

Board of Directors Meeting September 22, 2022

Please take notice that this public meeting of the 32nd District Agricultural Association, a California state institution, is being recorded using video recording equipment. Please also take notice that the 32nd District Agricultural Association will release video recordings of its public meetings where required under California law.

Please silence your cell phones

The Mission of OCFEC is...

Creating equitable community access to agriculture, entertainment, cultural and educational experiences





5. Minutes

A. Board meeting held June 23, 2022 Action Item



6. Matters of Public Comment

Public comment is allowed on issues <u>NOT on the current Agenda</u>. 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. Speakers are requested to sign in prior to the start of the meeting and are limited to three minutes.

Comments will be accepted on <u>all other Agenda items</u> at the time each item is listed on the Agenda. 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.



7. Consent Calendar

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.



8A. Presentation of 2021 Audit by Financial Monitoring & Audit Committee and Vote on Whether or Not to Accept

The Financial Monitoring & Audit Committee has reviewed the 2021 audit report with representatives of Lance Soll & Lunghard.

The audit report indicates that the financial statements present fairly in all material respects and that there are no deficiencies in internal controls.

The committee presents the draft document for the Board's approval and filing with the California Department of Food & Agriculture. A copy was posted along with the Board meeting materials.

RECOMMENDATION:

The Financial Monitoring & Audit Committee and staff recommend acceptance of the 2021 audit report and filing with CDFA. The Board, committee and staff thank Lance, Soll & Lunghard for their work.

8B. Consideration and Vote on Staff and Facilities Committee Recommendation to Use Carnival Capital Reserve to Additionally Fund Lot G Utilities Project

As part of the 2022 Capital Expenditures/Major Projects Budget, the Board approved \$675,000 for the Lot G utilities project.

Earlier in the year, staff worked with CCA to bid out the project. As previously reported, the lowest qualified bid came in significantly over budget at \$972,471, a shortfall of \$297,471.

In reviewing the project with the District's carnival provider (a proposed user of the Lot G utilities during the annual OC Fair), it was mutually agreed by staff and the carnival provider to allocate \$300,000 from the District's carnival capital reserve account to additionally fund the Lot G utilities project. Once funded, the project would have a new budget of \$975,000 which would be enough to rebid the project.

8B. Consideration and Vote on Staff and Facilities Committee Recommendation to Use Carnival Capital Reserve to Additionally Fund Lot G Utilities Project

The District's carnival reserve fund has a current balance of \$604,460. If the \$300,000 from this fund were to be approved to additionally fund the Lot G utilities project, this would leave \$304,460 for future projects. By contract, the carnival provider would contribute \$100,000 per year in 2023-2026 to the reserve fund. Future funds from this reserve account could also be used as part of the Master Site Plan to build midway restrooms.

If approved, staff would work with CCA to bid the project and complete it prior to the 2023 OC Fair. On CCA's recommendation, staff would procure materials for the project separately in order to address supply price volatility, and CCA would bid out for the work. If bids still don't come in on budget, we will return to the Committee and Board for further direction.

RECOMMENDATION:

The Facilities Committee and staff recommend approval of using OCFEC's carnival capital reserve to additionally fund the Lot G utilities project.

8C. Review of the State Public Safety Power Shutoff (PSPS) Mitigation Project Grant and Vote on Whether or Not to Provide Fully Reimbursable Funds for the Project

The California Budget Act of 2021 included a one-time general fund allocation for the CDFA to support the development and enhancement of community resilience centers. This funding was made available to improve both local fairgrounds and other community facilities to enhance the State's emergency preparedness capabilities, particularly in response to climate change. As part of this effort, CDFA has awarded the 32nd DAA a project grant for the mitigation of PSPS events from the resilience centers allocation.

The purpose of the PSPS allocation is to equip the OC Fair & Event Center with necessary backup power resources — or PSPS equipment — should the fairgrounds be used as an emergency/evacuation site or a PSPS event. This project would involve the design, development and construction of automatic transfer switches (ATS) and docking stations for the Costa Mesa Building, Huntington Beach Building and Santa Ana Pavilion. This will provide the infrastructure needed to quickly and easily connect power generators from an emergency services provider in case of a PSPS event.

8C. Review of the State Public Safety Power Shutoff (PSPS) Mitigation Project Grant and Vote on Whether or Not to Provide Fully Reimbursable Funds for the Project

The project will be managed by CCA. While the grant from CDFA will provide funding for the estimated project cost of \$351,661.16, it also requires the 32nd DAA to provide the funding upfront. The District would then invoice CDFA after each phase of the project with reimbursement from CDFA expected within 90 days of receipt of each invoice.

The project is expected to be completed by the end of June, 2023.

RECOMMENDATION:

Although reimbursable, the \$351,661.16 cost of this project is above the CEO's approval authority and requires Board approval. Staff and the Facilities Committee recommend approval of the estimated \$351,661.16 for the upfront cost of the PSPS Mitigation Project, which will be reimbursed by CDFA.

8D. Discussion and Vote on Format for Future Board Meetings Pursuant to SB189

SB189, a Bagley-Keene amendment, was enacted effective June 30, 2022 restoring the meeting process that was permitted under the Governor's COVID-19 executive order regarding public meetings. The amendment permits DAA Boards to again hold meetings with all members participating via teleconferencing until July 1, 2023.

Under this amendment, Board meetings could be held again via Zoom as long as information is indicated in the notice for the meeting. The amendment suspends the requirement to publish the location of Board members attending by Zoom. (A copy of the text from SB189 and related correspondence from were posted with the Board materials).

The Board will discuss and vote on three options for Board meetings held between October 2022 and June 2023 after which the bill expires.

8D. Discussion and Vote on Format for Future Board Meetings Pursuant to SB189

Options:

- 1. Conduct all meetings in the OC Room at the headquarters of the 32nd DAA with the Board and public present.
- 2. Conduct all meetings via Zoom with all Board members and public participating electronically.
- 3. Conduct all meetings using a hybrid model with some Board members and the public in person in the OC Room at the headquarters of the 32nd DAA, and some members of the Board and public via Zoom.

RECOMMENDATION:

Staff recommends that the Board consider the option that works best for most Board members, taking into consideration that the period of the amendment is only through the June 2023 Board meeting.

The mission of OC Fair & Event Center is to create equitable community access to agriculture, entertainment, cultural and educational experiences.

Chicano Heritage Month in August is an important time to celebrate the contributions of Mexican-Americans to the history of the United States. Historically the term "Chicano" was previously used to insinuate inferiority but was later transformed into a term of empowerment used to embrace and uplift the Mexican-American community. The Chicano Movement gained prominence in the1960's and 1970's when many community members advocated for social and political empowerment of Mexican-Americans. The Chicano community has been subjected to educational segregation, continues to earn less pay compared to non-Hispanic employees with similar skills and faces greater rates of incarceration compared to non-Chicano individuals. Systematic prejudices targeting the Chicano population have existed for decades and most recently became even more apparent as domestic terrorism attacks surge, as seen in the 2019 shooting in El Paso, Texas.

Chicano leaders spearheaded the fight for labor rights and education reform with the landmark desegregation case Mendez vs. Westminster. The Mendez case was the supporting case for Brown vs. The Board of Education which led Orange County and eventually the State of California to be the first state to make segregation in schools illegal. Dolores Huerta and Cesar Chavez are prominent figures in agriculture and the overall labor movement and advocated for workers', immigrants', and women's rights.

The Chicano population comprises about 61.4 percent of the US Latino population. The Chicano community values family and encourages a sense of comradery and companionship within each household and serves as a means of embracing Mexican lineage and ensuring principal traditions from Chicano culture are instilled in future generations. Embracing Chicano heritage is a source of pride for our community. The elimination of Chicano discrimination requires the awareness and acknowledgement of the community's struggle and the culmination of decades-worth of marginalization.

Chicanos have contributed to Orange County in a significant way and continue to represent all areas of business, education, arts, culture, legal and law enforcement, government, technological and scientific advancements and agriculture in the United States.

In 2021, the city of Santa Ana, was the first major municipality in the United States to declare August as "Chicano Heritage Month." Most recently U.S. Congressman Lou Correa sponsored a bill to federally recognize Chicano Heritage Month in August.



It is recommended that the OC Fair & Event Center Board of Directors adopt this resolution to recognize August as Chicano Heritage Month. The Board of Directors recognizes the significance of Chicano Heritage Month as an important time to celebrate the significant contributions of Mexican-Americans to the agricultural and overall history of Orange County and the State of California.

Recognizing that Mexican-Americans enhance the rich diversity in our community and strengthen Orange County and California, the OC Fair & Event Center Board of Directors acknowledges Chicano Heritage Month in August and encourages its observation with appropriate events, activities and acknowledgement during the annual OC Fair.

Furthermore, OC Fair & Event Center reinforces the principles of diversity, inclusion, and nondiscrimination as core institutional values. Safety is the underlying element to making any one person or community feel welcome in nearly any setting.

It is the position of OC Fair & Event Center Staff and the Board of Directors to enforce the policy prohibiting discrimination on the basis of any characteristic protected by law, and applies to discrimination against any person on the basis of their race, ethnicity, nationality or sexual orientation, and to respond to all concerns accordingly.

RECOMMENDATION:

It is the recommendation of staff and Directors Rubalcava-Garcia and Bagneris that the Board of Directors adopt a resolution recognizing August as "Chicano Heritage Month" at the OC Fair & Event Center.



8F. 2022 OC Fair Wrap-Up Presentation

INFORMATION ITEM:

Staff will provide a wrap-up presentation of the 2022 OC Fair.





2022 OC Fair July 15 – August 14

Did you "Feel the Sunshine"?



Strategic Goals

- Increase Board-directed fair admission ticket donations to local nonprofits from 2,500 to 5,000
- Use Board assistance to identify foundations to supplement ticket donations with food and carnival rides
- Identify at least five new local OC businesses to participate in the 2022 OC Fair
- Develop a mini campaign focusing on affordable family fun with benchmark metrics
- Achieve guest satisfaction ratings above 4.0 in all patron survey categories
- Introduce at least one new family friendly exhibit or attraction
- Present an annual "State of the Fair" address to the Board and public





5,142 Ticket Donations

- Boys Republic
- Heroes Hall Veterans Foundation
- Casa Youth Shelter
- Yorba Linda Parks & Recreation
- Lot 318
- Anaheim Rotary Foundation
- Big Brothers Big Sisters
- Catarina's Club
- United Across Borders
- Higher Ground
- All American Boys Chorus
- Human Trafficking Survivors
- Child Help

- Boys & Girls Club of Long Beach
- Fred Jefferson Memorial Home for Boys
- Project Kinship
- Neutral Ground
- Santa Ana Police Athletic & Activities League
- Anaheim Cops4Kids
- Anaheim Public Library Reading Program
- Human Options
- Project Hope Alliance
- Save our Youth
- Family Solutions Collaborative
- Girl Scouts Homeless Troops
- Special Olympics





Supporting Local Small Businesses

10 new merchants from OC

- Yogurt Glamour La Habra
- Capay Farm Fresh to You Irvine
- Creative Legacy Jewelry Santa Ana
- Culture Hot Sauce Santa Ana
- Danclavia Jewelry Irvine
- Driven Polishes San Clemente
- Happy Bohemians Clothing Anaheim
- Sunshine Clothing Huntington Beach
- Ohana Hawaiian Jewelry Westminster
- Wickid Candles Costa Mesa

2 new concessionaires from OC

- MoonGoat Coffee Santa Ana
- Sweets Aliso Viejo



2022 OC Fair • Feel the Sunshine • July 15 - Aug 14



Affordable Fun Mini No increase in admission or parking – since 2017 paign

- Rack cards focusing on free attractions/activities
 - 5,000 distributed at pre-fair community and marketing events
- \$4 Taste of Fair promotion
 - Highlighted in 60,000 new Fair Food Guides
- Read & Ride
 - free carnival rides for kids 7,990 participants
- **Eblasts highlighted free attractions/activities**
 - 8 announcements throughout June/July/August
- Carnival discounted unlimited ride wristbands on Wednesday & Thursdays
 - 51,038 sold
- 7 press releases focused on value
 - Included tips on savings in English and Spanish





What Did Our Guests

Survey Category	2022	2021
Overall enjoyment	4.34	4.20
Overall experience	4.22	4.10
Overall value	3.64	3.66

- **44,611,100** total impressions 12% increase from 2021
- **1,289,214** total engagements
- **21,919** new followers 8.3% increase from 2021
 - Twitter up 1.1%
 - Facebook up 1.3%
 - Instagram up 13%
 - TikTok up 25%
- Only 67 guest comments/complaints received in 23 days
- 2022 OC Fair Feel the Sunshine July 15 Aug 14



New Family Friendly Exhibits

- Explorium
 - California Fresh Exhibit
 - "Fun on the Farm" hands-on play activities
 - Selfie and photo ops
 - Kaleidoscope Fun
 - My Plate magnet table
 - Build-a-Flower
 - Farm-to-Table Ball Wall
 - Education food and farm facts
 - Climb-on Tractor and Train
 - Sand box play area
- New Foodie Sunny Lemon



2022 OC Fair • Feel the Sunshine • July 15 - Aug 14



What Returned from 2019?

- OC Fair 5K Fun Run returned after being gone for two years
- Action Sports Arena was reactivated with:
 - Brew Hee Haw craft beer festival
 - Monster Trucks
 - Speedway
 - Demolition Derby
- Unlimited ride wristbands on Wednesday/Thursday
- Read & Ride program with RCS
- Live Jr. Livestock Auction
- Live Jr. Livestock Auction
 12 new Club OC group events



2022 OC Fair • Feel the Sunshine • July 15 - Aug 14



What Were the Numbers?

- 1,055,173 fairgoers with 11 sold-out days
- 9,871 competition entries up 20% over 2021
- 2.5 million carnival rides
- 20 piglets, 5 goats and 4 peachicks were born at Centennial Farm
- 13,958 phone calls were answered by the Guest Experience team
- 231,736 cars parked

- 153 animals resulted in \$242,968 paid out to agriculture students through the Junior Livestock Auction
- 13,514 visitors to Heroes Hall during the Fair who decorated 1,000 postcards for the troops
- The Hangar had 12 sold out concerts; the Action Sports Arena had 11 sold out events; the Pac Amp had 12 sold out shows



What Were the Results?

	2022 OC Fair (Preliminary Unaudited)	2021 OC Fair	2019 OC Fair
Revenue	\$43,731,592	\$35,246,118	\$36,524,990
- Labor Expenses	-\$4,935,373	-\$4,469,342	-\$7,201,200
- Non Labor Expenses	-\$13,809,798	-\$8,739,592	-\$14,805,004
Net Proceeds	\$24,986,421	\$22,037,184	\$14,518,786





What Did We Learn?

- The annual pass is important to a lot of people
- Food and Carnival prices are a big concern
- Controlled attendance = more profitability
- Bigger is not always better
- People LOVE the OC Fair!



2022 OC Fair • Feel the Sunshine • July 15 - Aug 14





































8G. Appointment of Chair and Vice Chair Nominating Committee

INFORMATION ITEM:

The Board Chair will appoint a two-person task force to deliberate and make a recommendation for Officers of the Board for the upcoming year.

The Nominating Task Force will present its nominations at the October 27, 2022 meeting of the OCFEC Board of Directors.



8H. 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. Leadership Committee (Chair La Belle, Committee Chair; Vice Chair Pham)
- **ii. Financial Monitoring and Audit Committee** (Director Kovacevich, Committee Chair; Director Bagneris)
- iii. Facilities Committee (Director Ruiz, Committee Chair; Director Aitken)
- iv. Governance Committee (Director Cervantes, Committee Chair; Director Rubalcava-Garcia)
- v. Community Affairs Committee (Director Bagneris, Committee Chair; Chair La Belle)
- vi. Entertainment and Business Development Committee (Director Rubalcava-Garcia, Committee Chair; Director Cervantes)
- vii. Governmental Relations Committee (Director Aitken, Committee Chair; Vice Chair Pham)
- viii.Centennial Farm Foundation Liaison (Director Ruiz)
- ix. Heroes Hall Veterans Foundation Liaison (Director Cervantes, Vice Chair La Belle)





History of Hispanic Heritage Month

- Sept. 15 to October 15: Celebrating the histories, cultures and contributions of American citizens whose ancestors came from Spain, Mexico, the Caribbean and Central and South America.
- 1968: started as Hispanic Heritage Week under President Lyndon Johnson
- 1988: expanded by President Ronald Reagan to cover a 30-day period.

Growth of the Hispanic Community

- Nationally, Hispanic population has grown from 53 million in 2011 to nearly 63 million in 2020.
- In the past 10 years, the state's Hispanic population grew by 11%, and California now has the highest Hispanic population of any state over 13 million.
- Hispanics comprise 34.1% of Orange County's population (39% statewide).
- Orange County has 30,000 Hispanic-owned businesses.





Hispanic Historical Milestones in OC

- The **Yorba and Peralta families** were some of the first to settle in Orange County from Mexico.
- 1942: agreement between U.S. and Mexico created the guest worker program commonly known as the Bracero Program.
- Between 1942-64 Bracero programs brought nearly 70,000 men from Mexico to work in agriculture in Orange County, many of whom became citizens in the late 1960s.
- 1947: In Mendez v. Westminster Gonzalo Mendez and four other fathers won a civil rights lawsuit ending school segregation in California and paving the way for the 1954 Supreme Court decision in Brown v. Board of Education ending school segregation in the U.S.
- Today, Hispanics lead in every sector of the Orange County community including business, industry, education, government, the arts and nonprofit work.

Alex Padilla U.S. Senate



Linda Sanchez U.S. Congress



Lou Correa U.S. Congress

Hispanic Elected Officials



Bob Archuleta CA Senate



Sharon Quirk-Silva CA Assembly



Ricardo Lara State Insurance Commissioner



Al Mijares Superintendent OC Dept. of Education



Rebecca Gomez OC Board of Education

OC Hispanic Business Leaders



Christopher Ayala, President Hispanic Bar Assoc. of OC



Reuben Franco, CEO OC Hispanic Chamber



Susie Lopez Guerra, VP OC Hispanic Business Women's Association



Zulma Arizmendi, President Nat'l Assoc. of Hispanic RE Professionals - OC



Natalie Rubalcava-Garcia Director, OCFEC Board



Sandra Cervantes
Director, OCFEC Board



Robert Ruiz Director, OCFEC Board



Hispanic Leaders in Agriculture



Cesar Chavez, Founder American Farm Workers Assoc.



Michael Flores, Deputy Secretary
CA Dept. of Food & Agriculture



Cinthia Flores, Board Member
CA Agricultural Labor Relations
Board



Mark Lopez, President OC Farm Bureau Board



- There are 62 Hispanic agriculture producers in Orange County
- About 15,000 or 12% of all agricultural producers in California identify as Hispanic
- Hispanic-operated farms account for 5.6% of U.S. agriculture sales and 3.6% of U.S. farmland
- According to data from the US Department of Agriculture, Hispanic agricultural producers are younger and more likely to have recently started farming than U.S. producers overall

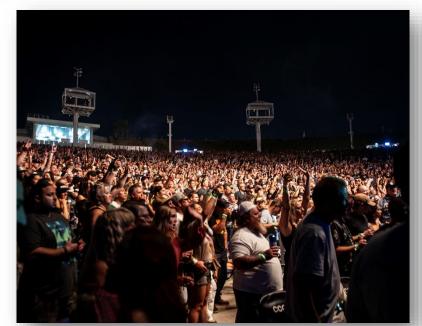
9. Closed Session

- **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).)
 - iii. To confer with counsel, discuss, and consider the following pending litigation to which the 32nd DAA is a party. Adam Carleton v. 32nd District Agricultural Association, et al., Orange County Superior Court, Case No. 30-2020-01174951-CU-OE-CJC
 - iv. To confer with counsel, discuss, and consider the following pending litigation to which the 32nd DAA is a party. Talley Amusements, Inc. v. 32nd District Agricultural Association, Orange County Superior Court, Case No. 30-2022-01264282-CU-MC-CJC
 - v. To confer with counsel, discuss, and consider the following pending litigation to which the 32nd DAA is a party. B&L Productions, Inc., et al., v. Gavin Newsom, et al., U.S. District Court for the Central District of California, Case No. 8:22-cv-01518 (JDEx)
 - **Personnel:** The Board will meet in closed session to consider the evaluation of performance of the General Manager / CEO. [Govt. Code, § 11126, subd. (a).]

10. CEO's Operational Announcements & Updates











10. CEO's Operational Announcements & Updates







For the Month Ended August 31, 2022

	Actual	Budget	Variance Favorable (Unfavorable)
YTD Revenue	\$ 48,169,517	\$ 50,052,198	\$(1,882,681)
YTD Expenses	\$ 34,389,647	\$ 39,336,815	\$ 4,947,169
YTD Net Proceeds (Deficit)	<u>\$ 13,779,870</u>	\$ 10,715,383	<u>\$3,064,448</u>



Cash and Cash Equivalents

	<u>Aug 31, 2022</u>	<u>Aug 31, 2021</u>
Cash on Hand	\$ 9,081,762	\$19,950,475
Investments	\$ 71,152,315	\$42,935,089

Total Cash and Cash \$80,234,077 \$62,885,564

Equivalents

Year over Year Increase \$17,348,513

Year over Year % Increase 27.6%



EVENTS UPDATE





Sept 24





Thursday 9am – 1pm



EVENTS UPDATE







Oct 1 - 31

Oct 1, 8 & 15

Oct 8 & 29









Oct 14 - 16 Oct 15 - 16

Oct 21 - 23 Oct 27













EVENTS UPDATE





Jr. Farmer & Discover Days School Tours Begin









Upcoming Exhibit



Armed Only With A Camera: WWII Photography of Stanley Troutman Opens Saturday, October 15th

HAPPY BIRTHDAY! DIRECTOR CERVANTES



11. Board of Directors Matters of Information

Next Board Meeting October 27, 2022

