

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING
HELD APRIL 25, 2023**

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.

1. CALL TO ORDER:

Vice Chair Kovacevich, called the meeting to order at 9:33 a.m.

2. MISSION STATEMENT

- 3. PLEDGE OF ALLEGIANCE:** The Pledge of Allegiance was recited by a veteran in the audience. Roll call was taken by Summer Angus.

4. DIRECTORS PRESENT:

Vice Chair Kovacevich, Director La Belle (via Zoom), Director Rubalcava-Garcia (Via Zoom); Director Cervantes (Via Zoom), Director Ruiz (Via Zoom) and Director Bagneris.

Director Bagneris joined the meeting at 9:52 a.m.

DIRECTORS ABSENT/EXCUSED: Chair Pham.

OTHERS PRESENT:

Michele Richards, OCFEC CEO; Ken Karns, OCFEC Chief Operating Officer; Joan Hamill, OCFEC Chief Business Development Officer; Summer Angus, OCFEC Executive Assistant; Josh Caplan, Office of the Attorney General; Noemi Sandoval, transcriptionist; Len Bennick

5. MINUTES:

A. Board meeting held March 23, 2023

Action Item

ACTION: Director Cervantes motioned and Director Ruiz seconded to approve the minutes from Board meeting held March 23, 2023. **MOTION CARRIED.**

AYES: Vice Chair Kovacevich, Director La Belle, Director Rubalcava-Garcia, Director Cervantes and Director Ruiz. NAYES: None.

ABSTENTIONS: None.

6. MATTERS OF PUBLIC COMMENT

Len Bennick, Vietnam Veterans of America Chapter 1024 (a non-profit organization that brought a huey helicopter to Heroes Hall last fair), requested the Board allow them to put up a donation box at Heroes Hall Veterans Museum. He shared that donations are how they fund keeping their helicopter; that they also have patches and bracelets available for a donation.

7. CONSENT CALENDAR:

A. Standard Agreements: SA-081-23GE; SA-083-23GE; SA-089-23SP; SA-090-23SP; SA-091-23SP; SA-092-23SP; SA-093-23SP; SA-094-23SP; SA-095-

23GE; SA-096-23HB; SA-097-23FT; SA-101-23SP; SA-102-23YR; SA-103-23YR; SA-104-23YR

- i. **Standard Agreement Amendments:** SA-014-23SP (Amend. #1); SA-016-23FT (Amend. #1)
- ii. **Interagency Agreement:** R-072-23IA

B. Rental Agreements: R-006-23; R-008-23; R-012-23; R-033-23; R-037-23; R-069-23; R-075-23; R-078-23; R-079-23; R-080-23; R-081-23; 23 IO-FE 37; 23 IO-FE 38; RA-EQCRobLut-23

- i. **Rental Agreement Amendments:** R-072-23 (Amend. #1)

C. Active Joint Powers Authority Agreements (New): None.

- i. **Active Joint Powers Authority Agreement Amendments:** 03222113 (Amend. #1); 03222115 (Amend. #1)

D. Commercial Rental Agreements: 23003; 23004; 23010; 23011; 23013; 23021; 23026; 23028; 23031; 23036; 23038; 23039; 23042; 23044; 23045; 23046; 23050; 23057; 23058; 23062; 23067; 23068; 23071; 23078; 23079; 23085; 23086; 23087; 23092; 23103; 23106; 23107; 23108; 23109; 23112; 23114; 23115; 23120; 23121; 23123; 23134; 23162

E. Concession Rental Agreements: IMFO-13-23; 23538; 23539; 23540; 23541; 23542; 23543; 23544; 23545; 23546; 23547; 23548; 23549; 23550; 23553; 23554; 23555; 23557; 23558; 23562; 23565; 23566; 23567; 23568; 23569; 23570; 23571; 23572; 23573; 23574; 23575; 23576; 23577; 23578; 23579; 23556

F. Judging Agreements: VA-001-23; VA-002-23; VA-003-23; VA-004-23; VA-005-23; VA-006-23; VA-007-24; VA-008-23; VA-009-23; VA-010-23; VA-011-23; VA-012-23; VA-013-23; VA-014-23; VA-015-23; VA-016-23; VA-017-23; VA-018-23; VA-019-23; VA-020-23

G. Platinum Rental Agreements: 23703; 23713; 23732; 23710; 23711; 23715; 23716; 23717; 23719; 23722; 23728; 23729; 23730

H. Correspondence:

Communications to the Board from members of public related to OCFEC business are identified below and included with the Board materials (available on the OCFEC website). Note that this agenda item includes only those communication(s) that were sent to the entire Board and CEO before the publication of this month's agenda. The deadline for correspondence to be included on the May 2023 agenda is May 12, 2023.

- i. None.

I. CDFFA Correspondence:

Communications to the Board from the California Department of Food & Agriculture Division of Fairs & Expositions regarding relevant topics at Fairs and Expositions.

- i. 4/13/2023 Circular Letter F2023-03 CDTFA Educational Video & Flyer

- End of Consent Calendar -

ACTION: Director Ruiz motioned and Director Cervantes seconded to approve the Consent Calendar. **MOTION CARRIED. AYES: Vice Chair Kovacevich, Director La Belle, Director Rubalcava-Garcia, Director Cervantes and Director Ruiz. NAYES: None. ABSTENTIONS: None.**

8. GOVERNANCE PROCESS

A. Annual Consideration and Vote on the Number of Discounted Fair Admission Tickets and Parking Passes to Allocate to Centennial Farm Foundation Board Members

Action Item

CEO Richard presented the staff report and the Community Affairs Committee and staff's recommendation to approve the same ticket allotment for each active Centennial Farm Foundation Board member as in 2022: one complimentary F-Lot parking pass and one complimentary pass to each day of the 2023 OC Fair, along with the ability to purchase up to ten (10) general admission fair passes at a cost of \$2 each.

ACTION: Director Ruiz motioned and Director Rubalcava-Garcia seconded to approve each active Centennial Farm Foundation Board member receive one complimentary F-Lot parking pass and one complimentary pass to each day of the 2023 OC Fair, along with the ability to purchase up to ten (10) general admission fair passes at a cost of \$2 each. **MOTION CARRIED. AYES: Vice Chair Kovacevich, Director La Belle, Director Rubalcava-Garcia, Director Cervantes and Director Ruiz. NAYES: None. ABSTENTIONS: None.**

B. Review of and Vote on Whether or Not to Approve Serenity Walk Donation Plan Agreement with Heroes Hall Veterans Foundation

Action Item

CEO Richards presented the staff report and the recommendation to approve the Serenity Walk donation plan agreement.

CEO Richards confirmed the following for the Board:

- The donation plan agreement allows solicitation for additional capital for the Serenity Walk for fixtures as presented
- OCFEC is not undertaking any financial obligation in the agreement
- The agreement has a narrow scope and solely applies to the Serenity Walk

CEO Richards summarized for clarification Director La Belle's motion to change the following in the agreement:

- To delete the specific dollar amount in Section 1: District Responsibilities, Sub Item B, and replace with a more generic statement indicating a mutually agreed upon amount between OCFEC and the foundation
- To add a statement regarding benches, pavers and other Serenity Walk fixtures to honor veterans allowing flexibility for additional items in the future

Director Bagneris joined the meeting at 9:52 a.m. and Director Rubalcava-Garcia left the meeting at 9:53 a.m.

ACTION: Director Bagneris motioned and Director Cervantes seconded to approve the Serenity Walk Donation Plan with the following modifications: deleting the specific dollar amount in Section 1: District Responsibilities, Sub Item B, and replace with a more generic statement indicating a mutually agreed upon amount between OCFEC and the foundation; and add a statement regarding benches, pavers and other Serenity Walk fixtures to honor veterans allowing flexibility for additional items in the future. **MOTION CARRIED.**
AYES: Vice Chair Kovacevich, Director La Belle, Director Cervantes, Director Ruiz and Director Bagneris. NAYES: None. ABSTENTIONS: None.

C. Staff Recap of Imaginology 2023 Event
Information Item

Joan Hamill, Chief Business Development Officer provided a recap of the 2023 Imaginology event.

D. Staff Presentation of Layout and Operational Changes Planned for 2023 OC Fair
Information Item

Ken Karns, Chief Operating Officer, presented the following operational changes:

- Main Mall buildings will go by their year-round building names
- New utilization for the Huntington Beach building, it will not be a shopping building, update to come in June
- Creating a new entrance gate, Orange Gate, located south east of the fair footprint
- Livestock area layout changes with the removal of the barns
- La Cantina (formerly Hussong's) will have an improved layout
- The Triangle will have an improved and reimagined western salon theme
- New filtered water dispensers going in four locations for fair

CEO Richards stated the full 2023 OC Fair presentation will take place at the June Board meeting.

Director La Belle suggested an all-city's picnic or breakfast or some sort of county-wide event to take place in the business development area during fair.

E. Committee / Ad Hoc Committee / Liaison Report
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 agendaized for a future Board meeting.

- i. **Leadership Committee** (Chair Pham, Committee Chair; Vice Chair Kovacevich)
- ii. **Financial Monitoring and Audit Committee** (Director Kovacevich, Committee Chair; Director Bagneris)
- iii. **Facilities Committee** (Director Ruiz, Committee Chair; Director La Belle)
- iv. **Governance Committee** (Director Cervantes, Committee Chair; Director Rubalcava-Garcia)
- v. **Community Affairs Committee** (Director Bagneris, Committee Chair; Chair Pham)
- vi. **Entertainment and Business Development Committee** (Director Rubalcava-Garcia, Committee Chair; Director Cervantes)

Vice Chair Kovacevich, on behalf of the Leadership Committee, reported:

- Due to travel, the committee met by email to review the April Board meeting agenda
- Next meeting is 5/10/23

Director Bagneris, on behalf of the Financial Monitoring and Audit Committee, reported:

- The Committee met on April 21 and reviewed and discussed the following:
 - The March financial reports (she presented the financial reports to the Board)
 - The EQC March financial report (she presented the report to the Board)
- CEO Richards and Chief Administrative Officer Au-Yeung attended a luncheon hosted by Citizens Business Bank on 4/18/2023
- The team from Lance Soll & Lunghard have begun their on-site work with the 2022 audit
- Next committee meeting will be 5/19/23

Vice Chair Kovacevich, regarding the EQC financial report, suggested taking an additional look at the EQC model; maybe look to staff to provide input on model changes to improve the financial position of the EQC. He suggested a potential deeper dive in the coming Board meetings.

Director La Belle agreed with the Vice Chair's comments. He stated the Board should look at options to close the gap between revenue and expenses. He suggested a preliminary discussion for post fair.

Vice Chair Kovacevich requested to revisit the EQC financial topic at a later date.

Director La Belle, on behalf of the Facilities Committee, reported:

- Administrating Building project is moving ahead
 - CCA is proceeding ahead with the RFP process to select a design team
 - Scope and project will be a detailed process and will go through the Board for briefing and potential action as appropriate

COO Karns gave an update on the progress of the Serenity Walk project.

CEO Richards, on behalf of the Governance Committee, reported:

- The committee met 4/17/23 and discussed the following legislation and pending legislation as it relates to fairgrounds in California:
 - AB 1775 (passed) Applies to live stage events produced by a fair on State property, requires that all contractor's employees involved complete a specific Cal/OSHA training
 - AB 554 (pending) would authorize a nonprofit corporation proffering a complaint under existing law to bring it as a civil action to obtain specific injunctive relief to enforce laws relating to or affecting animals
 - AB 38 (pending) would require a state agency to ensure that an outdoor lighting fixture that is installed or replaced on or after January 1, 2024, on a structure or land that is owned, leased or managed by the state agency is shielded, as defined, and meets additional specific criteria
 - SB 447 (pending) would end the California state employee travel ban to certain states and replace it with an advertising campaign in those states that promotes acceptance and inclusion for the LGBTQ community

Director Bagneris, on behalf of the Community Affairs Committee, reported:

- Plaza Pacific Public Art Project plan is to announce an art competition during the 2023 fair for the age 13-17 group, then feature the art on the two main light towers on Plaza Pacifica
 - Continue exploration of video panels

CEO Richards, on behalf of the Entertainment and Business Development Committee, reported:

- Pacific Amphitheatre ticket sales exceeded \$5.3M
 - Many shows are approaching sellout
- Hangar and Action Sports Arena ticket sales remain ahead of expectations

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

The Board adjourned to closed session at 10:39 a.m. and resumed at 11:14 a.m.

Items to report out of closed session: None.

10. **CEO'S OPERATIONAL ANNOUNCEMENTS AND UPDATES**

CEO Richards reported the following:

- Jody Fuji, Chief of Staff and Ash Alvandi Staff Director from Senator Min's office toured the fairgrounds
 - Fuji to be a strong advocate for OCFEC in Sacramento
- 2023 Heroes Hall Speaker Series started March 25 with Vietnam Veteran Judge King
- OCFEC staff continues with emergency preparedness and CPR training

- Eight OCFEC staff will be going to Maintenance Mania at the Ventura County Fair for training and certifications – several OCFEC’s staff are conducting classes
- Ranch After School Program to continue with Davis Elementary school despite funding cuts from the City of Costa Mesa

Joan Hamill, Chief Business Development Officer, gave update on upcoming events at OCFEC. She also reported that OC Fair’s Club OC has had twenty rental inquiries and ten bookings are going to contract.

11. BOARD OF DIRECTORS MATTERS OF INFORMATION

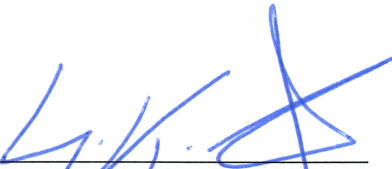
Board members made concluding comments:

- Well wishes for a happy Mother’s Day
- Praise and congratulation on the preparation and a successful Imaginology event
- Fondness of the new iPad technology in the Board meeting
- Well wishes and speedy recover for Director La Belle

12. NEXT BOARD MEETING: MAY 25, 2023

13. ADJOURNMENT

The meeting adjourned at 11:29 a.m.



Nick Kovacevich, Vice Chair



Michele Richards, Chief Executive Officer