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Sent: Tuesday, February 05, 2019 11:52 AM
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Cc: Kathy Kramer; Michele Richards; Ken Karns
Subject: PLEASE DO NOT REPLY ALL - Some Thoughts
Attachments: a compelling story.pdf; still a compelling story .pdf

Members of the Board...Attached are two narratives I would like to share with you. The narrative titled "A Compelling Story" (slightly edited from the original version) was provided to the Board when I returned in 2013 to assist them as CEO. This narrative highlights a very difficult and challenging time for the Association, the community and most importantly the Association's Staff. The narrative titled "Still A Compelling Story" are my thoughts as well as my feelings regarding Staff and the key role they play in pursuit of the Association's mission. The common theme for both narratives is the Staff's passion as well as commitment and how they contribute to the many successes of the Association they serve.

i trust you will find the narratives informative and that they will provide perspective as you govern the Association and support the brand of the OC Fair & Event Center...an Association and a brand I was proud to support and continue to support.

doug

A Compelling Story

As I embarked on my new journey towards retirement in early 2012 I found myself reflecting not only on my fair career but the recent experiences I had at the OC Fair & Event Center...a team I'm proud to have served with. As I moved away from the Association...one thing kept coming to mind...how a group of dedicated people accomplished so much while being impacted both personally and professionally by circumstances and in many cases factors beyond their control. It started in the fall of 2007 and continues through today. One might refer to this period of time as..."It was the best of times...It was the most challenging of times."

The following items represent events that significantly impacted this Association, Staff and others:

***CEO Changes - Retirement/Pursuit of New Opportunities/Interim CEO
CEO Selection Process***

Association Embarks on New Initiatives: Re-Branding the 2009 OC Fair to OC Super Fair, Creation of a Major Themed Attraction - Al's Brain, Integration of Pac Amp Entertainment Program within the Fair

Construction Projects - Span/OC Promenade, Hangar Building, Administration and Main Mall Renovation

Economic Conditions Impacted Other Event Producers

State Mandated Furlough Program and Continued Hiring Freeze

Construction Delays for Span/OC Promenade and Hangar Building Causes Business Interruption for Year Round Event Business

Revisions to Implementation of State Mandated Furlough Program

State Authorizes Sale of Some State Assets (i.e., Fairgrounds)

32DAA Board Explores Creating a 501 C-3 to Purchase and Operate the Fairgrounds

Barrett-Jackson Announces Intent to Hold 2010 Event at OCFEC

32DAA Exercises Provision of Tel Phil Contract to Close a Weekend of the OC Market Place In Order for Barrett-Jackson to be Held at OCFEC

State Establishes Bid Process for Sale of Fairgrounds

Bid Opening for Sale of Fairgrounds

Event Planning for Barrett-Jackson/Shifting of Pre-Fair Planning Paradigm

State Rejects Bid for Sale of Fairgrounds

City of Costa Mesa Enters into Discussion with State to Acquire Fairgrounds and Solicits Operators to Operate the Fairgrounds

City of Costa Mesa Selects Operator and Meets with 32DAA Staff

2010 Barrett-Jackson Event and Move-In/Move-Out Immediately Prior to the Fair

City of Costa Mesa Unable to Finalize Arrangements with the State

State Prepares Bid Process for Sale of Fairgrounds

Bid Opening & State Selects a Buyer for the Fairgrounds

TRO Issued Regarding Sale of Fairgrounds

32DAA Employees Issued Layoff Notices

PERS Meets with 32DAA Employees

Fairgrounds Buyer Meets with 32DAA Employees to Discuss Plans and Opportunities

State Cancels Sale of Fairgrounds

State Implements PLP Program

Major Construction Project - Pac Amp Phase I & II

Board Embarks on a Transition Process

What is profound and compelling, in my opinion, is not how the OCFEC Staff managed and performed through the many changes and challenges but how it accomplished so much in spite of the changes and challenges.

The following list highlights key successes and accomplishments of Staff during “the most challenging of times” that truly made it “the best of times.”

OC Fair

Continued growth and strong financial performance of the OC Fair contributed significant dollars to the Association’s net resources

Pacific Amphitheatre

Pac Amp entertainment program re-formatted to fully integrate it in the Fair program thereby significantly enhancing its financial performance and acceptance by the customer

Year Round Events Program

Continued success under challenging economic times was a result of servicing the client, adopting flexible negotiations, being relationship centric, being responsive to Event Producer needs and building stronger business processes

Completion of Self-Funded Construction and Facility Improvement Projects

Span/OC Promenade

Hangar Building

Administration

Commercial Kitchen (Capital Funding Contribution Provided by Ovations - Association’s Master Concessionaire)

Main Mall Renovation

Phase I of Pac Amp

Phase II of Pac Amp (Pending Completion)

Gate Enhancements, Bathroom Remodels, Relocated Exhibit Building and Memorial Gardens, Pac Amp Backstage Improvements, Upgraded Fiber Optics, Perimeter Landscaping and Enhancement, Property Signage, Technology Upgrades

Board members change...CEOs come and go. Change is constant but the one factor I believe contributed to the success of this Association is the Staff. The OCFEC Staff is driven by pride and passion to host something special as well as “bring joy to people’s lives.” Credit must also be given to others who assisted us as well...contractors, vendors, concessionaires, suppliers, merchants and seasonal employees. While we do

not own all factors of production it is our ability to seek others to help us, our ability to build relationships and our ability to guide so many with so few of us that is a true testament to Staff. Staff strives to select the best vendors, suppliers, entertainers, attractions and contractors in order to provide a program offering that resonates with the customer. Customers make choices on how they spend their time and how they spend their disposable income. In my opinion...Staff is doing "the right thing" because the customer and community is responding.

Still A Compelling Story

This narrative is dedicated to the many Staff members I worked with and served with in pursuit of being part of something special. For it is...in my opinion...the Association's Staff that exemplifies the pride and passion necessary to be part of the Fair as well as the Association in order to fulfill its purpose.

Last month I had the opportunity to attend the Board Meeting as a member of the public. This was the first time I sat in the audience and experienced a Board Meeting. Previously I either sat with the Executive Management Team or with the Board as CEO. My reaction to the meeting...some things do not change...no surprises. During the course of the meeting I found myself once again reflecting on my journey with the Association and made the decision to draft this narrative in hopes of sharing my perspective regarding a special group of individuals...the Association's Staff. I firmly believe the Board does have an appreciation for Staff and greatly values their contribution. However...in my opinion...the chatter and chirping from the audience many times drowns out the true spirit and commitment of the Staff. I'm not advocating Staff have a voice in the room but I feel it is timely for me to share my feelings about Staff, lift up their passion as well as commitment for what they do and give Staff credit for not getting sidetracked when distractions are ever present. I'm confident Board members who have served on the Board for several years or longer have learned and appreciate the real value of Staff. I believe new Board members will in very short order arrive at the same conclusion if not so already.

Over time the Executive Management Team has learned different techniques to survive the pointed comments from members of the audience. When we did it well...we managed...when we didn't...it hurt. You can only imagine how Staff as they learned about the comments internalized them for those expressions do spread and maneuver throughout the organization. I do not believe any of the Staff portrays itself as perfect or having all the answers. Staff does make mistakes but not intentionally to cause harm or adversely impact the Association. Staff fully recognizes the need to focus on their tasks and responsibilities as well as remain good stewards of the brand and fairgrounds. I'm confident Staff knows they are part of a valuable community asset and they recognize the need to be responsible. Staff has proven over time they can and will stay focused even under challenging conditions in order to perform their responsibilities...the results prove it.

I fully respect the right of others to express themselves to the Board by providing input, making recommendations and highlighting areas they feel are not satisfactory or trouble them. However I find it concerning when fact and truth is not the basis for expression or the comments become personal. I too was a recipient of comments and expressions from the audience. Taking the high road is many times a lonely place but it is the right place to be when the chatter and chirping occurs. I have always believed the focus group for what we do goes far beyond the Board, Management, Staff and a limited group of audience members. The Association represents and is responsible to

a larger audience with diverse points of view, varied perspective and unique interests that influences their decision to attend not only the Fair but the many activities hosted at the fairgrounds. A former Board member I worked with very closely when I was CEO said something to me I will never forget and I now will attempt to paraphrase his thoughts...***Always seek to find the truth in a situation and then develop solutions to move forward.***

Let me begin...

At the end of the day it's very simple what we do...we bring joy to people's lives. Staff gets it...their efforts support it...and their accomplishments are a testimony to it.

The Fair is special because it is the annual gathering place for the community to showcase their talents, participate in activities, be entertained and learn. In one event it represents a collection of varied interests, is inclusive for all and is best defined by those that participate or attend. The Fair is the stake in the ground for the Association and all else revolves around it. The Fair is the only game in the region that uniquely accommodates so many different types of activities for people with varied life-style interests as well as serving as a stage for others to produce their events.

For a period of time each year Staff are event producers for a significant regional event...the OC Fair...and for the remainder of the year the fairgrounds hosts events produced by others. As a benefit to other event producers Staff provides valuable event operations information and support to assist with production of their events. In addition to performing both these roles Staff serves as stewards of a unique facility that not only hosts events but serves in time of need supporting public agencies involved with regional emergencies and disasters.

For this Association to be as successful as it has been and continues to be it's clear Staff recognizes and fully embraces their role being stewards for both the brand and the place. The Association does not own the factors of production...Carnival rides & games, food & beverage stands, exhibits, stages, concert production (sound, lighting & video), tents & awnings, attractions or other unique programming elements. Exhibitors, performers and entertainers are not employees of the Association. Seasonal and part-time staff as well as contractors are selected to assist the core Staff with production of the annual Fair and their support of other event producers on a year round basis. The ability of Staff to develop and nurture meaningful relationships is critical and ensures the success of all events. It's a credit to full-time Staff as they significantly augment their ranks with others to help produce something special...no easy task when one considers the challenges of working with seasonal employees or changing contractors.

The fair industry greatly benefits from many people whether Staff or exhibitors that embrace passion and use that passion to complete their work, create exhibits, raise livestock for competition or share their many talents. The Fair is a celebration of achievement for many. Staff works very closely with people who are passionate about what they do and those individuals trust their prized possessions will be cared for and

protected by Staff. As well...many of those individuals provide feedback and suggestions to Staff in order to assist them in developing meaningful and relevant competitive exhibit categories. The foundation of the fair industry is to exhibit, showcase and celebrate achievement in a hands-on participatory environment. It is the passion for the Fair's foundation that is the driver for the Fair and Staff exemplifies what makes the Fair special.

Having had the opportunity to be part of four different fair organizations in my fair career...all different and unique in their own right...I find myself realizing and appreciating that my successes and that of the organizations I served was dependent on passionate, dedicated and committed Staff that embraced the spirit as well as the mission of the Fair and organization. They accomplished so much unselfishly and without the need for special fanfare. Staff knows they are part of something special and accept the responsibility to be good stewards. The common denominator that served to drive the fair organizations was Staff even when distractions, uncomfortable situations and challenges not of their doing were present.

I trust my thoughts contained in this narrative will provide you further insight not only for how I feel but the important and integrated role Staff plays in support of the Association. Good governance is very important, good executive leadership is critical and a committed as well as a prideful and passionate Staff is integral to the success of the Association. As members of the Board you are very fortunate to be governing a quality Association driven by committed, prideful and passionate Staff.