

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING
HELD SEPTEMBER 24, 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, Vice Chair Mouet, Director Tkaczyk, Director La Belle, Director Berardino, Director Bagneris, Director Cervantes, and Director Ruiz

DIRECTORS ABSENT/EXCUSED:

Director Nguyen

OTHERS PRESENT:

Kathy Kramer, OCFEC CEO; Michele Richards, OCFEC VP Business Development Officer; Debbye McDaniel, OCFEC VP Operations & Administration; 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; Curt Jacey, Tandem; Tamara Goddard, Tandem; Robin Wachner, OCFEC Director of Communications; Dan Gaines, OCFEC Director of Entertainment; Ruby Lau, OCFEC Director of Marketing

5. CEO'S OPERATIONAL UPDATE

Kathy Kramer, OCFEC CEO, introduced Debbye McDaniel, OCFEC Interim Vice President, Finance & Administration. She noted that they will be conducting final interviews for the Vice President of Operations position.

Kramer then announced that a Post Fair Community Fair Focus Group meeting has been scheduled for October.

Michele Richards, OCFEC Vice President, Business Development, introduced a recap of the 2015 OC Fair noting a slight decrease in overall attendance. She then discussed the success of the gate promotions as well as revenue numbers.

Ruby Lau, OCFEC Director of Communications, discussed 2015 gate promotions and patron survey results.

Dan Gaines, OCFEC Director of Entertainment, discussed the success of the 2015 OC Brew Hee Haw over 2014. He then presented sales figures for the Action Sports Arena, The Hangar and Pacific Amphitheatre.

Howard Sandler, OCFEC Director of Events, recapped the 2015 Concessions and Commercial exhibitor program.

Tamara Goddard, Tandem, spoke about the corporate sponsorship program, mobile marketing tours, experiential marketing, the Platinum Partner program and group ticket sales.

Richards then discussed the competitive exhibits program, the Junior Livestock Auction, and the feature exhibit program.

Robin Wachner, OCFEC Director of Communications, spoke about media outreach for the 2015 OC Fair, social media, and the OC Fair app. She then played a recap of broadcast media.

Jason Jacobsen, OCFEC Director of Planning and Presentation, discussed technology and production efforts that goes into setting up the Fair. He also spoke about the sound monitoring teams deployed to the adjacent neighborhoods.

Richards then spoke about the popularity and success of the Neighborhood Ambassador program.

Gary Hardesty, Sound Media Fusion, spoke about sound mitigation efforts during the Fair and the sound monitoring teams. He noted that he was looking forward to further improvements to sound mitigation for 2016.

Jerry Eldridge, OCFEC Director of Facilities, spoke about the Maintenance team and all their work during the Fair.

Richards then concluded by speaking about the OC Fair Fun Run, the Cattle Drive, and the hosting of the Rott family.

Director Berardino complimented staff on the presentation.

Director Bagneris thanked staff for their efforts.

Director La Belle complimented the presentation and asked if gross revenues were down in conjunction with the decrease in attendance.

Richards answered that gross revenues were down approximately 1.5 percent. She then commented that in addition to the success of the Fair,

the year round events program contributes to the success of the property. Chair Aitken requested a list of upcoming events at OCFEC.

Director Cervantes stated that the Hispanic community is very excited about events happening at OCFEC, especially the L Festival

Vice Chair Mouet complimented the presentation and thanked staff, commenting upon the quality teamwork.

6. PUBLIC COMMENT

Reggie Mundekis spoke about the 2012 Pacific Amphitheatre Settlement and the implementation of settlement terms during the 2015 OC Fair.

Beth Refakes congratulated the Board and staff on a great Fair. She then asked about efforts to repeal ABX4 22.

Director Berardino stated that the Board should have responded quicker but was working towards the repeal of that legislation.

Chair Aitken asked that staff work with the Legislative Monitoring Committee to provide a report at the October meeting about efforts to repeal the legislation.

Director Bagneris noted that OCFEC, with the decision to hire a legislative advocate, is headed in the right direction towards repealing the legislation.

Bobby McDonald from the Black Chamber of Commerce of Orange County spoke about the Chamber's annual banquet where the OCFEC Board of Directors was honored for their efforts in creating Heroes Hall and honoring veterans.

Director Berardino and Director La Belle presented a certificate of appreciation to Bob Palazzola, Doug Bennett, and Bobby McDonald for their efforts as part of the Heroes Hall advisory committee.

7. MINUTES:

A. Board Meeting held August 27, 2015

Action Item

ACTION: Director Cervantes motioned and Director Berardino seconded to review and approve the minutes from the Board meeting held August 27, 2015. **MOTION CARRIED. AYES: Chair Aitken, Vice Chair Mouet, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, and Director Cervantes. NAYES: none. ABSTENTION: Director Ruiz**

8. CONSENT CALENDAR

- A. Standard Agreements: SA-239-15CS; SA-240-15CS
- B. Amendments : SA-14-11PS (Amend #7); SA-245-15FT (Amend #1)
- C. Interagency Agreements: none
- D. Letters of Understanding: none
- E. Rental Agreements: R-093-15; R-095-15; R-132-15; R-133-15; R-135-15; R-138-15; R-141-15; R-143-15; R-017-16; R-018-16
- F. Active Joint Powers Authority Agreements: none
- G. 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.

ACTION: Director Cervantes motioned and Director La Belle seconded to review and approve the Consent Calendar. **MOTION CARRIED.**

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

9. GOVERNANCE PROCESS:

A. Committee/Task Force/Liaison Reports

Vice Chair Mouet noted that the Centennial Farm Foundation met the prior week. He then discussed planning of fund raising efforts such as the next poker tournament and the Amazon Smile program.

Director La Belle mentioned that the Heroes Hall Foundation Board of Directors had their second meeting and had another meeting scheduled for October. The Foundation is working on setting up all their accounts as well as creating a website.

Director Berardino stated the Labor Day preview of the Workers Memorial was a wonderful event that was well attended and attracted a great media response.

B. Orange County Marketplace Rental Agreement Discussion to Amend Contract Requirements for Security Services

Kramer stated that OC Marketplace is asking to have their lease agreement amended allowing them to discontinue the use of the OC Sheriff's deputies and replace it with OCFEC Safety and Security staff.

Nick Buffa, OCFEC Safety and Security Supervisor supported the recommendation stating that the Market Place is a very low-risk event and there has been very little criminal activity in the last five or more years.

ACTION: Director Berardino motioned and Director Mouet seconded to discontinue, at the discretion of the Association, use of Orange County Sheriff Deputies (2 Deputies) to provide security services to the OC Market Place. Recommend that OCFEC Safety & Security staff (5 staff members) provide security services for each OC Market Place operating day to begin on Saturday 3 October 2015. **MOTION CARRIED. AYES: Chair Aitken, Vice Chair Mouet, Director Ruiz, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, and Director Cervantes. NAYES: none.**

C. Discussion of OCFEC Smoking Policy

Kramer introduced the item by mentioning that the Board had requested at the August meeting that staff bring back a report on the San Diego County Fair's implementation of their non-smoking policy. She then asked Buffa to present the staff report.

Buffa presented the staff report stating that San Diego's staff felt the implementation of the non-smoking policy was less problematic than anticipated. All San Diego staff is trained to work with patrons to enforce the policy in conjunction with signage and buttons. He then noted that it took a couple of years for customers to really understand the policy and they still have issues in highly congested areas such as concerts.

Chair Aitken mentioned that designated smoking areas were not as effective as hoped and supported adopting a non-smoking policy.

Jeanine Robbins spoke in opposition to any changes in the current smoking policy, noting that improvements could be made to the designated areas and that staff needs to be better educated on the policy. She noted the lack of customer complaints about smoking. She then spoke about being harassed by a Board member and staff prior to and during Fair.

Mike Robbins spoke in opposition to any changes in the current smoking policy and spoke about other risky behaviors at the Fair.

Director Berardino stated that he understood Robbins' point of view but didn't want the discussion to turn into personal attacks. He then noted that it is a privilege to do business on public property, not a right.

Director Tkaczyk stated that he was the Board member accused of harassing the Robbins. He noted that the only reason he went to their booth was because he had been invited Mr. Robbins and the discussion and his thoughts were in response to questions initiated by the Robbins.

Director Bagneris suggested tabling the discussion and possibly discussing the issue with customers and clients.

Director Berardino motioned to adopt a non-smoking policy for OCFEC produced events while allowing the sale of tobacco related products.

Vice Chair Mouet noted that the idea of a non-smoking event is not a radical idea and seconded the motion.

Daniel Robbins noted that while he dislikes smoking, he feels that the Board should focus on other issues.

Director La Belle stated that he supported the motion but requested the signage be maximized and the policy be communicated in all marketing materials.

Director Ruiz as a smoker spoke in support of the motion.

ACTION: Director Berardino motioned and Director Mouet seconded to ban smoking at all OCFEC produce events while permitting the sale of tobacco products **MOTION CARRIED. AYES: Chair Aitken, Vice Chair Mouet, Director Ruiz, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, and Director Cervantes. NAYES: none.**

Chair Aitken adjourned the meeting at 11:51 a.m. The meeting resumed at 12:30 p.m.

D. Discussion of Construction Management Options

Director La Belle asked that this item be tabled until the Board discusses the 2016 Capital Projects budget.

E. Board of Directors Nominating Task Force Recommendation and Election of Board Officers

Director Tkaczyk, on behalf of the Nominating Task Force, presented the recommendation of Director Mouet as Board Chair and Director Berardino as Vice Chair for 2015-2016.

ACTION: Director Cervantes motioned and Director Ruiz seconded to review and approve the Nominating Task Force recommendations for Gerardo Mouet as Board Chair and Nick Berardino as Vice Chair of the Board of Directors for 2015 – 2016. **MOTION CARRIED. AYES: Chair Aitken, Vice Chair Mouet, Director Ruiz, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, and Director Cervantes. NAYES: none.**

F. Pacific Amphitheatre Seat Replacement Project

Kramer asked that the item be moved the October Board meeting.

Chair Aitken then moved Item 9H ahead in the discussion.

H. Discussion of Policy Prohibiting the Formation of Separate Legal Entities

Director Bagneris presented the recommendation, stating that she would like to see the Board continue to handle the business of the 32nd DAA per the guidelines that are already in place.

Director LaBelle stated that he understood that the Board had certain responsibilities when managing the property and couldn't envision the need to create further Foundations but didn't want to limit the abilities of later Boards. He motioned to direct staff and legal counsel to develop separate MOUs for the Centennial Farm Foundation and for the Heroes Hall Foundation that clearly sets forth the responsibilities of both the District and the Foundations.

Discussion ensued.

Beth Refakes spoke in opposition to Director Bagneris' recommendation.

Reggie Mundekis spoke in opposition to Director Bagneris' recommendation.

ACTION: Director La Belle motioned and Director Mouet seconded to direct staff and legal counsel to develop separate MOUs for the Centennial Farm Foundation and for the Heroes Hall Foundation that clearly sets forth the responsibilities of both the District and the Foundations. **MOTION CARRIED. AYES: Chair Aitken, Vice Chair Mouet, Director Ruiz, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, and Director Cervantes. NAYES: none.**

G. Approval of Proposed Design Development Concept and Project Construction Estimate for Heroes Hall

Richards presented the staff report and recommendation.

Chair Aitken asked that the Board have a chance to look at the Enhanced Worker Safety Policy and any prequalification process that might be necessary.

ACTION: Director Bagneris motioned and Director Cervantes seconded to approve the design development concept and project construction estimate for Heroes Hall. **MOTION CARRIED. AYES: Chair Aitken, Vice Chair Mouet, Director Ruiz, Director La Belle, Director Tkaczyk, Director Berardino, Director Bagneris, and Director Cervantes. NAYES: none.**

Director Berardino voted yes in the name of Sonnie Sintino, Ernie Mitchell, Paul Hahn, Romiro Cardinas, and Jan Rousse.

10. CLOSED SESSION

Chair Aitken adjourned to Closed Session at 12:58 p.m. and the meeting resumed at 2:10 p.m.

Chair Aitken announced that there was nothing to report out of Closed Session.

11. BOARD OF DIRECTORS MATTERS OF INFORMATION

Chair Aitken congratulated Vice Chair Mouet and Director Berardino on their election to Chair and Vice Chair. She then thanked staff for a great recap presentation.

Director Berardino complimented Chair Aitken on a great job and thanked his fellow Board members for electing him Vice Chair.

Director Ruiz thanked Chair Aitken for her leadership and congratulated Vice Chair Mouet and Director Berardino. He then complimented staff on doing a great job.

Vice Chair Mouet thanked Chair Aitken for doing a great job and thanked his fellow Board members for selecting him. He looked forward to working with Director Berardino.

Director Tkaczyk thanked staff for an excellent Fair. He then asked McDaniel when the Board would see final numbers for the 2015 OC Fair.

Kramer stated that staff will have numbers by the next meeting in October.

Director Bagneris thanked staff, welcomed McDaniel, and stated that is looking forward to working with Vice Chair Mouet and Director Berardino.

Director LaBelle congratulated Chair Aitken and all his fellow board members. He then congratulated all the staff on all of their hard work.

Kramer stated there is 266 days to the next fair for next year 2016.

12. NEXT BOARD MEETING: THURSDAY, OCTOBER 22, 2015

13. ADJOURNMENT

Meeting adjourned at 2:17 p.m.

Ashleigh Aitken, Chair

Kathy Kramer, Chief Executive Officer