

Andrew Charles, USDA – in person  
Katie Cook, USDA – in person  
Sue Coleman, USDA – in person

### GUESTS

Charley Wolk – virtual  
Ken Melban, CAC – in person  
Patrick Casey, JRG – in person  
Ron Campbell, MHAIA – virtual

### STAFF PRESENT

Alejandro Gavito – in person  
Emiliano Escobedo – in person  
Gina Widjaja – in person  
John McGuigan – in person  
Nikki Ford – virtual  
Pam Ortega – in person  
Robert Rumph – virtual  
Silvia Standke – in person

## **I. CALL THE MEETING TO ORDER**

### **Ia. Roll Call**

Chair Hernandez called the Hass Avocado Committee (HAC) meeting to order at 9:00 a.m. He proceeded with roll call and established a quorum, noting the absences of the above excused and non-excused committee members. He then read Article 14 Section 2 of the HAB Bylaws.

### **Ib. Announcements**

Hernandez noted that Escobedo will serve as the staff recorder of the HAC and will provide a report of the meeting to the board when it reconvenes later today. He stated that the Antitrust Policy, included in the meeting packet, applies to this meeting. Hernandez acknowledged the attendance of representatives from USDA joining the meeting in person, including Sue Coleman, Katie Cook, and Andrew Charles, as well as HAB's legal counsel Patrick Casey.

He turned the meeting over to Emiliano Escobedo. Escobedo mentioned that the board packet for the meeting is available on the HAB website.

### **Ic. Public Comment**

Hernandez acknowledged several public members attending the meeting, welcomed them, and opened the floor to public comments. There were no public comments.

## **2. CONSENT AGENDA**

### **2a – 2b. Consent Agenda Items**

Hernandez stated that Items 2a through 2b of the consent agenda are non-controversial items and entertained a motion approving the consent agenda. He asked the group if any items should be discussed separately. Hernandez continued with the following motion:

*MOTION: The Hass Avocado Committee approves Consent Agenda items 2a through 2b as presented.  
2a. September 21, 2022, HAC Meeting Minutes  
2b. Board/Committee Meeting Attendance Report  
(Schaar/Bannatyne) Motion Adopted*

## **3. USDA REPORT**

Sue Coleman stated that USDA is putting out multiple grant opportunities on various levels with regard to climate-smart, organics, etc. If anyone is interested, please visit the USDA website and/or reach out to any marketing specialists. Hernandez thanked Coleman for her report.

## **4. FIDUCIARY/GOVERNANCE**

### **4a. 2022 Finance and Volume Report**

Hernandez referred the group to page 26 of the board packet and turned the meeting over to Robert Rumph. Rumph reviewed the Finance and Volume Report and any related discussion from the Finance Committee. There were no actions taken. Hernandez thanked Rumph for his report.

#### **4b. 2023 Meeting Schedule Proposal**

Hernandez referred the group to page 32 of the board packet and asked Escobedo to go over the 2023 meeting schedule. Escobedo explained that, as in previous years, he proposed four HAC and HAB meetings and a governance workshop for May 23, 2023, which would be held in conjunction with the second HAC/HAB meeting of the year. For each meeting, he included the context for the meeting, and the actions that would be discussed under fiduciary and governance, strategy, and business plan as well as industry discussions. Topics may be added, changed, or removed to each of these meetings. He noted that the county where the meetings will take place has also been included.

*MOTION: The Hass Avocado Committee recommends that the Board approve the proposed 2023 Meeting Schedule as presented. (Van Der Kar/Schaar) Motion Adopted*

#### **4c. Executive Committee Succession Meeting**

Hernandez continued with the next item on the agenda and asked Escobedo to provide the group with the details. Escobedo explained that in accordance with HAB policy, shortly after today's meeting, the new executive committee is required to meet with the HAB staff and outgoing members of the executive committee, which they have replaced. The Executive Committee Succession meeting will be held virtually or in person and will focus on transferring knowledge between outgoing and incoming officers and the executive director. The agenda for that meeting will be sent ten days before the meeting. There were no questions or comments.

### **5. STRATEGY /BUSINESS PLAN**

#### **5a. Review Q3 Strategic Plan Dashboard**

Hernandez asked Escobedo to talk about the 2022 Q3 Dashboard. Escobedo referred the group to page 33 of the meeting packet and asked the group if they had any questions. There were no questions or comments.

#### **5b. Processed Avocado Update**

Hernandez referred the group to page 50 of the meeting packet and turned the meeting over to Escobedo. Escobedo shared an update on the Processed Avocado project. He provided a quick overview for the new board members. He talked about the brief included in the meeting packet and the many factors that the committee and the board need to consider. He stated that for the HAB to move forward, an outside consultant would have to be brought on to work on the project from beginning to end. The cost is unknown, but staff could draft and send out a request for proposals for the board to fully understand the cost of the project overall. There was extensive discussion from the group as to whether to seek an (RFP) request for proposal from third-party contactors to manage the process of setting an equivalent rate for processed avocado products and to present the proposals to the Board by September 2023. Hernandez entertained the following motion:

*MOTION: The Hass Avocado Committee recommends to the Board that it directs staff to seek proposals from third party contactors to manage the process of setting an equivalent rate for processed avocado products and to present the proposals to the Board by September 2023. (VanWingerden/Schaar) (4 members voted yea - 13 vote nay) Motion did not pass.*

#### **5c. E-Commerce Toolkit, Channel and Seasonality Study**

Hernandez continued with the next item on the agenda and asked Alejandro Gavito to present to the group. Gavito presented his E-Commerce Toolkit, Channel and Seasonality Study. There were no actions taken. Hernandez thanked Gavito for his presentation.

#### 5d. Nutrition Affairs Update

Hernandez continued with the next item on the agenda and asked Dr. Nikki Ford to present to the group. Dr. Ford provided the group with an update on Nutrition Affairs. There were no actions taken. Hernandez thanked Dr. Ford for her presentation.

### 6. COMMITTEES

#### 6a. Corporate Governance Committee (CGC) Update

Hernandez referred the group to page 62 of the meeting packet and turned the meeting over to Schaar to provide the group with an update. Schaar provided the group with an update based on the memo included in the packet and talked about the nomination process and updates to the Health and Safety Guidelines for Meetings Policy. He stated that the CGC is recommending approval of both policies and procedures. Hernandez mentioned to the group that the Nomination Procedures will be broken up into four motions. He then asked Escobedo to continue.

Escobedo provided information about the current nomination process and what needs to be updated to make it more effective. He talked about the Capacity Notice and how it complicates the new nomination procedures. He noted that this form was created internally and is not required by USDA. After a brief discussion, Hernandez entertained the following motion:

*MOTION: The Hass Avocado Committee recommends that the Board remove the Capacity Notice from the Updated Nomination Procedures. (Schaar/Van Der Kar) Motion Adopted*

Hernandez continued with the next item - removing section 4d from the Updated Nomination Procedures and asked Escobedo to talk about it. Escobedo spoke about the organic producers and importers and their exemption on paying assessments and still running as a nominee for the HAB. He noted that USDA might not approve the suggested language in the procedures. The next step would be to remove that language from the proposed procedures, and submit the procedures without that language to USDA for approval so that all other changes to the procedures can take effect in 2023. Staff will work with USDA on new language to address the issue and will present it to the board at a future meeting. After discussion, Hernandez entertained the following motion:

*MOTION: The Hass Avocado Committee recommends that the Board remove Section 4D from the Updated Nomination Procedures. (Schaar/Shade) Motion Adopted*

Hernandez continued with the next item – adding additional language to the Nomination Procedures and asked Escobedo to talk about it. Escobedo explained the additional language: “In submitting the names nominated by the board to the secretary, the board shall indicate its first and second choice preference for each seat”. Hernandez entertained the following motion:

*MOTION: The Hass Avocado Committee recommends that the Board add the following language to the Updated Nomination Procedures: “In submitting the names nominated by the board to the secretary, the board shall indicate its first and second choice preference for each seat”. (Schaar/Rivas) Motion Adopted*

Hernandez continued with the next item – approving the Updated Nomination Procedures with the recommended changes and entertained the following motion:

*MOTION: The Hass Avocado Committee recommends that the Board approve the Updated Nomination Procedures with the recommended changes. **(Bannatyne/Schaar) Motion Adopted***

HAC member Henry suggested that section 8a be changed from one director seat and one alternate seat open, to three director seats and three alternate seats open which is maximum number of seats that come up during the nominations process. The group agreed and Hernandez entertained the following motion:

*MOTION: The Hass Avocado Committee recommends that the Board approve the Updated Nomination Procedures with section 8a be changed from one director seat and one alternate seat open, to three director seats and three alternate seats open. **(Henry/Van Der Kar) Motion Adopted***

HAC member Bannatyne mentioned several grammatical errors in the Updated Nomination Procedures. Staff made a note of them and stated that these would be fixed before finalizing the document.

Hernandez thanked the group for their input on the Updated Nomination Procedures and continued with the Health and Safety Guidelines for Meetings Policy. He asked Escobedo to talk about these. Escobedo explained why this policy is being updated and what are the changes. Hernandez entertained the following motion:

*MOTION: The Hass Avocado Committee recommends that the Board approve the Updated Health and Safety Guidelines for Meetings Policy as presented. **(Henry/Willmann) Motion Adopted***

## **RECESS**

Hernandez recessed the group for a 10-minute break and asked the group to reconvene at 11:10 a.m.

## **RECONVENED**

11:10 a.m.

## **7. INDUSTRY**

### **7a. Country and Market Reports**

Hernandez continued with the country reports and asked Ohannes Karaoghlanian for the California report.

- **California (CAC)**

Karaoghlanian went through the California report as presented in the meeting packet. There were no comments. Hernandez thanked Karaoghlanian for his report and asked Covarrubias for the Chile report (CAIA).

- **Chile (CAIA)**

Covarrubias went through his report as presented in the meeting packet. There were no comments. Hernandez thanked Covarrubias for his report and asked Restrepo for the Colombia report.

- **Colombia (CAB)**

Restrepo went through his report as presented in the meeting packet. There were no comments. Hernandez thanked Restrepo for his report and asked Rivas for the Mexico report.

- **Mexico (MHAIA)**

Rivas went through his report as presented in the meeting packet. There were no comments. Hernandez

thanked Rivas for his report and asked Lucy for the Peru report.

- **Peru (PAC)**

Lucy went through his report as presented in the meeting packet. There were no comments. Hernandez thanked Lucy for his report.

- **Market Reports**

Hernandez asked the importers in the room to provide a market report, and a discussion followed. Aaron Acosta, Debbie Willmann, Chris Henry and Sergio Chavez were included in the discussion.

## **NEW BUSINESS**

No new business.

## **ADJOURNMENT**

Hernandez thanked everyone for their participation at the meeting. He stated there would be a five-minute break before the Hass Avocado Board meeting begins. He then adjourned the Hass Avocado Committee meeting at 11:41 and asked the HAB members to reconvene to begin the HAB meeting at 11:46 a.m. PST.

Respectfully submitted,

*Silvia Stanke*

Silvia Standke, HAB Sr. Manager of Operations

I certify that the above is a true and accurate statement of the December 7, 2022, meeting minutes approved by the Hass Avocado Committee on March 23, 2023.

*Jorge Hernandez*

Jorge Hernandez, HAC Chair

I certify that the above is a true and accurate statement of the December 7, 2022, meeting minutes approved by the Hass Avocado Committee on March 23, 2023.