

USDA Specialty Crop Grant – SCB11024

Leadership Committee Meeting

December 14, 2011

Attendees:

Bill Brunetti	Clay Shannon
Shannon Gunier	Debra Sommerfield
Peter Molnar	Alan Flora
Rick Gunier	Terry Dereniuk
Bryan Dias (via Skype)	David Weiss

1. Overview of Grant progress to date – Bill Brunetti, Grant Chairman

Bill provided a brief overview of discussions prior to today's meeting. After the excitement of getting the grant, the initial discussions included identification of gray areas in the grant, ideas on how to spend the grant funds, organization of the Leadership committee and identification of our stakeholders, initial thoughts on financial record-keeping, and the realization that \$200,000 helps, but is not huge. Tony Farrington came forward with ideas early in the process for County participation.

2. Leadership Committee Roles & Goals – Peter Molnar, LCWC Chair

Peter offered congratulations to Shannon on securing the grant. He asked the Committee members what we consider a success. Peter suggested that there are two levels of success – inside and outside. He defined inside success as training ourselves on how to promote ourselves; building the infrastructure and doing it well. He defined outside success as engaging the people over the hill – winemakers, grape buyers, and consumers – often, in a professional manner, and well.

Peter stated that this is Federal money. We want to be responsible with it by spending and executing the grant well. He said that the Leadership Committee should review and approve projects, oversee contracts. This led to a discussion on handling issues with potential conflict of interest. Bill said that it was important to recognize potential conflicts of interest early, consider the facts and whether they support going forward, and document reasons for approval. Peter said that he would like to see the highest percentage of grant money actually spent on marketing.

Peter discussed the structure of the Leadership Committee and advocated for bringing more people to the table that have experience in running grants. He mentioned Stacy as she ran the Paso Robles grant. He sees the additional participants as either at-large members or an advisory panel. This led to a discussion on the amount of flexibility that is available in the grant, the process for changes, and CDFA report requirements. Peter finished this discussion by recommending that Shannon meet with Stacy for 2 to 3 hours at Commission expense.

Rick brought up the issue of whether it would be seen as a conflict of interest to have him and Bryan attending the trade shows. He stated that he thinks that putting a process in place to make all leads available to everybody will resolve this issue. Peter stated that we need a scope of work and contract for both of them that the Leadership Committee will review and approve. He asked Shannon to put together a scope of work for these contracts. Discussion continued on the contract process including the time that would be required to go out for bids. Shannon stated that there was not time to go through that process and that Rick has years of experience. Bryan commented that prior existing relationships are a valid point in awarding contracts. Peter agreed, but said that we need to get the paper now.

David asked whether the Leadership Committee is a committee of LCWC and whether meetings are public, and need to be noticed. Peter stated that the Leadership Committee is technically functioning on behalf of LCWC. Shannon agreed and stated we will have an agenda and minutes and will probably have to post future meetings.

Final issue in this segment was a question about the source of the grant funds and reporting responsibility. Terry explained that grant is contract between CDFA and LCWC to perform the activities of the grant in exchange for the grant funding. There is a change process available. Debra said that she has been involved with the Health Leadership Network grant. She said that changes can be made as long as you have a reason for the request. Bryan said that we need to achieve results with grant activities. He said that the activities can be changed as long as the changes support achieving the results of the grant. Peter tabled further discussion on this for the next meeting.

#### Action items from this discussion

Contracts need to be prepared for consultants. Shannon will prepare scope of work documents.

The Leadership Committee is a sub-committee of LCWC. Meetings should be posted, have an agenda, and meeting minutes created.

#### 3. Update, Industry Trade shows – Rick Gunier / Alan Flora

Rick introduced this topic and said that Alan is a great asset to the Leadership Committee. He said that Alan deserves 94% of the credit for the design of the booth. Alan provided a handout with diagram and mock – ups of the booth. He said that the plan for the booth is a wine grape side and a County side that focuses on doing business in Lake County, recreation, and promoting Lake County as a destination. He explained the layout of the booth, passed out a photo package with the planned success stories, and covered the projected costs. He also talked about the possibility of using a printed carpet for the booth. Clay asked who owns the booth and whether it could be rented out. Peter and Shannon stated that the booth will be owned by LCWC. Rick said that the booth breaks down and can be used as a 10 x 20 or 10 x 10. Terry asked about plans for promoting the County with specialty crop grant funds. Both Peter and Clay talked about the bigger picture and sense of place that influences our ability to attract wineries to Lake County. Terry also commented that she believes there is a provision for income raised with grant assets. Plans for booth well received. Rick talked about timeframe to get parts ordered. Peter made a

motion to authorize Shannon to approve booth plans and spend \$11,500. Clay seconded this motion and it was approved. At end of the meeting, Terry reminded Committee that grant funding for booth is \$11,000 so additional \$500 will have to be addressed.

Rick covered the schedule for trade shows including a cost for each show for the booth and travel. Peter asked how we would measure success for the trade shows. Rick and Bill talked about the set up of the booth and the surveys. Peter mentioned that he would like to see the percentage of grapes that are sold out of state as part of the LCWC grape crush report.

Action item from this discussion

Booth can be ordered. Shannon is authorized to approve trade show booth expenditures up to \$11,500.

4. Discussion – Industry Marketing – Peter Molnar

Peter presented ideas that have been collected from prior discussions. He identified them in two categories – Industry Marketing, and Trade & Gatekeepers Marketing. Peter said he is not asking for a motion today, but rather wanted to present various options. All agreed that we need to know what we want out of these activities in terms of discreet outcomes.

5. Discussion – Gatekeeper / Consumer Programs – Shannon Gunier

This discussion focused on who we mean by gatekeepers. Clay said that the mix of people to be invited should include CEOs and people making financial decisions. Bill said that we need names and people to work with to create a detailed strategy.

6. Update Benchmark Surveys / Social Media / Program Marketing – Bryan Dias, Program Consultant

Bryan presented the benchmark surveys. Surveys have been created for three levels – consumers, growers, and wine industry as well as one for prospects. Bryan stated that the questions lead to data that can be analyzed for additional projects. Bill asked the Committee members to read the survey and provide feedback. Bryan explained the planned timing for the surveys with first use to be at January show. Bill stated we should have the professionals carry this forward and asked that any suggestions be sent to Bryan and Shannon. Bryan asked Shannon to send out the social media information to all Committee members.

Action item from this discussion

Shannon will send out the social media information to all Committee members.

Next meeting scheduled for February 8<sup>th</sup>. Peter asked for a pro forma budget for the grant to be sent out a week prior to the meeting. Bryan reminded the Committee that we should look at the budget and planned activities in terms of what can be accomplished with grant funding and what can be accomplished with LCWC funding.

Action item for next meeting

Send out grant budget to Committee by February 1, 2012.

Meeting adjourned.