

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING  
HELD DECEMBER 12, 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](http://ocfair.com) website.*

[https://s3-us-west-1.amazonaws.com/ocfair.com/wp-content/uploads/2019/12/02162533/19\\_12\\_December\\_Transcript.pdf](https://s3-us-west-1.amazonaws.com/ocfair.com/wp-content/uploads/2019/12/02162533/19_12_December_Transcript.pdf)

**1. CALL TO ORDER:**

Chair Cervantes called the meeting to order at 9:02 a.m.

**2. MISSION STATEMENT**

**3. PLEDGE OF ALLEGIANCE:**

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

**4. DIRECTORS PRESENT:**

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

**DIRECTORS ABSENT/EXCUSED:** Director Bagneris and Director Pham.

**OTHERS PRESENT:**

Michele Richards, OCFEC CEO; Doug Lofstrom, OCFEC Vice President, Business Development, Ken Karns, OCFEC Vice President, Operations; Summer Angus, OCFEC Executive Assistant; Josh Caplan, Office of the Attorney General; Luis Hernandez, Stenographer; Reggie Mundekis; Jay Humphrey; Beth Refakes; Debraun West

Vice Chair announced a new order to the agenda items, to maintain quorum for action items.

**5. CLOSED SESSION (Closed to the Public)**

The meeting adjourned to closed session at 9:05 a.m. and reconvened at 9:40 a.m.

Matters to report out of closed session: Vice Chair Meyer reported the Board appointed Michele Richards as the General Manager and CEO of the OCFEC.

**10. GOVERNANCE PROCESS:**

**C. Consideration of and Vote on the 2020 OCFEC Operating Budget and Capital/Major Projects**

Action Item

Richards presented additional reports the Board requested to the budget presentation as follows:

- Ticket increase scenarios
- Karns presented the capital/major projects prioritized list identifying work performed in-house or by contractor

- 2018 fair gross revenue comparison of OC FEC, San Diego County Fair and LA County Fair
- Listed 2019 largest fairtime revenue contracts

Reggie Mundekis thanked staff for the budget process. She questioned the delay of the Action Sports Arena (ASA) capital expenditure for a sound wall to 2021, and asserted the need to move up the project. She spoke in opposition of the Pacific Amphitheatre expense for berm flowers and urged the need for a long term landscaping plan. She discussed the approval of a capital budget line item is not approval of the project itself.

Debraun West spoke regarding the carnival operations contract for the OC Fair and criticized that the current contract has not gone out to bid for twenty years. She discussed the current contract and spoke about the advantages of an independent fair structure.

Beth Refakes shared her concerns with the delay of the sound wall project for ASA. She urged the need for the expenditure to mitigate the sound for the neighborhood. She questioned the Heroes Hall medallion replacement repair expenditure. She also urged the need for a landscaping plan that is mindful of the current watering restrictions. She agreed that capital/major expenditures need Board review and approval.

Board and staff discussion ensued regarding plans for the ASA sound wall; items discussed:

- Project delay due to further discussion of the Master Site Plan
- An opinion stated for a wish for the project to begin in 2020
- Suggestion that the project be referred to the Facilities Committee
- Suggestions that input from the neighboring public be collected:
  - For the desire for a sound wall
  - For design and aesthetics
- Sound mitigation
- Possibility of moving the project to 2020
- Recommendation of leaving the project in 2021 to not displace other projects

Director La Belle suggested a mid-year budget review in June.

Board and staff discussion ensued regarding the landscaping of the Pacific Amphitheatre berm; items discussed:

- New landscaping supervisor
- Drought resistant landscape design
- Large project done in phases
- Soil challenges
- Speeding up the project
- Combining project with other landscaping projects

Vice Chair Meyer agreed that line item budget approval does not necessarily equate to project approval.

Karns suggested projects be identified to come back to the full board and/or a committee.

Vice Chair Meyer asked staff to work with the Board Facilities Committee and create a list of projects for the Board to take action on at the January meeting.

Richards asserted this is an opportunity to identify the projects that are large, visible, and meaningful enough to the Board and the community, to uplift those projects and bring them back for review and consideration.

Richards reviewed the parking and ticket price increase scenarios. She stated the Board could approve the budget as presented and postpone the discussion on increases to the January meeting.

Director La Belle asserted the number one priority needs to be completing the infrastructure report and any health and safety maintenance in the capital budget and Equestrian Center. He reiterated he would like to see a mid-year budget review.

**ACTION:** Director Rubalcava-Garcia motioned and Director Aitken seconded to approve the 2020 OCFEC Operating Budget and Capital/Major Projects as presented. **MOTION CARRIED. AYES: Chair Cervantes, Vice Chair Meyer, Director Ruiz, Director Aitken, Director La Belle and Director Rubalcava-Garcia. NAYES: None.**

Director Rubalcava-Garcia left the meeting at 10:30 a.m.

**B. Confirmation and Vote on Policy Language Regarding Second Signature and Board Leadership Signature on Checks over \$15,000**

Action Item

Meyer presented the agenda report.

**ACTION:** Director Ruiz motioned and Director La Belle seconded to approve Policy Language Regarding Second Signature and Board Leadership Signature on Checks over \$15,000 as presented. **MOTION CARRIED. AYES: Chair Cervantes, Vice Chair Meyer, Director Ruiz, Director Aitken and Director La Belle. NAYES: None.**

**9. CONSENT CALENDAR**

- A. Standard Agreements: SA-245-19SP; SA-004-20YR; SA-005-20YR; SA-006-20YR

- B. Amendments: ~~SA-047-16LL (Amend. #2); SA-087-16FT (Amend. #5); SA-091-16FT (Amend. #3); SA-096-16FT (Amend. #3); SA-128-16FT (Amend. #5); SA-238-16WR (Amend. #5); SA-238-16WR (Amend. #6); SA-042-17YR (Amend. #1); SA-043-17YR (Amend. #2); SA-058-17FT (Amend. #3); SA-168-17FT (Amend. #2); SA-046-18PL (Amend. #3); SA-050-18PA (Amend. #2); SA-162-18YR (Amend. #1); SA-238-18YR (Amend. #3); SA-237-19FT (Amend. #2); SA-246-19FT (Amend. #1)~~
- C. Rental Agreements: R-101-19 (Amend.); R-156-19 (Amend.); R-165-19; R-165-19 (Amend.); R-166-19; R-015-20; R-016-20; R-017-20; R-018-20; R-019-20; R-020-20; R-021-20; R-022-20; R-030-20; R-035-20; R-036-20; R-037-20; R-038-20; R-039-20; R-043-20; R-044-20; R-045-20; R-046-20; R-047-20; R-048-20; R-049-20; R-052-20; R-053-20
- D. Active Joint Powers Authority Agreements (New): 03219054; 03219057
- E. Correspondence:  
Communications to the Board from the public in response to Board discussion or to comments made before the Board are to be listed on the meeting agenda and included in the Board materials as an item of public disclosure.
  - i. None.
- F. CDFA Correspondence:  
Communications to the Board from the California Department of Food & Agriculture Division of Fairs & Expositions regarding relevant topics at Fairs and Expositions.
  - i. Circular letter D2019-06: Department of Motor Vehicle Employee Pull Notice Program

*-End of Consent Calendar-*

Vice Chair Meyer explained that the strikethrough amendments from the consent calendar will be agendized at the next Board meeting with information regarding the assessment of the renewal amendments.

**ACTION:** Director La Belle motioned and Director Ruiz seconded to approve the Consent Calendar. **MOTION CARRIED. AYES: Chair Cervantes, Vice Chair Meyer, Director Ruiz, Director Aitken and Director La Belle. NAYES: None.**

## 8. MINUTES:

- A. Board meeting held October 24, 2019  
Action Item

**ACTION:** Director La Belle motioned and Director Aitken seconded to approve the minutes from the Board meeting held October 24, 2019.  
**MOTION CARRIED. AYES: Chair Cervantes, Vice Chair Meyer, Director Aitken and Director La Belle. NAYES: None. ABSTENTIONS: Director Ruiz.**

## 7. PUBLIC COMMENTS

Jay Humphrey congratulate CEO Richards on her appointment. He spoke in support of the scheduled evening Board meetings and a better budget process/presentation.

## 6. CEO'S OPERATIONAL UPDATE

Michele Richards, OCFEC CEO, reported the following:

- Production for the 2020 OC Fair commercial has begun
- 2020 OC Fair Super Pass sales outpacing 2019 sales
- First few 2020 OC Fair Pacific Amphitheatre concerts now on sale
- Agriculture education grant awarded to Centennial Farm
- The OCFEC Employee Superior Accomplishment Awards for community service volunteer hours

Richards presented the November financials.

Ken Karns, OCFEC VP Operations, reported the following:

- Skyhawk benches installed and brass plaques coming to in soon
- Cal Fire shooting their training video at OCFEC
  - Cal Fire Chief stated that the OCFEC is the best facility he has done a walk through on

Doug Lofstrom, OCFEC VP Business Development, provided an overview of upcoming events.

Richards confirmed for Director Aitken that notification has not been received from CDFA lifting the quarantine on poultry; until they do, no poultry exhibits at the 2020 Fair.

## 10. GOVERNANCE PROCESS:

### A. 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. Community Engagement Committee (Director Rubalcava-Garcia, Committee Chair; Director Ruiz)
- ii. Heroes Hall Veterans Foundation Board (Director La Belle, Chair Cervantes)
- iii. Centennial Farm Foundation (Chair Cervantes)
- iv. Financial Monitoring Committee (Director Pham, Committee Chair; Director La Belle)
- v. Legislative Monitoring Committee (Director Aitken, Committee Chair; Director Ruiz)
- vi. Governance Committee (Vice Chair Meyer, Committee Chair; Director Bagneris)
- vii. Safety & Security Committee (Chair Cervantes, Committee Chair; Vice Chair Meyer)
- viii. Facilities Committee (Director Aitken, Committee Chair; Director Rubalcava-Garcia)
- ix. Audit and Compliance Committee (Director Rubalcava-Garcia, Committee Chair; Director La Belle)
- x. Branding Project Ad Hoc Committee (Vice Chair Meyer, Committee Chair; Director Aitken)
- xi. Storage, Parking and Traffic Ad Hoc Committee (Director La Belle, Committee Chair; Director Bagneris)

Director La Belle, on behalf of the Heroes Hall Veterans Foundation Board, reported:

- Next meeting is January 23rd

Vice Chair Meyer, on behalf of the Governance Committee, reported:

- Committee preparing for the public workshop on January 9th
- Materials will be posted at least two weeks before workshop

Director Aitken, on behalf of the Facilities Committee, reported:

- Committee to meet the following Monday
- Infrastructure audit kick-off meeting was held Nov 26<sup>th</sup>
  - Estimating project completion in the first quarter of 2020

Director Meyer, on behalf of the Branding Project Ad Hoc Committee, reported:

- Options will be presented at the January Board meeting

Director La Belle, on behalf of the Storage, Parking and Traffic Ad Hoc Committee, reported:

- Staff working with lobbyist
  - Committee will report back at the January or February meeting

Reggie Mundekis thanked the committees for the work they are doing. She stated she is looking forward to finalizing the 2018 CDFA audit prior to the 2019 audit starting. She stated the neighbors' concerns with the traffic during the fair and is looking forward to solving the traffic problems.

**11. CLOSED SESSION (Closed to the Public)**

The meeting adjourned to closed session at 10:58 a.m. and reconvened at 11:14 a.m.

Matters to report out of closed session: None.

**12. BOARD OF DIRECTORS MATTERS OF INFORMATION**

Director La Belle, Director Aitken and Director Ruiz congratulated Richards on her appointment as CEO and wished everyone happy holidays.

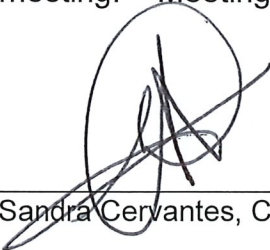
Vice Chair Meyer thanked staff for their hard work during a period of transition. He thanked the public for their comments and commitment to the property and thanked his Board colleagues. He wished everyone happy holidays.

Chair Cervantes thanked Richards and the public. She shared she is looking forward to the coming year. She congratulated everyone and wished everyone Happy New Year.

**13. NEXT BOARD MEETING: JANUARY 16, 2020 AT 5:30 P.M.**

**14. ADJOURNMENT MOTION TO ADJOURN**

Director Ruiz motioned and Director Aitken seconded to adjourn the meeting. Meeting adjourned at 11:17 a.m.

  
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Sandra Cervantes, Chair

  
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Michele Richards, Chief Executive Officer