

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING  
HELD AUGUST 27, 2015**

**1. CALL TO ORDER:**

Chair Aitken called the meeting to order at 9:03 a.m.

**2. MISSION STATEMENT**

**3. PLEDGE OF ALLEGIANCE:**

The Pledge of Allegiance was recited by Director Berardino. Roll call taken by Jessica Zimmerman.

**4. DIRECTORS PRESENT:**

Chair Aitken, Director Tkaczyk, Director La Belle, Director Berardino, Director Bagneris, Director Nguyen, and Director Cervantes

**DIRECTORS ABSENT/EXCUSED:**

Vice Chair Mouet and Director Robert Ruiz

**OTHERS PRESENT:**

Kathy Kramer, OCFEC CEO; Michele Richards, OCFEC Chief Business Development Officer; Doug Lofstrom, OCFEC; Jeff Willson, OCFEC; Jessica Zimmerman, OCFEC; Elaine Kumamoto, OCFEC Director of Finance; Joan Hamill, OCFEC Director of Community Relations; Jerry Eldridge, OCFEC Director of Facilities; Howard Sandler, OCFEC Director of Events; Jason Jacobsen, OCFEC Director of Planning and Presentation; Nick Buffa, OCFEC Safety & Security Supervisor; Deborah Fletcher, Office of the Attorney General; Roger Grable, Manatt, Phelps & Phillips, LLP; Janet Taylor, stenographer; Bill Clark, IATSE; Ann Kastil, RCS; Mike Robbins; Jeanine Robbins; Richard Skoczylas, OCWS; Theresa Sears

**5. CEO'S OPERATIONAL UPDATE**

Kathy Kramer, OCFEC Chief Executive Officer, announced that the 2015 OC Fair attendance was 1,301,445 which was down 2.67% from 2014. 2015 gross revenue was \$49,193,826, which was down by 1.57% from 2014.

Discussing the Neighborhood Ambassador Program and the Neighborhood Sound Research Team, Kramer reported that OCFEC did not received any noise complaints as a result of the concerts in the Pacific Amphitheatre, and the research data that was collected will help OCFEC further understand and mitigate sound.

A full recap of the 2015 OC Fair will be presented at the September Board meeting.

Kramer noted that she expected an update of the Arlington Bio-Swale project at the September Board meeting. She mentioned that Orange Coast College has circulated a new CEQA document which moves the proposed parking structure to their property instead of OCFEC. The Pacific Amphitheatre seat replacement project is expected to be completed by February, 2016. Also, OCFEC will be hiring an interim CFO as the search for a permanent replacement commences and interviews for the COO position will begin in early September.

**6. PUBLIC COMMENT**

Richard Skoczylas, Vice President of the Orange County Wine Society, asked about the status of plans to construct a new building to provide additional space for Centennial Farm and house the Wine Society.

Director Aitken asked Kramer to look into the issue and report back at the September Board meeting.

Jeanine Robbins spoke about counterfeit money at the 2015 OC Fair. She suggested having some type of daily news letter or a text alert system to keep vendors informed about suspects distributing counterfeit bills during the event.

Director Nguyen suggested utilizing technology to have better communication with our vendors for security related purposes. He believed that vendors could play a role in security for the entire Fair.

**7. MINUTES:**

**A. Board Meeting held June 25, 2015**

Action Item

**ACTION:** Director Cervantes motioned and Director Berardino seconded to review and approve the minutes from the Board meeting held June 25, 2015. **MOTION CARRIED. AYES:** Chair Aitken, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, Director Nguyen, and Director Cervantes. **NAYES:** none.

**8. CONSENT CALENDAR**

- A. Standard Agreements: SA-126-15FT; SA-140-15FT; SA-144-15FT; SA-151-15SP; SA-152-15SP; SA-160-15FT; SA-161-15PA; SA-162-15PA; SA-163-15PA; SA-167-15FT; SA-171-15FT; SA-172-15PA; SA-173-15PA; SA-174-15PA; SA-175-15CS; SA-176-15AS; SA-177-15AS; SA-178-15PA; SA-179-15PA; SA-180-15PA; SA-181-15PA; SA-182-15PA; SA-183-15PA; SA-184-15HB; SA-185-15FT; SA-186-15HB; SA-187-15PA; SA-188-15PA; SA-189-15FT; SA-190-15FT; SA-191-15FT; SA-192-15GE; SA-193-15FT; SA-194-15AS; SA-195-15BB;

SA-196-15FT; SA-197-15FT; SA-198-15SP; SA-199-15SP;  
SA-200-15SP; SA-202-15PA; SA-203-15PA; SA-204-15SP;  
SA-205-15SP; SA-206-15PA; SA-207-15PA; SA-208-15FT;  
SA-209-15FT; SA-210-15FT; SA-211-15FT; SA-212-15FT;  
SA-213-15FT; SA-214-15FT; SA-215-15FT; SA-216-15FT;  
SA-217-15FT; SA-218-15FT; SA-219-15FT; SA-220-15FT;  
SA-221-15FT; SA-222-15FT; SA-223-15YR; SA-224-15YR;  
SA-225-15FT; SA-226-15FT; SA-227-15FT; SA-228-15HB;  
SA-229-15HB; SA-230-15SP; SA-231-15SP; SA-232-15HB;  
SA-233-15FT; SA-235-15FT; SA-236-15SP; SA-237-15SP;  
SA-238-15SP; SA-241-15SP; SA-242-15FT; SA-243-15FT;  
SA-244-15FT; SA-245-15FT; SA-246-15FT; SA-247-15FT;  
SA-248-15SP; SA-249-15SP; SA-250-15PS; SA-251-15SP;  
SA-252-15SP; SA-253-15SP; SA-258-15SP; SA-259-15FT

B. Amendments: SA-028-15BL (Amend. #1); SA-56-12PA (Amend. #3);  
SA-061-15YR (Amend. #1); SA-062-15FT (Amend. #1); SA-067-15GE  
(Amend. #1); SA-084-15GE (Amend. #1); SA-086-15FT (Amend. #1);  
SA-124-15AS (Amend. #1); SA-054-15FT (Amend. #1); SA-167-12SP  
(Amend. #3)

C. Interagency Agreements: none.

D. Letters of Understanding: none.

E. Rental Agreements: R-042-15; R-043-15; R-044-15; R-050-15;  
R-069-15; R-083-15; R-084-15; R-110-15; R-116-15; R-120-15;  
R-124-15; R-126-15; R-130-15; R-131-15; R-134-15; R-142-15;  
R-014-16; FT-018-15

F. Active Joint Powers Authority Agreements: none.

G. Platinum Rental Agreements: 15717; 15741

H. Judging Agreements: GF-014-15; GF-015-15; GF-016-15; GF-017-15;  
HA-022-15; VA-027-15

I. 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.

Director La Belle asked that R-110-15 be pulled for comment.

**ACTION:** Director LaBelle motioned and Director Tkaczyk seconded to  
review and approve the Consent Calendar. **MOTION CARRIED.**

**AYES:** Chair Aitken, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, Director Nguyen, and Director Cervantes. **NAYES:** none.

**9. GOVERNANCE PROCESS:**

**A. Committee/Task Force/Liaison Reports**

Michele Richards, OC FEC Vice President, Business Development, provided an update regarding the Centennial Farm Foundation. She announced that the Foundation's annual poker tournament held on August 4 raised \$4,500 for Centennial Farm programs.

Director Berardino, on behalf of the Heroes Hall Veteran's Foundation Board, mentioned that Manatt, Phelps & Phillips will represent the Foundation pro-bono. The Foundation is currently looking into different fundraising options and opportunities.

Director La Belle announced that the next Heroes Hall Veteran's Foundation Board meeting will be held on Wednesday, September 2 at 3 p.m. He also noted that Director Berardino had been elected the President of Foundation's Board of Directors.

Chair Aitken, on behalf of the Workers Memorial Task Force announced that there will be a dedication ceremony on Labor Day, September 7. She also noted that OC FEC will be receiving an award from the Black Chamber of Commerce for our work with veterans and for the decision to create Heroes Hall.

Director Bagneris mentioned that there are still some issues regarding the Heroes Hall Veteran's Foundation that she would like to have agendaized for the September Board meeting.

Richards stated that that Workers Memorial will be open for a quick preview on Labor Day from 10 a.m. to noon.

On behalf of the City Liaison Committee, Director La Belle noted that the Cities Days program was very successful this year.

Richards stated that 28 of the 34 Orange County cities participated in the daily flag raising.

Chair Aitken suggested partnering with city libraries to provide discount tickets as part of their summer reading programs.

**B. Discussion on Board Position Regarding SB 716 Related to Treatment of Elephants**

Kramer introduced the staff report; Director Berardino stated that the

board should support the legislation which bans the use of bull hooks on elephants, noting that the Board voted in 2012 to terminate elephant rides at the OC Fair.

Director Tkaczyk mentioned that the Ringling Brothers Circus is going to phase out the use of elephants in their shows.

Director Bagneris supported the ban.

**ACTION:** Director Berardino motioned and Director Bagneris seconded to support the ban and draft a letter of support for SB 716. **MOTION CARRIED. AYES:** Chair Aitken, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, Director Nguyen, and Director Cervantes. **NAYES:** none.

#### C. Discussion of the Hiring of a Legislative Monitoring Firm

Kramer presented that staff report, noting that this will provide a resource to the Board of Directors and the organization to monitor any legislation relevant to the operations of the fairgrounds.

Director Berardino noted that it is very important to have a lobbyist to protect the Associations interests.

Director LaBelle believes that having a lobbyist is important, noting that hundreds of cities in California have lobbyist

Director Bagneris wanted to make sure the Financial Monitoring Committee is involved in the process of hiring a lobbying firm.

Teresa Sears suggested sending the letter of support for SB 716 to the Governor in addition to the author of the bill. She then criticized Western Fairs Association for not representing the interests of OCFEC and suggested minimizing OCFEC's involvement with them. She then suggested that any lobbyist hired by OCFEC be required to work with citizen activists such as herself to save time and money.

Director Tkaczyk noted that he believed it was important to be involved with Western Fairs Association because with a seat at the table OCFEC can change them more than they can change us and influence the industry.

Chair Aitken asked that staff work with the Legislative Monitoring Task Force and Director Berardino to draft the RFP.

**ACTION:** Director Berardino motioned and Director Cervantes seconded to direct staff to begin the RFP process to hire a legislative advocate. **MOTION CARRIED. AYES:** Chair Aitken, Director La

Belle, Director Tkaczyk, Director Berardino, Director Bagneris, Director Nguyen, and Director Cervantes. **NAYES: none.**

**D. Approval of Architectural Designs Service for Heroes Hall Project**

Kramer introduced the staff report.

Michele Richards noted that staff is recommending the continued use of ATI to create detailed architectural and construction plans in order to finalize the bid package. Staff plans on presenting a more detailed timeline for the project at the September Board meeting.

Director La Belle asked that a discussion of construction management options be agendaized for the September Board meeting.

**ACTION:** Director Bagneris motioned and Director Cervantes seconded to review and approve the development of architectural and constructions plans for Heroes Hall. **MOTION CARRIED. AYES: Chair Aitken, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, Director Nguyen, and Director Cervantes. NAYES: none.**

**E. Discussion of Appointees to the Heroes Hall Veterans Foundation Board of Directors**

Director Berardino presented the nomination of Robert V. "Bobby" McDonald.

**ACTION:** Director Berardino motioned and Director LaBelle seconded to review and approve the appointment of Robert V. "Bobby" McDonald to the Heroes Hall Board of Directors. **MOTION CARRIED. AYES: Chair Aitken, Director La Belle, Director Tkaczyk, Director Berardino, Director Nguyen, and Director Cervantes. NAYES: none. ABSTENTIONS: Director Bagnaries.**

**F. Approval of Issuance of OC Fair Lifetime Credential to Roger Grable**

**ACTION:** Director Berardino motioned and Director LaBelle seconded to review and approve the issuance of a Lifetime Credential to Roger Grable. **MOTION CARRIED. AYES: Chair Aitken, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, Director Nguyen, and Director Cervantes. NAYES: none.**

**G. Appointment of Members to the Nominating Task Force by the Board Chair**  
Information Item

Chair Aitken appointed Director Tkaczyk and Director La Belle to the Nominating Task Force.

#### **H. Operational Report on Designated Smoking Policy**

Richards introduced the item and reviewed the locations of the designated smoking areas.

Nick Buffa, OC FEC Safety & Security Manager, presented feedback from vendors and customers regarding the designated smoking program. Some concerns included no smoking area in the middle of the fairgrounds; the spaces being too small; customers not being able to find the areas due to the signs being too low; and the Action Sports Arena having no designated area to smoke.

Director Bagneris noted the confusion about the locations of the designated smoking areas and the need for shade in the smoking areas.

Director Berardino stated that he didn't think the program worked despite the great effort. He suggested the Board consider either to have a non-smoking fair or a smoking fair, nothing in the middle.

Director Tkaczyk agreed with Director Berardino. He suggested that even going to a non-smoking model would require educating the Fair patrons over a couple of years. He suggested that the Board look at San Diego County Fair's model and bring the policy back for discussion.

Director LaBelle agreed that the policy needs to be brought back to the Board for further review.

Director Cervantes agreed that OC FEC needs to be either non-smoking or smoking.

Jeanine and Mike Robbins stressed the need to retrain the customer over time. They also suggested the need for more signage and educating staff to make sure they direct customers to the correct areas. They also noted that the San Diego County Fair has designated drinking areas. They both suggested giving more time to the public to learn the policy.

#### **I. Approval of Submission of Bad Debt Write Off**

Kramer presented the staff report.

**ACTION:** Director Bagneris motioned and Director Berardino seconded to review and approve the submission of form STD.27 to the State Controller's Office for the discharge of outstanding debts for Mr.

Mike Cruz in the amount of \$745.92 and for Locallife in the amount of \$5,000.00. **MOTION CARRIED. AYES: Chair Aitken, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, Director Nguyen, and Director Cervantes. NAYES: none.**

**K. Orange County Marketplace Rental Agreement Amendment to Relocate Two Structures**  
Action Item

Item removed from the agenda at the request of the Orange County Market Place.

**ACTION:** Director Berardino motioned and Director LaBelle seconded to received and file. **MOTION CARRIED. AYES: Chair Aitken, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, Director Nguyen, and Director Cervantes. NAYES: none.**

**10. CLOSED SESSION**

Chair Aitken adjourned to closed session at 10:27a.m. and the meeting resumed at 11:44 a.m.

Chair Aitken announced that there was no reportable action out of closed session.

**11. BOARD OF DIRECTORS MATTERS OF INFORMATION**

Director Berardino encouraged Kramer to work with Robbins before the Board takes any action regarding the smoking policy. He thanked everyone for an incredible Fair. He then thanked everyone for his retirement party on August 26 in the Plaza Pacifica lobby.

Director Cervantes thanked Kathy for all of her efforts especially during the rain. She then noted that the Mexican Consul attended the Juanes concert and looked forward to more Latino artists next year.

Chair Aitken agreed with Director Cervantes regarding the need for diversity in entertainment at the Pacific Amphitheatre. She then complimented Kramer on staff's response to the relocation of the Market Place Village vendors and the hosting of the Rott family.

Director Tkaczyk thanked everyone on their hard work and also thanked Kathy directly and stated that she can do away with the title "new CEO." He also thanked Zimmerman for doing a great job; thanked Gary Hardesty, Sound Media Fusion, for his work on sound monitoring, and thanked Spectra for their catering efforts.

Director Bagneris stated that it is incredible staff to work with mentioning that she walked through the fair with Kramer and saw it in a different light.



She admires how staff handles this huge event of 1.3 million attendees. She then thanked all the other Board members.

Director Nguyen thanked everyone for their hard work. He also thanked Director Barardino of all his hard work and wished him a great retirement which means that he can dedicate more time to the Fair.

Director LaBelle thanked staff and looks forward to next year.

**12. NEXT BOARD MEETING: THURSDAY, SEPTEMBER 24, 2015**

**13. ADJOURNMENT**

Meeting adjourned at 11:54 p.m.

  
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Ashleigh Aitken, Chair

  
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Kathy Kramer, Chief Executive Officer