



Board of Directors Meeting  
April 25, 2019

**Please silence your cell phones**

The Mission of OCFEC is...

Celebration of Orange County's  
Communities, Interests, Agriculture  
and Heritage

*(with results justifying resources expended)*



## 6. CEO's Operational Announcements & Updates



Fair is in the air!

78  
days



# one cc Spirit of Volunteerism AWARDS







**HATCH LAB**  
CULINARY

Katella High School

Savana High School

Western High School

Anaheim High School

**HATCH LAB**  
CULINARY



## Cash and Cash Equivalents

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
Cash on Hand	\$ 1,809,367	\$ 3,339,116
Investments	<u>\$ 50,250,159</u>	<u>\$ 40,814,777</u>
Total Cash and Cash Equivalents	<u>\$ 52,059,526</u>	<u>\$ 44,153,893</u>
Year over Year Increase	<u>\$ 7,905,633</u>	
% Increase	<u>18%</u>	



# First Quarter 2019 (January, February, March)

	<u>Actual</u>	<u>Budget</u>	<u>Variance Favorable (Unfavorable)</u>
YTD Revenue	\$ 3,500,963	\$ 3,144,468	\$ 356,495
YTD Expenses	<u>\$ 6,020,419</u>	<u>\$ 6,299,079</u>	<u>\$ 278,660</u>
YTD Net Proceeds (Deficit)	<u>\$(2,519,456)</u>	<u>\$(3,154,611)</u>	<u>\$ 635,155</u>



## 6. CEO's Operational Announcements & Updates



OCEAN  
**IMAGINOLOGY**  
• POWER YOUR •  
IMAGINATION



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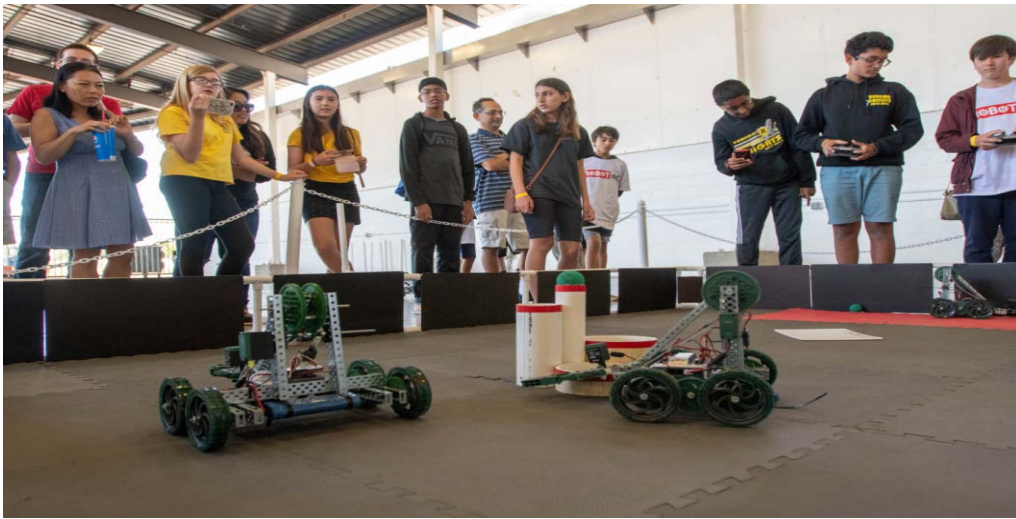


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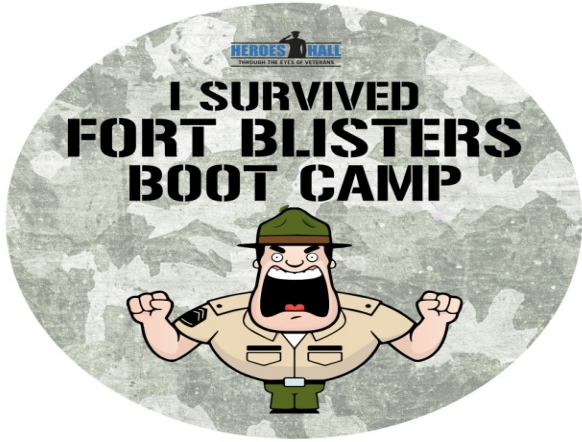
# IMAGINOLOGY



**ESPORTS PLAYGROUND**  
TRAIN • EDUCATE • COMPETE











- **43,898 attended**
- **160 Busloads and record attendance on Friday**
- **927,000 social media impressions**
  - **500 new followers across all platforms**
  - **Instagram impressions up 98% during Imaginology**
  - **Facebook impressions up 59%**
- **199 volunteers; 900 volunteer hours**
- **2,750 competitive entries judged**
- **Over 4,000 kids survived Fort Blister Boot Camp**
- **10 teams competed in first Imaginology eSports tournament**

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OC Marathon  
Friday-Sunday, May 3-5



Sand Sports Super Swap  
Saturday, May 11



March of Dimes March for Babies  
Saturday, May 11



Garden Class: Urban Chickens Demystified  
Saturday, May 11



Costa Mesa Speedway – Jack Milne Cup  
Saturday, May 11



Gem Faire  
Friday-Sunday, May 17-19



OC Night Market  
Friday-Sunday, May 17-19





**Goat Yoga at Centennial Farm  
Saturday, May 18**



**Garden Class: Passion Fruit Jam  
Saturday, May 18**



**Scottish Fest  
Saturday-Sunday, May 25-26**





**Monday-Friday: 1p.m.-4p.m.**  
**Saturday-Sunday: 9a.m.-4p.m.**



**Wed.-Sun., 11a.m.-5p.m**



**Saturdays/Sundays, 8a.m.-4p.m.**



**Thursday, 9a.m.-1p.m.**

## 7. Matters of Public Comment

Speakers are requested to sign in prior to the start of the meeting and are limited to three minutes. Public comment is allowed on issues NOT on the current Agenda. However, no debate by the Board shall be permitted on such public comments, and no action will be taken on such public comment items at this time, as law requires formal public notice prior to any action on a docket item.

Comments will be accepted on Agenda items during the meeting. Speakers wishing to address the Board on items on the agenda are requested to sign in prior to the start of the meeting and identify the agenda item[s] on which you desire to address the Board. Speakers are limited to three minutes.



## 8. Minutes

- A. Board Meeting held February 28, 2019  
Action Item





## 9. Consent Calendar: (Policy Reference: 4.3.4)

All matters listed under Consent Calendar are operational matters about which the Board has governing policies, implementation of which is delegated to the CEO. They will be enacted in one motion by category in the order listed below. There will be no discussion of these items prior to the time the Board of Directors votes on the motion, unless members of the board, staff or public request specific items to be discussed separately and/or removed from this section.

Any member of the public who wishes to discuss Consent Calendar items should notify the Chair of the Board, at the time requested and be recognized by invitation of the Chair to address the Board.



# 9A. Committee/Ad Hoc Committee/Liaison Reports

## **INFORMATION ITEM:**

To assure compliance with the Bagley-Keene Act, Committee reports are only for the purpose of the Committee chair, Ad Hoc Committee members or Liaison to provide a verbal update. Should the Board want to discuss any Committee work item not already on the agenda; those would need to be agendized for a future Board meeting.

- i. Heroes Hall Veterans Foundation Board (Director La Belle, Chair; Vice Chair Cervantes)
- ii. Centennial Farm Foundation (Vice Chair Cervantes, Committee Chair)
- iii. Financial Monitoring Committee (Director Pham, Committee Chair; Director Mouet)
- iv. Legislative Monitoring Committee (Director Aitken; Committee Chair; Chair Ruiz)
- v. Tenant Liaison Committee (Director Pham, Committee Chair; Vice Chair Cervantes)
- vi. Board of Directors Governing Policy Manual Review Ad Hoc Committee (Director Meyer, Committee Chair; Director Bagneris)
- vii. Safety & Security Committee (Chair Ruiz, Committee Chair; Vice Chair Cervantes)
- viii. Master Site Plan Ad Hoc Committee (Director Aitken, Committee Chair; Director Rubalcava-Garcia)
- ix. Buildings and Maintenance Committee (Director Aitken, Committee Chair; Director Rubalcava-Garcia)
- x. Audit Ad Hoc Committee (Director Rubalcava-Garcia, Committee Chair; Meyer Director)



## 9B. Review and Approve Facilities Infrastructure Assessment Request for Proposal (RPF) Scope of Work

Staff was directed by the Board of Directors through the annual budget process to move forward with a Grounds and Facilities Infrastructure Audit.

In January, 2019 staff reached out to California Construction Authority (CCA) to start drafting a Letter of Understanding (LOU) for the services of CCA to assist with the development of the Grounds and Facilities Infrastructure Audit RFP.

Drafts of the LOU were reviewed and amended by staff and the Building and Maintenance committee (Chair Ruiz and Director LaBelle). In March, 2019 the LOU was completed and signed.

In April, 2019 the new members of the Building and Maintenance committee (Director Aitken and Director Rubalcava-Garcia) were given a status update on the project. Staff and the committee reviewed the draft Grounds and Facilities Infrastructure Audit RFP.

Staff is continuing the process of developing the RFP and once approved by the Board of Directors, the RFP will be released for bid by CCA.





## 9B. Review and Approve Facilities Infrastructure Assessment Request for Proposal (RPF) Scope of Work

### **RECOMMENDATION:**

Review the draft Grounds and Facilities Infrastructure Audit RFP and provide input and direction to staff.



## 9C. Review and Approve Gate Security Invitation For Bid (IFB) Scope of Work

The 2019 budget includes the use of an outside contractor(s) for gate security services, however staff had the full intention to bring as much of the operations in-house as possible. At this time our Human Resources team indicates, that due to the low unemployment rate in our area, recruiting is an even greater challenge than last year. The unemployment rate in Orange County, as of December 2018, is 2.8%.

The Pacific Amphitheatre gate security operations, which include pre and post fair concerts, will be brought in-house. Even with the hiring challenges, staff believes it can strategically manage schedules to fill this requirement.

The 2019 OC Fair Gate Security Services IFB was provided to the Safety & Security Committee (Chair Ruiz, Vice Chair Cervantes) for review and input. Upon approval, staff will release the IFB on Wednesday, May 1, 2019.



## 9C. Review and Approve Gate Security Invitation For Bid (IFB) Scope of Work

### **RECOMMENDATION:**

Review the draft of the 2019 OC Fair Gate Security Services IFB, provide input on the scope of work, and approve staff to release the IFB.





## 9D. Review and Approve the MOU Between OCFEC and the County of Orange Regarding the Relocation of the A4 Skyhawk

The Heroes Hall Veterans Foundation Board committee (Vice Chair Cervantes and Director LaBelle) along with Josh Caplan, Deputy Attorney General, and staff have worked with representatives from the County of Orange on an MOU for the A4 Skyhawk relocation from County facilities in Santa Ana to OCFEC.

The MOU will be presented as an agenda item at the April 23, 2019 County Board of Supervisors meeting for approval.

### **RECOMMENDATION:**

At the discretion of the Board of Directors, approve the Memorandum of Understanding (MOU) between the 32nd District Agricultural Association and the County of Orange for the A4 Skyhawk relocation.



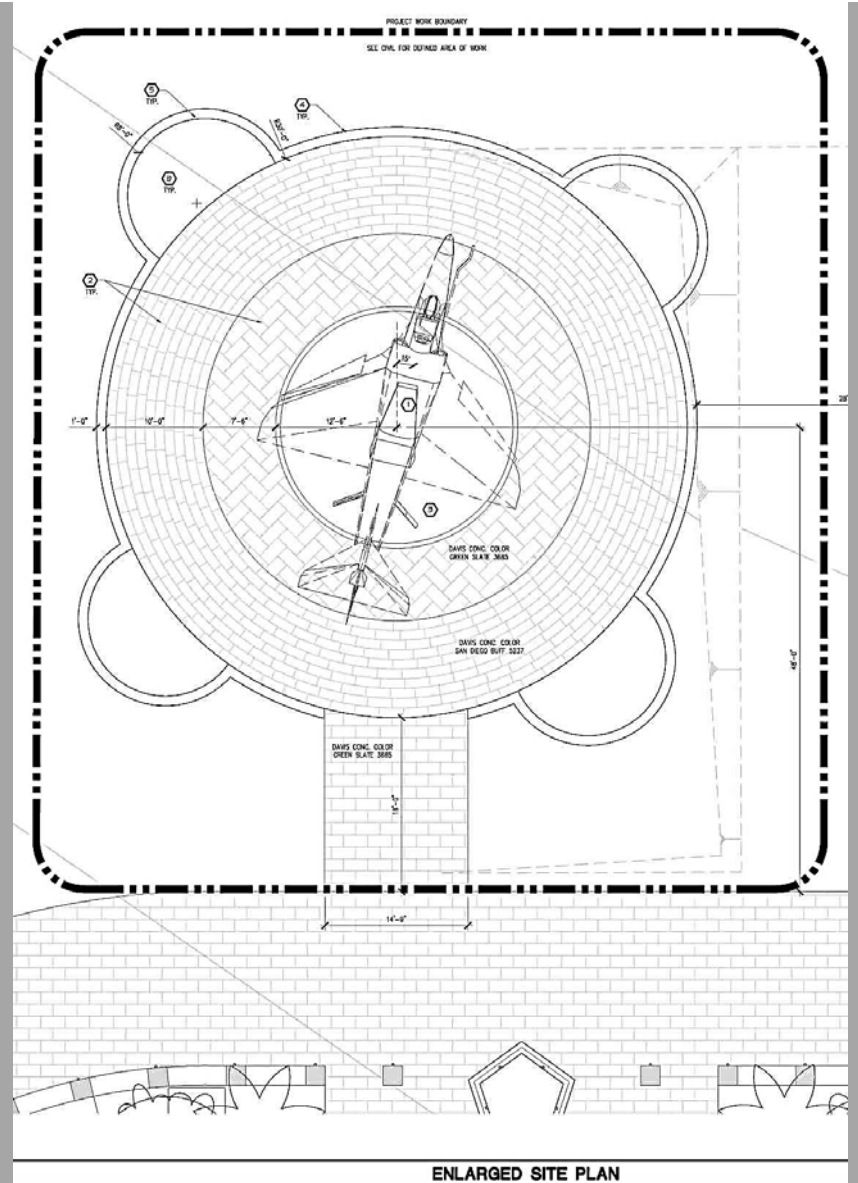
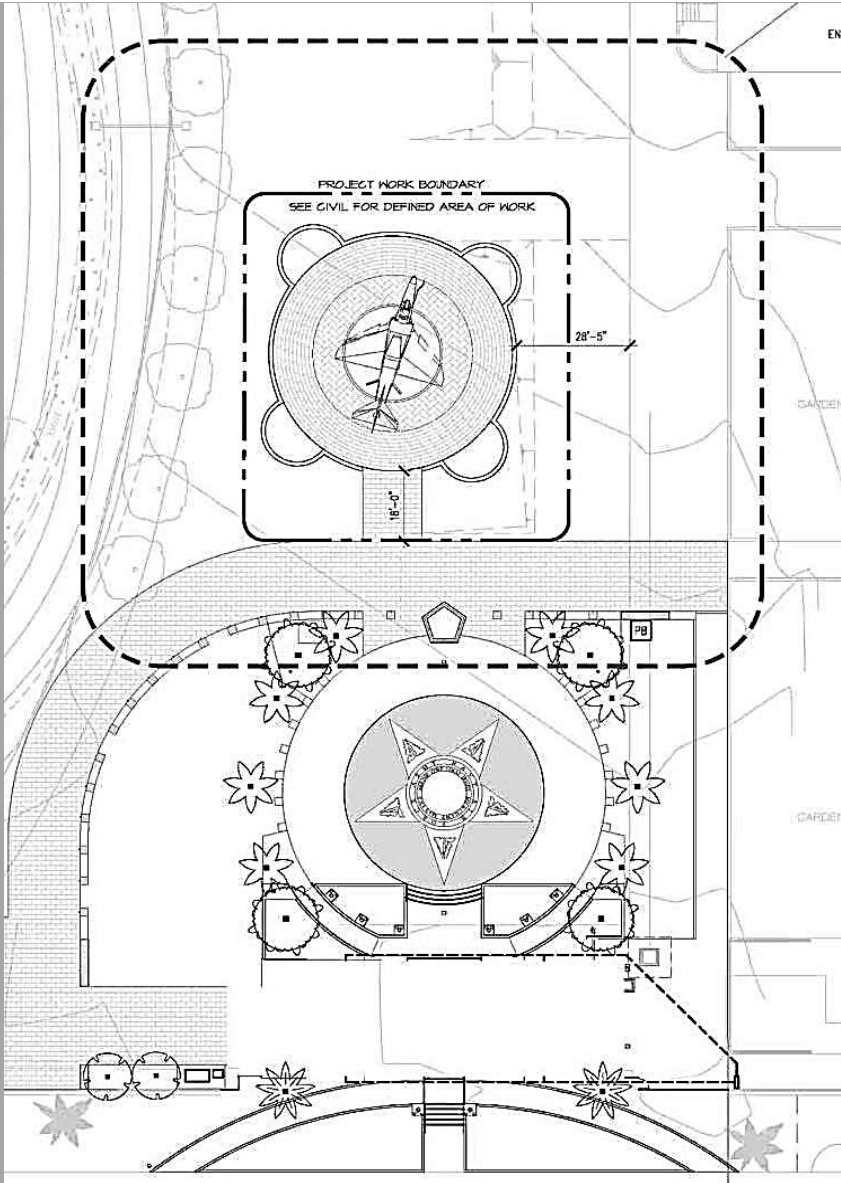
## 9E. Review and Approve Installation Renderings for the A4 Skyhawk Design

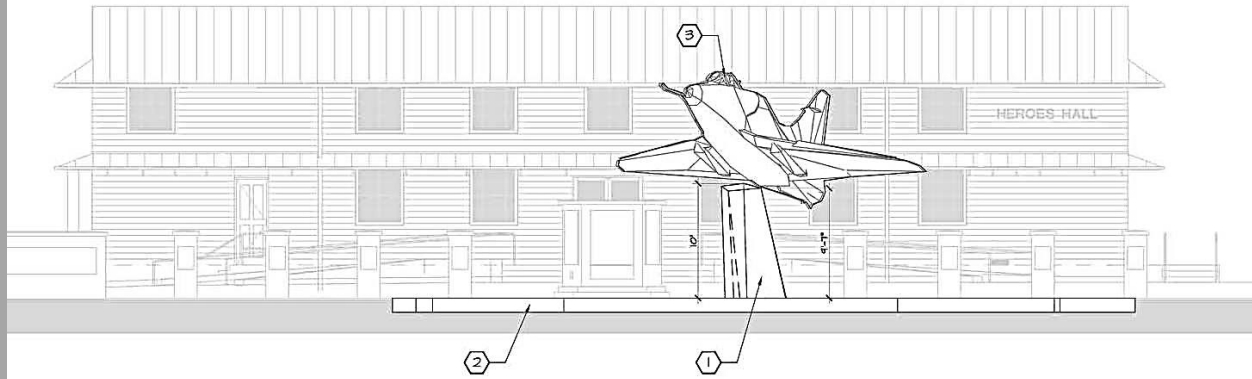
Direction was given to the architectural consultants, ATI, to prepare preliminary drawings in preparation of a committee review and full Board of Directors review and approval.

The Heroes Hall Veterans Foundation Board committee (Vice Chair Cervantes and Director LaBelle) and staff individually reviewed the draft renderings provided by ATI. The committee and staff then met together to review the drawings and provided feedback to ATI.

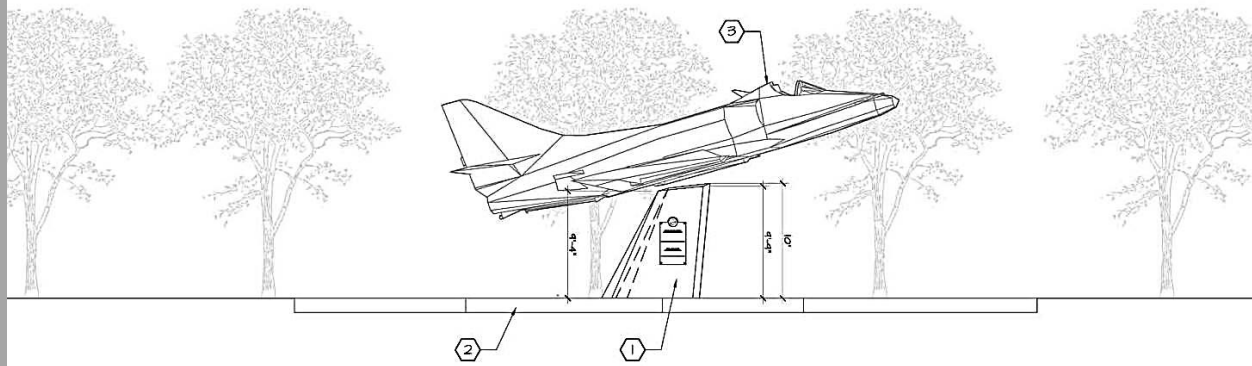
Prior to fully completing the drawings and specifications that will be used for the bid process, the committee would like a consensus from the full Board of Directors on any additions or deletions to the project scope.







**NORTH ELEVATION**



**EAST ELEVATION**



## 9E. Review and Approve Installation Renderings for the A4 Skyhawk Design

### **RECOMMENDATION:**

Review the draft A4 Skyhawk installation layout/renderings and provide any additions or deletions to the project scope related to the design.



## 9F. Review and Approve Providing Event Space and Related Event Expenses, at No Charge, to the City of Costa Mesa for Their 2019 Independence Day Celebration on July 3, 2019

The Costa Mesa City Council recently voted on and approved hosting a City-sponsored Independence Day celebration on July 3, 2019 providing \$10,000 from the City's 2018-2019 contingency funding towards event costs. The City will actively be seeking private sponsorships to cover any additional costs to host this event.



## 9F. Review and Approve Providing Event Space and Related Event Expenses, at No Charge, to the City of Costa Mesa for Their 2019 Independence Day Celebration on July 3, 2019

The City is requesting that the event be held at the OC Fair & Event Center and that OCFEC co-sponsor this event and provide the following services at no charge. The estimated cost to waive these expenses, based on an estimated attendance of 1,500 people, for the July 3rd event are:

**Event Space - \$1,000:** Event Space Rental for Hussong's

- *Use of Hussong's in the OC Market Place footprint and surrounding parking lot for entertainment and vendors*

**Parking - \$6,750:** Parking based on half of the attendees needing parking

- *Parking for attendees would be provided at no charge.*

**Staffing & Equipment - \$5,500:** Estimated for staffing and equipment rental

- *Provide all staffing and equipment necessary for set-up, event day and event tear-down. \*Estimate is based on the 2017 July 3rd event that the City of Costa Mesa hosted at OCFEC. The City paid for these services in 2017.*

**\$13,250.00: Preliminary 2019 Event Estimate**



## 9F. Review and Approve Providing Event Space and Related Event Expenses, at No Charge, to the City of Costa Mesa for Their 2019 Independence Day Celebration on July 3, 2019

These costs are only estimates and would vary depending on attendance and final planning details. In addition to the 2017 event costs, for the 2019 event, the City is requesting that Heroes Hall be open and part of the celebration.

In exchange for OCFEC sponsoring the Community Independence Day Event, we would receive signage recognition as well as promotional opportunities through city resources to promote the 2019 OC Fair as well as at the event itself.

### **RECOMMENDATION:**

At the Board of Directors' discretion, authorize an amount not to exceed \$20,000.00 to ensure sufficient funds have been allocated for staff to work with the City of Costa Mesa to co-sponsor the City of Costa Mesa's July 3rd Independence Day Celebration.





## 9G. Review and Approve the RFP Scope of Work for the Board of Directors Governance Consulting Services

The Board of Directors Governing Policy Manual Review Ad Hoc Committee has begun the process of reviewing the Board of Directors' governance policies. As part of this review process, it was determined that an outside consultant should be engaged to help facilitate this process. The Board of Directors approved \$20,000 for this expense as part of the 2019 operating budget.

The Ad Hoc Committee has created a draft scope of work to secure the services of an outside consultant through the RFP process. Attached is the draft copy of the RFP for the Board of Directors' review. This draft RFP has been reviewed and edited by Josh Caplan, Deputy Attorney General. Once this draft RFP is approved by the Board of Directors, the Ad Hoc Committee will work with staff to release the RFP.

### **RECOMMENDATION:**

At the Board of Directors' discretion.



## 9H. Review and Approve Medal of Honor Courtyard Plaque Installation at Heroes Hall, Honoring Thomas P. Clark Jr., Distinguished Flying Cross Recipient

The Heroes Hall Veterans Foundation has reviewed and recommended the installation of a new plaque at the Heroes Hall Medal of Honor Courtyard honoring Thomas P. Clark, Jr., recipient of the Distinguished Flying Cross. The Foundation will provide funding for the creation and installation of the plaque.

*“The President of the United States takes great pleasure in presenting the Distinguished Flying Cross to Captain Thomas P. Clark, Jr., for heroism and extraordinary achievement while serving with Marine Fighter/Attack Squadron 232, Marine Aircraft Group Thirteen, First Marine Aircraft Wing in connection with combat operations against the enemy in the Republic of Vietnam...”*

### **RECOMMENDATION:**

At the Board of Directors' discretion



## 9I. Review and Provide Staff Direction Regarding the Scope of Work for the Entertainment Booking Services Contract

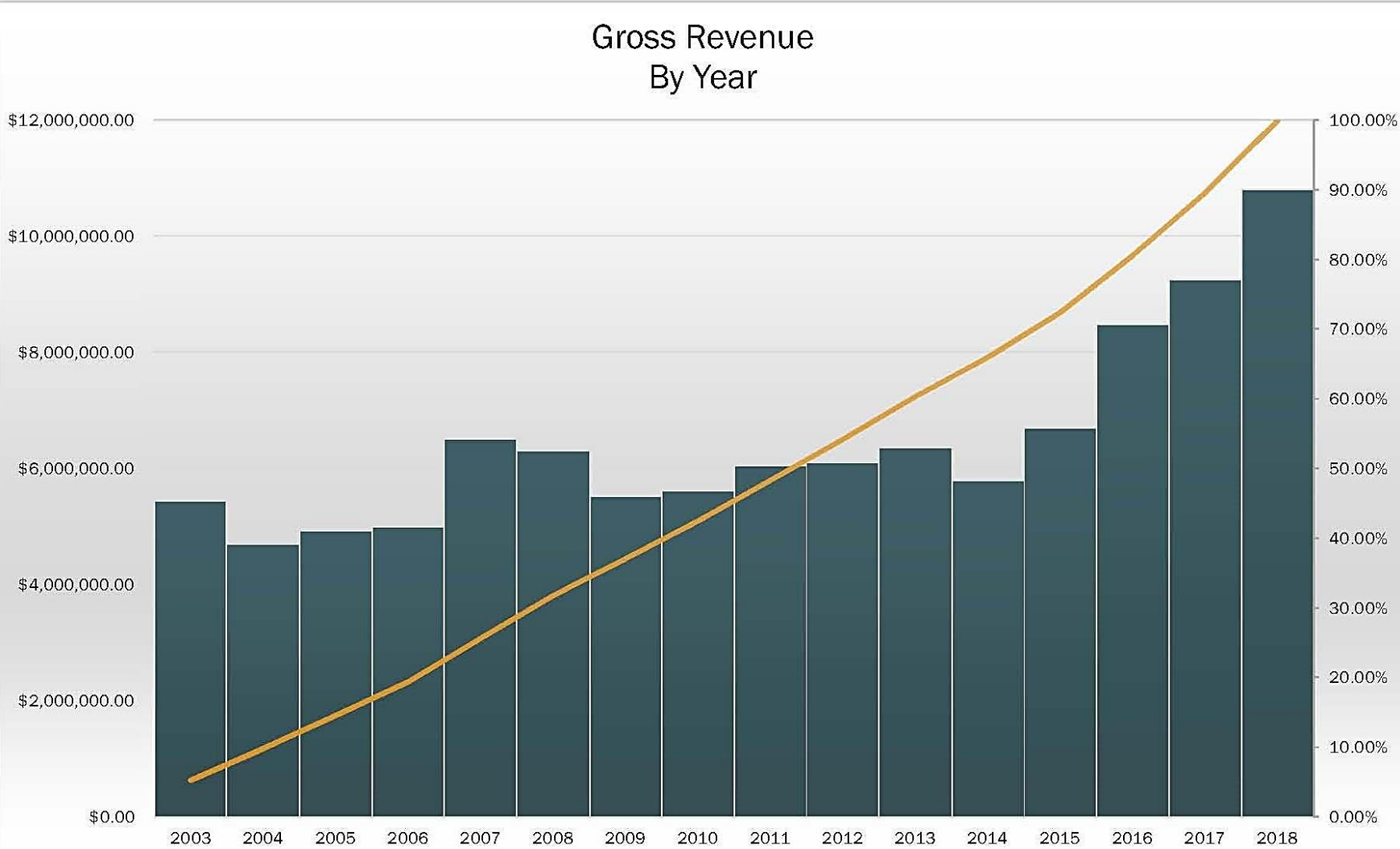
The current contractor for the Entertainment Booking Services, Lisa Sexton, has been under contract with the District since 2010. The current contract for Entertainment Booking Services is in an option year that expires in December, 2019 and there is one more option year left in the contract that would expire in December, 2020.

Ms. Sexton and her team, working with the District's Entertainment staff, have been instrumental in the tremendous success of the Pacific Amphitheatre summer concert series for the past eight years. Since contracting with Ms. Sexton in 2010, the District has experienced significant growth in the summer concert series revenues as well as net proceeds.

This growth has led to the Pacific Amphitheatre being recognized by Poll Star, which is the concert industry's premiere touring resource and ticket sales reporting journal. In 2018 the Pacific Amphitheatre was ranked fifth in the world by gross ticket sales in amphitheaters with a capacity of between 5,000-10,000 seats.

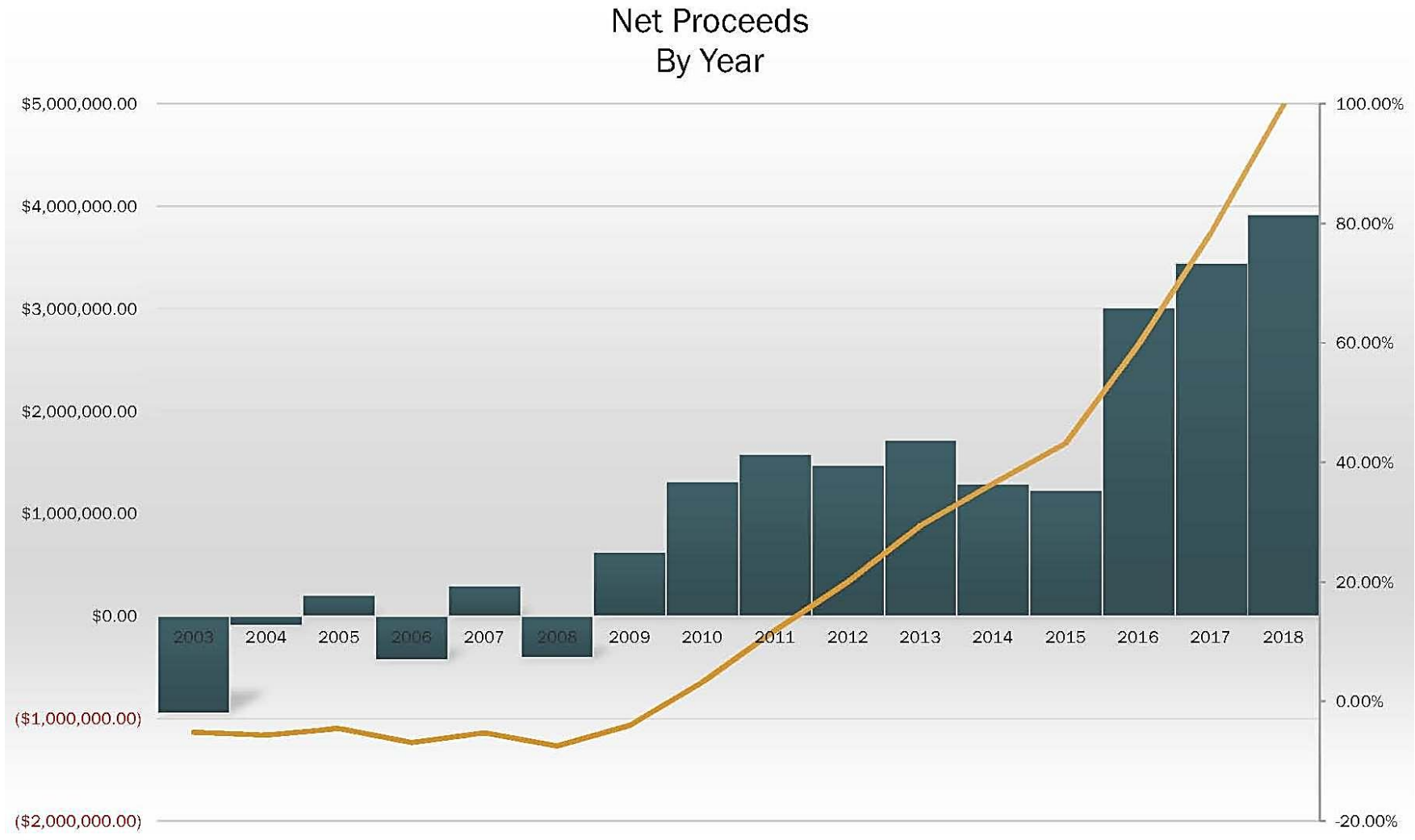


# PACIFIC AMPHITHEATRE GROSS REVENUE BY YEAR





## PACIFIC AMPHITHEATRE NET PROCEEDS BY YEAR



## 9I. Review and Provide Staff Direction Regarding the Scope of Work for the Entertainment Booking Services Contract

In 2016 and 2017, Ms. Sexton was nominated by industry agents from the International Event Buyers Association (IEBA) as Fair Concert Talent Buyer of the Year. In addition, Ms. Sexton continues to get high marks on her annual District contractor evaluation.

### **RECOMMENDATION:**

At the Board of Directors' discretion.



## 9J. Discussion on Pacific Symphony Contract for Co-Produced 2017 Kenny Loggins Performance at the Pacific Amphitheatre

### **INFORMATION:**

In 2017, OC Fair & Event Center entered into its first partnership agreement with the Pacific Symphony. One of the goals of the partnership was to identify an opportunity each year to co-produce a performance featuring a popular headline act paired with the Pacific Symphony in the Pacific Amphitheatre as part of the OC Fair's summer concert series. The objective was to introduce Pacific Symphony supporters to the fair, and fair guests to the Pacific Symphony.

For the 2017 season, OCFEC co-produced the Kenny Loggins performance at the Pacific Amphitheatre with the Pacific Symphony. Following the concert season, OCFEC created a profit/loss statement (settlement) identifying revenue and expenses from both OCFEC and the symphony. The report also included a 50/50 split of profits with \$39,232 each. The report was then sent to the symphony for review.



## 9J. Discussion on Pacific Symphony Contract for Co-Produced 2017 Kenny Loggins Performance at the Pacific Amphitheatre

### **INFORMATION:**

The symphony reached out to OCFEC in summer, 2018 at the close of their fiscal year and provided input showing that an error had been made in the calculation of the 50/50 split. After reviewing the numbers, OCFEC agreed that the correct split should have been \$97,318 each.

Because OCFEC had already closed the books for 2017 at that point, the VP of Finance instructed staff to apply the \$97,318 owed to the symphony against the symphony's balance owed to OCFEC of \$108,101 for the 2018 concerts. OCFEC issued an invoice to the symphony for the remaining balance owed of \$10,783.

Consequently, the corrected profit/loss template was used for the 2018 co-produced Franki Valli performance with the Pacific Symphony, and will be used again to settle the 2019 co-produced Rick Springfield performance with the symphony.





## 10. Closed Session

- A. Pending Litigation – The Board will meet in closed session to consult with legal counsel regarding the following pending litigation. [Gov. Code section 11126(e).]
- i. To confer with and receive advice from legal counsel regarding potential litigation involving the 32nd District Agricultural Association. Based on existing facts and circumstances, the Board of Directors will decide whether to initiate litigation. (Govt. Code, § 11126, subd. (e).)
  - ii. To confer with and receive advice from legal counsel regarding potential litigation involving the 32nd District Agricultural Association. Based on existing facts and circumstances, there is significant exposure to litigation against the 32nd District Agricultural Association. (Govt. Code, § 11126, subd. (e).)



11. Board of Directors' Matters of Information

**Next Board Meeting**  
**May 23, 2019**





OC Fair & Event Center – Costa Mesa, California