

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING
HELD July 27, 2019**

The following Minutes are a summary of Board action and proceedings. For a full transcript please click on the link below or visit the ocfair.com website.

https://s3-us-west-1.amazonaws.com/ocfair.com/wp-content/uploads/2019/07/15152318/19_07_July_Board_Transcript.pdf

1. CALL TO ORDER:

Chair Ruiz called the meeting to order at 10:31 a.m.

2. MISSION STATEMENT

3. PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was recited by Director Pham. Roll call was taken by Summer Angus.

4. DIRECTORS PRESENT:

Chair Ruiz, Vice Chair Cervantes, Director Bagneris, Director Aitken, Director La Belle, Director Pham, Director Rubalcava-Garcia and Director Meyer.

Director Rubalcava-Garcia arrived at 10:47 a.m.

DIRECTORS ABSENT/EXCUSED: Director Mouet.

OTHERS PRESENT:

Kathy Kramer, OCFEC CEO; Michele Richards, OCFEC Vice President, Business Development, Ken Karns, OCFEC Vice President, Operations; Summer Angus, OCFEC Executive Assistant; Kelly Vu, OCFEC Business Services Supervisor; Josh Caplan, Office of the Attorney General (via conference call); Luis Hernandez, Stenographer; Vincent Pollmeier; Reggie Mundekis; Theresa Sears; Sandy Genis; Beth Refakes; Mary Spadoni; Ana Vrska; Jay Humphrey; Cindy Black

5. PUBLIC COMMENTS

Vincent Pollmeier, Friends and Neighbors of Orange County Fair Grounds, shared appreciation for the Saturday meeting to allow weekday working public to attend. He urged the Board to schedule all Board meetings to Saturday or evening meeting for more public attendance.

Theresa Sears agreed with the previous speaker regarding evening or Saturday Board meeting times. She asserted the Board meetings need to be recorded. She shared she enjoyed concerts she attended at the fair. She shared her concerns regarding parking and traffic issues and urged the need for more communication to drivers trying to find parking. She urged the Board to experience the parking and traffic for themselves.

Sandy Genis spoke about the time when fairground property was under threat of being sold. She discussed an increase in complaints at City of Costa Mesa City Council meetings from neighbors related to OCFEC an

OC Fair activities regarding fireworks, trash, parking and noise. She alleged OC FEC employees making noise and parking in the neighborhoods. She urged OC FEC to remind staff to show consideration of the people living in the neighborhoods.

Beth Refakes shared her concerns with the infrastructure RFP, stating it does not identify a consultant with specific experience with equestrian and historical facilities. She requested the Board to modify the RFP to include specialized experience in equestrian and historical facilities.

Mary Spadoni, speaking for a neighbor living on Hanover/Merrimac, voiced his complaints of noise from cars and people in the OCC parking lot late at night, during the OC Fair. Also stating shuttles are causing problems. She urged the need for the OCC parking lot to be evaluated and more heavily monitored.

Ana Vrska shared she hopes the Board considers having more weekend or evening public meetings. She stated the need for better outreach of the location and time of the Board meetings. She suggested working with neighbors to minimize the impact of parking in the neighborhoods, adding the fair needs more parking. She asked the Board be consistent with their support of LGBTQ issues and possibly supporting Out at the Fair.

6. GOVERNANCE PROCESS:

A. Consideration of and Vote on Board of Directors Governance Consulting Services Request for Proposal Awarded Bidder

Action Item

Director Meyer, Chair of the Board Governing Policy Manual Review Ad Hoc Committee (Committee), explained three bids were received in response of the Board of Directors Governance Consulting Services Request for Proposal (RFP). He added one of the three bids was disqualified.

Kelly Vu, OC FEC Business Services Supervisor, explained the technicality of the disqualified bidder.

Director Meyer explained the consulting firm Moss Adams was the winner bidder. He presented the Committee's recommendation that the Board of Directors approve the retention of Moss Adams (Consultants) as the Board's governance review consultant. Director Meyer summarized the plan and process the Consultants will help facilitate with the Committee, Board and public adding the process will be robust, transparent and interactive.

Director Bagneris, Committee member, added Kelly Associates and Moss Adams were the two firms that made proposal presentations.

She spoke in support of the Committee's recommendation to approve retention of Moss Adams.

Board discussion ensued regarding the Consultants and Board governing policy manual review process:

- Board driving the process
- Taking governance manual a section at a time
- Consultants are a Seattle based team but firm has a local office which they travel to regularly
- Contract will have five option years: finished product will be a living document that evolves and ongoing periodic trainings

Director Rubalcava-Garcia disclosed her mother works for Moss Adams as an administrative assistant in the Orange County office.

Director Pham shared he has worked with Moss Adams before and stated it is a respectable firm.

Vincent Pollmeier spoke in support of the approach of reviewing the policies piece by piece. He spoke in opposition of Moss Adams' recommendation of using the Carver Model of Policy Governance. He stated he is troubled that a firm in California with some experience working with agricultural associates, could not be found.

Reggie Mudekis spoke in opposition of the Carver Model of Policy Governance, stating the model is widely criticized for its difficulty in implementation and creates a time burden on the Board having to monitor the CEO. She requested the Board reject the bid and re-release the RFP allowing the Center for Non-Profit Policy Governance. She shared her disappointment that the firm recommended is not a California firm.

Ana Vrska shared her feelings that going out to bid is a waste of money, adding the CDFA has policies already developed and ready to adopt. She also spoke in opposition of the Carver model. She shared her concerns that more companies did not apply and her support of using local businesses. She stated she will request the Governor's office change the Board positions from voluntary to paid positions to avoid conflict of interest with the CEO, with regard to complimentary concert ticket and dinners they receive during the annual fair. She spoke in support of rejecting the bid.

Cindy Black urged the Board to reject the bid and reissue the RFP specifying the Carver Model of Policy Governance not be used. She suggested using the City Manager/City Counsel type of policy model.

Beth Refakes urged the Board to reject the bid and specify that the Carver Model should not be used. She spoke about the Board's

fiduciary responsibility and the need for a different policy structure.

Sandy Genis criticized the Moss Adams proposal model stating it does not appear to engage the public or the development of the model in the government structure.

Mary Spadoni shared her concerns that a member of the Board has a direct family member employed by Moss Adams and said the Director should not have any input. She spoke in opposition of the Carver model and stated it is time for a new system.

Jay Humphrey shared his appreciation for the Saturday meeting enabling more public input, adding he would like to see more night meetings. He requested instructions of how to access the meeting recordings on the website. He asked for the future governance process include the public in the whole process, for all meetings be open to the public with public participation.

Director Meyer discussed the following related to the governance review process with Moss Adams:

- Anticipates some evening or weekend meetings
- Not a fan of the Carver model
- Committee/Board to lead the process, Consultants assisting
- Committed to the process in a genuine, authentic and transparent way

Director La Belle also shared his concerns with the Carver model. He spoke in support of the Committee, and reviewing the policies in sections. He reiterated previous meeting comments regarding making review of the contracting policies the number one priority.

Caplan and Board discussion ensued regarding Director Rubalcava-Garcia's mother is employed by Moss Adams and a possible conflict of interest. Caplan explained a parent does not necessarily qualify as a disqualified relative under the political format and deferred to Director Rubalcava-Garcia to choose to vote or abstain.

ACTION: Vice Chair Cervantes motioned and Director Bagneris seconded to approve the retention of Moss Adams as the Board's governance review consultant. **MOTION CARRIED. AYES:** Chair Ruiz, Vice Chair Cervantes, Director Bagneris, Director Aitken, Director La Belle, Director Pham, Director Rubalcava-Garcia and Director Meyer. **NAYES:** None.

7. **NEXT BOARD MEETING:** SEPTEMBER 26, 2019

8. **ADJOURNMENT MOTION TO ADJOURN**

Vice Chair Cervantes motioned and Director Aitken seconded to adjourn the meeting. The meeting adjourned at 11:26 a.m.


Robert Ruiz, Chair
Kathy Kramer, Chief Executive Officer