



**California Olive Committee
Full Committee Meeting Minutes
Wednesday, December 5th, 2019
DoubleTree Hotel – Modesto, CA**

I. CALL TO ORDER

A meeting of the Full Committee was called to order by Mike SILVEIRA at 9:02 A.M., and the following members were present:

Members

Mike Silveira
Edward Garcia
Rick Benson
Mark Hendrixson
Galen Pfeiffer
Vito Deleonardis
Pat Ricchiuti
Chris Henderson
Giulio Zavolta
Carolina Burreson
Felix Musco
Dennis Burreson
John Pieretti
Janet Edwards
Sergio Mendez
Jacob Peters
Tim T. Carter
Julia Tinsley
Bill McFarland
Matt Miller
Phil Quigley
Tracy Wood

Affiliation:

PRODUCER
PRODUCER
PRODUCER
PRODUCER
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Others Present:

Todd Sanders COC
Elizabeth Carranza COC
Lindsey Batty COC
Kathie Notoro USDA
Pushpinder Kumar USDA
Terry Vawter USDA

With the appropriate number of members from producers and handlers in, a quorum was established.



MOVED by Pat RICCHIUTI, duly seconded by Vito DELEONARDIS, and unanimously carried THAT the minutes of the 12.5.19 Full Committee meeting be approved. (1.22.20 #1)

II. Assessment Rate Adjustment

Members of the Committee requested that the Full Committee reconsider the current 2020 Assessment Rate and potentially revise or lower the rate. The Assessment rate was previously established at the December 5, 2019 Full Committee meeting to be \$24.00 per ton.

HISTORIC BUDGET, TONNAGE, & ASSESSMENT COMPARISON

| <i>FISCAL YEAR</i> | <i>2020</i> | <i>2019</i> | <i>2018</i> | <i>2017</i> | <i>2016</i> |
|------------------------|--------------|--------------|--------------|--------------|--------------|
| Budget | \$1,035,406 | \$ 1,628,923 | \$ 1,795,477 | \$ 1,752,366 | \$ 1,525,415 |
| \$ Change | \$ (593,517) | \$ (166,554) | \$ 43,111 | \$ 226,951 | \$ 228,684 |
| Tonnage | 81,689 | 17,953 | 90,188 | 63,000 | 77,977 |
| Assessment Rate | \$ 24 | \$ 44 | \$ 24 | \$ 26 | \$ 26 |

The discussion proceeds as follows:

Janet Edwards: The Full Committee has the opportunity to reduce 2019 assessment rate. We do not want to alter the budget, just assessment rate. The assessment rate is not a product of budget and tonnage, but other criteria considered including the required reserves.

~~**MOVED by Janet Edwards, duly seconded by Rick Benson THAT the 2019-2020 assessment rate be reduced to the lowest rate allowed to meet USDA (retention) requirements but with further guidance (to the staff) that it be no greater than the approved budget divided by the assessable tonnage for the 2019 crop.**~~

DISCUSSION:

- Mike: How do we account for the future and effects lowering assessment rate will have on budget in lower crop year? It is important to not lose our programs.
- Rick: \$15 * tonnage is over \$1.2 million.
- Felix: We would like to pay each year as it goes, bring assessment rate up to meet the budget even if it means large swings in the assessment rate
- Janet: Want USDA to look at how assessment rate calculated/reserve requirements.
- USDA: There is no minimum reserve, you must have enough to cover program termination/crop failure, if needed. The reserve estimate is up to staff to determine. Calculating assessment rate by proposed motion allows handlers to calculate what others received, and that is not allowed because we must protect proprietary information.
- Janet: We can have staff come up with recommendation based on parameters of motion.
- Tim Carter: In agreement with Felix Musco to run each year on its own merit, even if that means a \$90 assessment next year.



- Todd: We don't feel comfortable coming up with a number on your behalf. We would prefer if you presented a number, and we can deliberate with USDA from there.
- USDA: The committee has to recommend a number, cannot delegate job to staff.

After discussion between COC and USDA, comfortable with \$15-\$16/ton.

As a point of concern COC staff/USDA notified the Committee that if the assessment rate is to be based on tonnage/budget amount on a yearly basis that wild fluctuations may not be approved by the Secretary of Agriculture.

MOVED by Janet EDWARDS, duly seconded by Edward GARCIA, and unanimously carried THAT the assessment rate for the 2019-20 budgeted activities be reduced to \$15/ton with any amount over the assessable tons be set apart for reserves. (1.22.20 #2)

| <i>2020</i> | |
|------------------------|-------------|
| <i>Budget</i> | \$1,035,406 |
| <i>\$ Change</i> | (\$593,517) |
| <i>Tonnage</i> | 81,689 |
| <i>Assessment Rate</i> | \$15.00 |

Roll Call Vote

- Edward: YES**
- Mike: YES**
- Chris: YES**
- Pat: YES**
- Galen: YES**
- Rick: YES**
- Giulio: YES**
- Felix: YES**
- Dennis: YES**
- John: YES**
- Janet: YES**
- Sergio: YES**
- Jacob: YES**
- Tim: YES**
- Julia: YES**



IV. FLEISHMAN-HILLARD FEE

Following Fleishman Hillard’s (FH) proposal for the 2020 Marketing program, the COC Full Committee decided to not move forward with FH or any marketing firm. After informing FH of this decision, FH billed the COC for its time spent on the proposal. Please see the below correspondence for information.

MOVED BY Pat RICCHIUTI, duly seconded by Mike SILVEIRA, and unanimously carried THAT the Committee pay Fleishman-Hillard \$12,500 for time spent on the proposal, and they provide the COC with a more in-depth invoice. (Motion 1.22.20 #3)

Roll Call Vote

Edward: YES

Mike Silveira: YES

Pat: YES

Galen: YES

Rick: YES

Giulio: YES

Felix: YES

Dennis: YES

John: YES

Janet: YES

Sergio: YES

Jacob: YES

Tim: YES

Julia: YES

The meeting adjourned at 10:05 AM by Michael Silveira.

Date: January 22, 2020

Lindsey Batty, California Olive Committee