

MEETING OF THE OCFEC BOARD OF DIRECTORS
32nd DISTRICT AGRICULTURAL ASSOCIATION

Held on: Thursday, December 17, 2015

Reported by: Janet M. Taylor
CSR No. 9463
Certified Realtime Reporter
Registered Merit Reporter

1 Meeting of the OCFEC Board of Directors,
2 reported by Janet M. Taylor, a Certified Shorthand
3 Reporter for the State of California, with principal
4 office in the County of Orange, commencing at 9:06 a.m.
5 and ending at 11:28 a.m., Thursday, December 17, 2015,
6 in the Administration Building, Orange County
7 Fairgrounds, Costa Mesa, California.

8
9 APPEARANCES OF BOARD MEMBERS:

10 Gerardo Mouet, Board Chair
11 Nick Berardino, Vice Chair
12 Ashleigh Aitken, Member
13 Barbara Bagneris, Member
14 Douglas La Belle, Member
15 Robert Ruiz, Member
16 Stanley Tkaczyk, Member

17 STAFF:

18 Kathy Kramer, CEO
19 Debbye McDaniel, Interim VP, Finance & Administration
20 Jerry Eldridge, Director of Maintenance & Operations
21 Joan Hamill, Director of Community Relations
22 Jessica Zimmerman, Board Clerk

23 APPEARANCE OF COUNSEL:

24 OFFICE OF THE CALIFORNIA ATTORNEY GENERAL
25 BY: DEBORAH FLETCHER, ESQ.
BY: JOSHUA CAPLAN, ESQ.
600 West Broadway
Suite 1800
San Diego, California 92186-5266
(619) 645-2070
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26 PUBLIC SPEAKERS:

27 Beth Refakes
28 Q
29 Reggie Mundekis

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Thursday, December 17, 2015

Costa Mesa, California

9:06 a.m. - 11:28 a.m.

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BOARD CHAIR GERARDO MOUET: I'll call this meeting to order. Good morning, everyone. It's a pleasure to be here. We're going to have a good Board Meeting, focusing on our great mission here above us.

I'd like to see if everyone can stand and perhaps, maybe, Barbara, you can lead us with the Pledge of Allegiance.

(Pledge of Allegiance conducted.)

BOARD CHAIR GERARDO MOUET: Thank you, all.

Thank you, Barbara.

Jessica, could you do roll call, please.

(Roll call conducted by Board Clerk Jessica Zimmerman.)

BOARD CHAIR GERARDO MOUET: Thank you. I know that later on we'll probably formally excuse Sandra. She's vacationing in Mexico. Very jealous.

So we are -- it's my pleasure to call upon our CEO for her Operational Announcements and Updates.

MS. KATHY KRAMER: All right. Thank you.

Good morning. Glad to see all the festivity

1 in our audience, so we're all getting anxious for the
2 Christmas holiday.

3 I'd like to welcome Josh Caplan. Josh is at
4 our meeting this morning. Josh is with the District
5 Attorney's office, and he's going to be working with --

6 MS. DEBORAH FLETCHER: Attorney General.

7 MS. KATHY KRAMER: Attorney General. Sorry about
8 that. Whoa, whoa.

9 VICE CHAIR NICK BERARDINO: D.A.?

10 BOARD CHAIR GERARDO MOUET: We apologize.

11 MS. KATHY KRAMER: That's what happens when I
12 read the news before I talk. Okay. So he's with
13 Deborah's office, and he's going to be working with
14 Deborah. She's going to be leaving us in --

15 MS. DEBORAH FLETCHER: A little over a year.

16 MS. KATHY KRAMER: -- a little over a year. So
17 Josh will be coming. We had an opportunity to show Josh
18 the overview fair -- map of the fair, and he's pretty
19 excited to bring his young children back over the summer
20 for the fair.

21 So we look forward to working with you and
22 seeing more of you, Josh. Thank you.

23 MR. JOSH CAPLAN: Thank you.

24 BOARD CHAIR GERARDO MOUET: Welcome, Josh.

25 MS. KATHY KRAMER: Yes.

1 BOARD CHAIR GERARDO MOUET: This is the world's
2 best fair.

3 MS. KATHY KRAMER: Just ask us. We'll tell you.

4 MS. DEBORAH FLETCHER: Hands down. Hands down.

5 MS. KATHY KRAMER: If you'll notice, there's an
6 empty seat. Well, Josh is now occupying it. But
7 Michele Richards, our VP of Business Development, will
8 not be joining us today. She was called for jury duty
9 earlier this week, so that's what she is doing. So she
10 sends her regrets and seasons greetings.

11 In her absence, I would like to -- I'd like
12 to share with everyone some of the events that we're
13 hosting in January. Immediately starting in January, we
14 have Bridal Expo. We're doing the Corona Del Mar High
15 School Winter Festival. It's formal.

16 We're doing the Crossroads of the West Gun
17 Show. We've got another Fight Night OC. We've got a
18 Ride and Drive with the Toyota Company, Winter Wonder
19 Sports Association, Girl Scout cookie delivery. And I
20 think this notes -- I was talking to staff. You'll
21 appreciate this, Ashleigh. Maybe you will be one of the
22 800-plus staff. They're anticipating 38 semis of Girl
23 Scout cookies at our distribution center.

24 DIRECTOR ASHLEIGH AITKEN: I will be there as
25 part of the megadrop.

1 MS. KATHY KRAMER: All right. Part of the
2 megadrop.

3 DIRECTOR ASHLEIGH AITKEN: I am my troop's cookie
4 mom.

5 MS. KATHY KRAMER: Well, we certainly -- it's a
6 testament to Orange County liking and supporting the
7 Girl Scout program. So 38 semis, and that's -- if you
8 want to lend Ashleigh a hand, that's on January 22nd.

9 So the Southern Cal. World Guitar Show, the
10 Great Train Expo, and Huntington Beach High School
11 Winter Formal are the highlight of events that we're
12 doing in January. So just get through the Christmas
13 season, and we're off and running for an active 2016.

14 At this time, I would like to ask Debbye
15 McDaniel, Interim VP of Finance, to provide a recap of
16 November financials.

17 MS. DEBBYE MCDANIEL: Good morning. As you can
18 see, as of November 30th, cash on hand is a little over
19 2.8 million, investments slightly in excess of
20 31 million, total net cash is 34 million. We're still
21 in very good shape.

22 Kathy, do you have the --

23 MS. KATHY KRAMER: Jessica can forward it.

24 MS. DEBBYE MCDANIEL: Thank you.

25 These are November -- year-to-date November

1 results. I thought we would -- even though we're
2 focusing largely on the budget, we thought we would also
3 review our monthly financials.

4 Year-to-date revenue is just -- just under
5 39 million, expenses just under 32 million, for a net
6 income of 6.9 million, almost 7 million. We budgeted
7 \$2 million as our net -- year-to-date net income, which
8 puts us almost 5,000 -- \$5 million over budget.

9 What does that mean? It means that our
10 budget wasn't realistic. As we're going into the --
11 (indiscernible) -- it's time to point out, I think, that
12 we're 240 percent overbudget on net income because we
13 use that rolling average.

14 You'll see our 2016 -- starting in 2016,
15 because we're using a realistic budget from the bottom
16 up methodology, we'll have realistic budgets as opposed
17 to theoretical.

18 And that's all I have. I'll turn it back to
19 Kathy.

20 MS. KATHY KRAMER: Thank you, Debbye.

21 Any questions or comments regarding the
22 financials?

23 The Western Fair Association's convention is
24 in Anaheim this year. The dates are January 4th through
25 6th. On Tuesday, January 5th, we're going to be hosting

1 a hospitality suite immediately following the awards
2 dinner, and you all are invited. The focus of the
3 hospitality will be several things:

4 To unveil our 2016 "Get Your Fair Face On"
5 fair theme, we're going to celebrate the upcoming
6 groundbreaking for Heroes Hall. We'll have some -- our
7 friends from Spectra are donating food, and wine and
8 beverages will be donated by the OC Wine Society.

9 In the spirit of Heroes Hall, the Swing Cats,
10 a 1940s swing group, will perform from 9:30 to 10:30.
11 Guests will also be able to have fun with "Get Your Fair
12 Face On" photo opportunities.

13 FEMALE SPEAKER: I'm sorry. What time was that
14 at?

15 MS. KATHY KRAMER: 9:30 to 10:30 on Tuesday,
16 January 5th.

17 VICE CHAIR NICK BERARDINO: Is that 9:30 to 10:30
18 in the morning?

19 MS. KATHY KRAMER: That would be p.m., Director
20 Berardino. We'll send photos and video.

21 VICE CHAIR NICK BERARDINO: What time does it
22 start?

23 MS. KATHY KRAMER: 9:30.

24 VICE CHAIR NICK BERARDINO: The hospitality?

25 MS. KATHY KRAMER: The hospitality will be

1 immediately following the awards dinner. I would guess
2 maybe 8:00-ish or so. We can get that time -- exact
3 time for you. It's on that Tuesday of the convention.
4 So hope everyone has a chance to be there.

5 Our legislative representative firm,
6 Gonsalves & Sons, provided their monthly activity update
7 around the -- getting the AB4X22 repealed. They have
8 drafted and presented proposed language changes to this
9 legislation to the State Department of Finance.
10 Gonsalves will continue working with them to get this
11 incorporated in the upcoming state budget.

12 Final interviews for the VP of Finance and
13 Administration will be conducted next week, and Board
14 Chair Mouet has agreed to participate as part of the
15 interview panel.

16 I also want to thank Debbye McDaniel for her
17 service in assisting the association the past several
18 months. It's never easy coming into -- in an interim
19 position, and we appreciate all her help and expertise
20 in helping us prepare the 2016 budget and working with
21 the team. So thank you, Debbye.

22 (Applause.)

23 MS. KATHY KRAMER: And last, but not least, I did
24 get my Christmas present early. I'm happy to share with
25 you that our new VP of Operations will be joining our

1 team in January. His name is Ken Karns. He is from
2 London, Canada -- that is Canada -- where he is director
3 of facilities for Western Fair Association. It is a
4 multifacility complex very similar to our operations,
5 albeit they do have -- they're one of the larger
6 horse-racing locations in the Canadian market.

7 He has over 25 years of venue operations,
8 including extensive master planning, construction
9 experience, safety and security, fair management, and
10 holds a CFE designation from the International Fair and
11 Exhibits Association. He's going to officially join the
12 team on January 25th.

13 So I want to thank Director Tkaczyk. He sat
14 on that panel, as well, in the pursuit of finding the
15 right candidate. So thank you for helping us.

16 I also want to thank the Board for their
17 support and guidance the past 12 months. It was a year
18 ago December that I was officially welcomed to the
19 organization, sitting on that side of the table. So
20 thank you. It's been a fantastic year. I can't wait to
21 dig in with all the new changes, the reinvestment and
22 the new team.

23 And I also want to wish everyone a special
24 holiday season. Take time to reflect, connect, and
25 recharge. It's certainly on my list.

1 That concludes my report.

2 BOARD CHAIR GERARDO MOUET: Thank you. Thank
3 you, Kathy.

4 It's time now for Matters of Public Comment.
5 I have three cards. And one is connected to an agenda,
6 and that one I'll hold till that item -- governance
7 item. And the other two are general -- specific, but
8 they're not agenda items. Let me call first on the list
9 Beth Refakes.

10 Good morning.

11 MS. BETH REFAKES: Good morning. Beth Refakes,
12 Costa Mesa resident. I wanted to thank Ms. Kramer for
13 giving us an update on the legislation because that has
14 been a consistent -- I know I've brought that issue up
15 several times. So thank you for incorporating that into
16 your monthly report.

17 The -- one thing I did want to talk about is
18 at a previous meeting, there was some discussion about
19 discontinuing the Crossroads of the West Gun Show, and
20 I'm happy to see that you have signed a contract with
21 them for the January show.

22 But I think that this issue needs to be
23 discussed in a public forum and not -- my concern is
24 that it's just going to somewhere go away. They've been
25 a good tenant. There haven't been any problems or

1 anything in all the years that they've been here, they
2 follow the law, and I think they generate a considerable
3 amount of revenue for the fairgrounds.

4 So I would hope that we would be able to have
5 a discussion as this is a public venue so that you can
6 receive input from the public. And I know there's
7 concerns about the guns in view of the San Bernardino
8 issue. But from what I understand about it, nothing
9 having to do with the gun show here would have changed
10 anything. So I hope that you will consider that in the
11 future.

12 And I'd like to wish all of you a merry
13 Christmas and a happy New Year. And there's a lot of
14 things to be worked on for next year, so I hope that we
15 can move forward and everybody can -- you know, the
16 public will have -- be able to have as much input.

17 I think you've been more than fair in
18 allowing the residents to speak their mind and take
19 action based on a lot of residents' input. Thank you
20 very much.

21 BOARD CHAIR GERARDO MOUET: Thank you, Beth.

22 The next person's name is Q. Is there a Q?

23 Q: I know I'm not unknown to you, but just for
24 this, I would like to remain anonymous.

25 But if I -- on the side, this is the best

1 fair in the world, and the fairgrounds are the best in
2 all the state. So we're getting better. And
3 congratulations on your first year.

4 I wasn't here for November. But I did read
5 the report and the transcripts, and I'd like to start
6 with Nick. There is no way that I can imagine the
7 horrors of war that you experienced in Vietnam. Not
8 even going to try. I can only show my gratitude for you
9 and for the men and women who volunteer by supporting
10 veteran services, and over the years I've done my best
11 to do so.

12 It's not easy. PTSD, shell shock, battle
13 fatigue, soldier's heart, it's -- it's very serious, and
14 it affects deeply. But it also affects survivors of
15 other traumas, assaults and violence and things like
16 that. It especially affects children under ten when
17 they see things or experience things in their life. So
18 it's -- it's a many varied thing, and those experiencing
19 PTSD handle them -- handle their experiences in many
20 different ways.

21 I've discussed the PTSD of veterans with
22 chaplains and psychologists and even my own priest, you
23 know, in an effort to help veterans and just talking
24 with them and, you know, trying to get a good grasp of
25 what it means and how to handle it.

1 Each individual must find their own peace.
2 Some do it by avoiding guns. I have no problem with
3 that. But there are some that do it by embracing them.

4 I'm also a CERT volunteer. That stands for
5 Citizens Emergency Response Team. I'd like to say that
6 the gun show offers more than just guns. They offer
7 classes. They offer legal information. There are
8 supplies for what people call preppers. But sometimes
9 just being prepared helps people with their peace of
10 mind.

11 You know, so learning about these things,
12 handling these things, you know, it's more than just
13 guns. There's also memorabilia. I happen to be an
14 aficionado of collecting memorabilia. My -- my history
15 is my father was at Pearl Harbor as a child. My
16 husband's history goes back through the Indian Wars.
17 And we do have some family memorabilia, and we collect
18 other things that have to do with just the things that
19 made our country great.

20 There are also there veteran support services
21 and veteran-owned businesses. One of the support
22 services is Patriot Paws. I met Penny there and watched
23 her company grow, her services grow, and it's
24 outstanding, you know.

25 With over 13,000 attendees at each show, I

1 don't need to convince you of the camaraderie that these
2 shows offer.

3 As far as people that stack up on ammo and
4 things like that, I just want to let you know for people
5 that may not be used to what it takes is -- it's not
6 like bowling. When you -- when you're at the range and
7 you're practicing, your ammo doesn't come back to you.
8 You -- you expend it.

9 So to be prepared and to be a good handler of
10 your weapon and things like that, you need to practice.
11 You really do. And, you know, it's not uncommon to take
12 a hundred rounds for each of your weapons. It's not
13 uncommon to have two different calibers, say, of a
14 handgun and then to practice with a long gun.

15 So a hundred rounds each weapon for each
16 caliber each week, that can be up to 300 a week, 1200 a
17 month, or 3600. That's your ammo for every three
18 months. The gun show's only five times a year. You got
19 to buy a lot of ammo because you're going to go broke
20 otherwise.

21 You know, that's one thing that the gun show
22 offers is the ability to have these things on hand.
23 So -- and that's just one person. You know, there's
24 more than one person in my household. So, yeah, we buy
25 it by the case. Does it seem like we're gun nuts? I

1 like to say that we're being responsible. You know, if
2 we're gonna have these things, we need to practice and
3 we need to know these things. So it's -- that's
4 important. It's -- it's a misconception.

5 As for your -- your mission, your heritage,
6 I'll remind you that this -- this fair sits on the land
7 that was the Santa Ana Army Air Base. This land was a
8 training base for World War II. This is -- this is a
9 heritage.

10 Now, the Crossroads has been here for 29
11 years. They have complied with all the laws for 29
12 years. They have kept up with every change that
13 California has implemented over 29 years, and it's been
14 a lot. I can't keep up with it. There have been no
15 incidents. That doesn't guarantee in the future that
16 there will be no incidents. But, you know, I think that
17 that -- their reputation speaks for themselves.

18 I just want you to consider these things as
19 you go forward. You know, I was very concerned with the
20 transcripts that I read of November, and I'd like you to
21 support the gun show and continue it and go to the gun
22 show and see what it's like. It's not -- it's not just
23 a bunch of crazy people like people like to say.

24 BOARD CHAIR GERARDO MOUET: Thank you, Q.

25 Yes, Nick?

1 VICE CHAIR NICK BERARDINO: In response to the
2 public comment, let me just say I mean I get it. I mean
3 I have friends who -- and particularly in the veteran
4 community, it's, as you know, controversial among vets.
5 I mean there are two very separate camps about guns.
6 And -- and both camps are -- in the veteran community
7 are pretty vociferous about their views.

8 And the thing about -- and the thing about
9 guns, you know, setting the whole gun thing aside, my
10 concern was and is -- is about the compliance with the
11 State of California. You have people going into gun
12 shows. Some gun shows they are not allowed to here in
13 California. But guns are somewhat -- well, not just
14 controversial, but I think we need to study them more,
15 we need to understand more, and we need to understand
16 how some folks are getting around some of the California
17 laws.

18 One thing that I -- was just brought to my
19 attention that I just learned about in relation to guns
20 was there is a -- a -- I think our lawyer's coming over
21 here to say "Shut up, Nick. You're done with the public
22 comment." One thing that --

23 BOARD CHAIR GERARDO MOUET: You're a mind reader.

24 VICE CHAIR NICK BERARDINO: Just one thing.

25 BOARD CHAIR GERARDO MOUET: You're right on.

1 VICE CHAIR NICK BERARDINO: Okay. Well, I'm
2 done. But at some point, I'll explain to you --

3 BOARD CHAIR GERARDO MOUET: Let me -- let me say
4 this. I think your continuation of your comments, and
5 Deborah can comment on this, can continue during your
6 Board of Directors Matters of Information as --

7 MS. DEBORAH FLETCHER: Probably best to agendize
8 it because I understand this is an important --

9 BOARD CHAIR GERARDO MOUET: Well, let me -- let
10 me finish my statement.

11 MS. DEBORAH FLETCHER: Sure.

12 BOARD CHAIR GERARDO MOUET: Because at the last
13 Board Meeting, I said that I was going to go to the gun
14 show. And I did. So I'm going to report on my findings
15 but at the Directors Matters of Information because I
16 said I was going to do that. It's in part of the
17 transcripts. And I'm a person of my word. And, in
18 fact, I met the owners, and I'm going to talk about it,
19 but not now. Not now.

20 MS. DEBORAH FLETCHER: Sounds good.

21 BOARD CHAIR GERARDO MOUET: And I think I'll
22 welcome questions, you know, from my colleagues.

23 But thank you, Q. And thank you, Nick. And
24 thank you, Deborah. I think it's a very good point.
25 I'm glad you do your job well, Deborah.

1 MS. DEBORAH FLETCHER: Thank you.

2 BOARD CHAIR GERARDO MOUET: I appreciate it.

3 Okay. So our next item is the minutes of the

4 November 19th meeting. Any questions if you had a

5 chance to review them. If you have not, I'm open for a

6 motion.

7 DIRECTOR DOUGLAS LA BELLE: Move the minutes.

8 DIRECTOR ROBERT RUIZ: Second.

9 BOARD CHAIR GERARDO MOUET: Thank you. The -- I

10 think we have to do a call for the vote.

11 BOARD CLERK JESSICA ZIMMERMAN: Board Chair

12 Mouet?

13 BOARD CHAIR GERARDO MOUET: Yes.

14 BOARD CLERK JESSICA ZIMMERMAN: Vice Chair

15 Berardino?

16 VICE CHAIR NICK BERARDINO: Yes.

17 BOARD CLERK JESSICA ZIMMERMAN: Director Aitken?

18 DIRECTOR ASHLEIGH AITKEN: Yes.

19 BOARD CLERK JESSICA ZIMMERMAN: Director Tkaczyk?

20 DIRECTOR STAN TKACZYK: Yes.

21 BOARD CLERK JESSICA ZIMMERMAN: Director

22 La Belle?

23 DIRECTOR DOUGLAS LA BELLE: Yes.

24 BOARD CLERK JESSICA ZIMMERMAN: Director

25 Bagneris?

1 DIRECTOR BARBARA BAGNERIS: Yes.
2 BOARD CLERK JESSICA ZIMMERMAN: Director Ruiz?
3 DIRECTOR ROBERT RUIZ: Yes.
4 BOARD CHAIR GERARDO MOUET: The motion passes.
5 Thank you very much. Minutes are approved.
6 And our next item is the -- the Consent --
7 Consent Calendar. Are there any questions or any items
8 that you -- anybody wishes to pull from the Consent
9 Calendar? If not, I'm open to a motion.
10 DIRECTOR STAN TKACZYK: So moved.
11 BOARD CHAIR GERARDO MOUET: Stan.
12 And second over here --
13 DIRECTOR ROBERT RUIZ: Second.
14 BOARD CHAIR GERARDO MOUET: -- by Robert. Very
15 good.
16 Jessica, if you can do the vote.
17 BOARD CLERK JESSICA ZIMMERMAN: Yes.
18 Board Chair Mouet?
19 BOARD CHAIR GERARDO MOUET: Yes.
20 BOARD CLERK JESSICA ZIMMERMAN: Vice Chair
21 Berardino?
22 VICE CHAIR NICK BERARDINO: Yes.
23 BOARD CLERK JESSICA ZIMMERMAN: Director Aitken?
24 DIRECTOR ASHLEIGH AITKEN: Yes.
25 BOARD CLERK JESSICA ZIMMERMAN: Director Tkaczyk?

1 DIRECTOR STAN TKACZYK: Yes.

2 BOARD CLERK JESSICA ZIMMERMAN: Director

3 La Belle?

4 DIRECTOR DOUGLAS LA BELLE: Yes.

5 BOARD CLERK JESSICA ZIMMERMAN: Director

6 Bagneris?

7 DIRECTOR BARBARA BAGNERIS: Yes.

8 BOARD CLERK JESSICA ZIMMERMAN: Director Ruiz?

9 DIRECTOR ROBERT RUIZ: Yes.

10 BOARD CHAIR GERARDO MOUET: Great. Thank you.

11 Moved and passes. Appreciate it.

12 And now we're going into our Governance

13 Process. And the Committee/Task Force/Liaison Reports,

14 I do have a quick little update on Centennial Farm

15 Foundation Board, but I also wanted to pause here to

16 mention to all my colleagues and hopefully relay this to

17 Sandra that I'll be talking to Kathy about the

18 committees.

19 And usually, if you recall every year, there

20 might be a desire by -- by members of the Board to --

21 to -- "I want to join this committee" or, you know, "I

22 want to do this" or that kind of changes. So you can

23 reach out to me. You can express at any given time any

24 kind of desire.

25 Also, some of you may have because of your

1 experience and what you're working on a desire to
2 contemplate the creation of a new committee. I'm open
3 for that. I just want to let you know that I do have a
4 very quick little update on Centennial Farm Foundation.
5 But is there any questions on that? Because it's the
6 time to do this, you know, as we start the year.

7 The -- did I do something wrong?

8 MS. DEBORAH FLETCHER: No.

9 BOARD CHAIR GERARDO MOUET: Okay.

10 DIRECTOR BARBARA BAGNERIS: She'll send you a
11 note.

12 BOARD CHAIR GERARDO MOUET: I work in my day job
13 with a city attorney, and I tend to not look at her. I
14 have a great city attorney.

15 Anyway, the Centennial Farm Foundation, they
16 started getting into -- I'm a member of the Board, and
17 they meet the same day that the Fair Board meets in the
18 afternoon. And I'm going to their meeting this
19 afternoon.

20 They started talking about just some details
21 and issues and communication issues with the Fair and
22 Events Center, and I -- and that's why I reminded them
23 why I think it's going to be a good thing when we have a
24 memorandum of understanding, because there's going to be
25 more clarity with regards to roles and responsibilities

1 and obligations. So I -- I've mentioned it to them.

2 And so at a certain point, Kathy, if you
3 could share with me -- not now, you don't have to, but
4 an update on when they're -- when we think we're going
5 to, if we haven't already, reach out to them and start
6 working on that because they'll probably ask me, you
7 know, because I've been telling them it's coming.

8 And that's -- they're a great bunch of
9 volunteers, and they care deeply about agriculture and
10 the farm. And most of them are in the agricultural
11 industry, in fact.

12 And with that, unless there's any other
13 issues on committees or task force, I'll move to our
14 next governance issue, and at -- which is 9B, the review
15 and approval of Financial Monitoring Committee
16 recommendation regarding hourly rates for 23-day
17 seasonal fair-time positions.

18 At this time, I want to thank Kathy and
19 Debbye and the rest of the team that did a great
20 presentation last Friday, and I want to thank the
21 members of the public that were there. I really want to
22 thank the members of the public that are also my
23 colleagues from the Board. Many of you were there. I
24 thought it was a really good discussion, and now we're
25 going to review that discussion from last Friday from

1 the finance committee.

2 So take it away, Kathy.

3 MS. KATHY KRAMER: Great. Thank you, Board Chair
4 Mouet.

5 This started, if you'll recall, at the
6 November 17th Board Meeting. We were asked to do some
7 additional research around this matter and come
8 up with -- we had presented several models of ways that
9 we could not only compensate hourly but reward our
10 23-day fair-time employees.

11 Jessica, would you put the slide for 23?
12 Thank you.

13 And the top model was a model that we had
14 presented initially in the November meeting. We came
15 back with Model B. We -- the thought process behind
16 Model B was that it was in alignment with our Civil
17 Service.

18 As you know, we cannot provide -- we cannot
19 provide rate increases outside of the pay bands unless
20 they're passed on from the state. In 2015 and '14,
21 there was -- and '14 a 2 percent increase for Civil
22 Service and in '15 a 2.5.

23 So with that model, we took and put it into a
24 real-life scenario. So that said, would it makes sense
25 on the longevity model, which we were trying to reward

1 our folks for tenure, as well as provide some merit
2 increases, again, compliance with the minimum wage.

3 If you can just take a quick look. If you
4 look, Model A, the longevity models, if you've got a
5 ticket seller, which is a 23-day employee, making \$9.50,
6 returning to work and it's his fifth fair, based on the
7 combination of moving in to meet the California minimum
8 wage increase and his longevity, he would be making
9 \$1.50 an hour more in '16. This is a 16 percent
10 increase.

11 If you took the model that paralleled what
12 the Civil Service annual COLA increases, it would
13 take -- the same ticket seller in this scenario would
14 not reach \$11 until the year 2015.

15 This matter was discussed with Chair Mouet
16 last -- last week in length at the budget study session,
17 and I have to say there was a general consensus that it
18 made the most sense to move forward with the Model A
19 because we're not able to do any increases in our Civil
20 Service ranks in doing that.

21 And on a side note, the budget was built on
22 that longevity model. And historically, I believe it's
23 been four to six years that our 23-day employees have
24 had any -- have had any pay increases. I think I've
25 shared in a couple previous meetings that that was -- as

1 I wandered through the fair, that was top of mind for
2 them, especially folks that have been with the fair for
3 a long time, when are we going to have some longevity
4 bands.

5 So as you can see, the other -- Jess, would
6 you put the next slide, please?

7 There was also some conversation about just
8 generally what would happen if we would increase the
9 rates across the board, say, move them to a 13,
10 \$15-an-hour rate, you know, as opposed to the required
11 new minimum wage.

12 We did not go through that very laborious
13 exercise in light of the fact if you look -- by doing
14 that, that would align our 23-day employees in the same
15 pay bands as -- as a significant part of our year-round
16 staff. So we did not continue on with that -- with that
17 exercise.

18 So I'll open it up for questions or comments
19 on this --

20 BOARD CHAIR GERARDO MOUET: Yeah. Let me --
21 thank you, Kathy. Thank you for the presentation.

22 Before opening it up for questions from the
23 Board, I want to call on Reggie because you had
24 submitted a card on this item for public comment on 9B.
25 Thank you.

1 MS. REGGIE MUNDEKIS: Yes. Thank you, and good
2 morning. And thank you for giving people raises. It's
3 much deserved. It's been a long time coming.

4 And I want to take this as an opportunity to
5 raise awareness of another issue that impacts wages at
6 the fairgrounds. It's the use of H-2B visas by carnival
7 companies and concessionaires. It's a very common
8 practice in this industry to bring over workers from
9 overseas as temporary workers.

10 And there has been discussion about how much
11 money the concessionaires and carnival people make, and
12 this -- and the use of H-2B visa workers is a way of
13 keeping those wages low and also creates essentially
14 disposable workers. Because if you bring up any issue
15 about your job, even if it's as minor as scheduling or
16 workplace violations, health and safety things, you're
17 just put on an airplane home.

18 The industry that uses these visas sees the
19 fact that they now have to pay for workers to send them
20 home and here, they see that as a detriment to their
21 industry.

22 It's -- so I just have some quick information
23 you guys can look at that shows how RCS brings over
24 people from South Africa and participates in the H-2B
25 visa program. There's also Taken for a Ride migrant

1 worker in the U.S. fair and carnival industry.

2 And also, at the Western Fairs convention on
3 January 5th, there's a seminar called laboring over
4 temporary labor where H-2B visas are one of the items up
5 for discussion. So I'll just hand these over.

6 So thank you, guys, very much, and thanks for
7 your work on this issue.

8 BOARD CHAIR GERARDO MOUET: Thank you, Reggie.

9 Let me ask my colleagues if there's any
10 questions or comments on 9B on the presentation that
11 Kathy just provided.

12 As Kathy mentioned, it was a general
13 consensus towards Model A and, in fact, formerly Barbara
14 and I voted -- recommended that as the Finance
15 Monitoring Committee. So if there's no questions, I'm
16 open for a motion.

17 DIRECTOR BARBARA BAGNERIS: I move that we accept
18 Model A.

19 DIRECTOR STAN TKACZYK: Second.

20 BOARD CHAIR GERARDO MOUET: It's been made by
21 Barbara, second by Stan. If I can get a vote call,
22 please?

23 BOARD CLERK JESSICA ZIMMERMAN: Board Chair
24 Mouet?

25 BOARD CHAIR GERARDO MOUET: Yes.

1 BOARD CLERK JESSICA ZIMMERMAN: Vice Chair
2 Berardino?

3 VICE CHAIR NICK BERARDINO: Yes, with a
4 congratulatory note to the committee that worked -- the
5 Board committee and staff that worked on it, Gerardo and
6 Barbara. I mean their stuff was just marvelous.
7 So yes.

8 BOARD CHAIR GERARDO MOUET: Thank you.

9 DIRECTOR BARBARA BAGNERIS: Thank you.

10 BOARD CLERK JESSICA ZIMMERMAN: Director Tkaczyk?

11 DIRECTOR STAN TKACZYK: Yes.

12 BOARD CLERK JESSICA ZIMMERMAN: Director Aitken?

13 DIRECTOR ASHLEIGH AITKEN: Yes.

14 BOARD CLERK JESSICA ZIMMERMAN: Director
15 La Belle?

16 DIRECTOR DOUGLAS LA BELLE: Yes.

17 BOARD CLERK JESSICA ZIMMERMAN: Director
18 Bagneris?

19 DIRECTOR BARBARA BAGNERIS: Yes.

20 BOARD CLERK JESSICA ZIMMERMAN: Director Ruiz?

21 DIRECTOR ROBERT RUIZ: A big yes.

22 BOARD CHAIR GERARDO MOUET: Thank you so much.

23 Now our next item is very exciting. It's --
24 you can't operate without a budget and --

25 (Multiple overlapping speakers.)

1 BOARD CHAIR GERARDO MOUET: The -- I think we had
2 a great budget study session last Friday, and I think it
3 was a good reminder to me that we're really -- we're
4 only as good as our people. And putting our resources
5 in -- in our folks is really the -- a very wise thing
6 that we just took an action on that, for example.

7 And then also on our -- on our land,
8 150 acres, it's -- it's -- it's people like doing things
9 and at this site are visiting the fair because we take
10 good care of it. And to take good care of it, we need
11 to make sure that we invest.

12 And so I think those were the two themes that
13 came out with regards to the budget session. I want to
14 pass it over to Kathy so she can share with you and the
15 public the 2016 budget, and we can consider approving
16 it.

17 MS. KATHY KRAMER: Great. Thank you.

18 Again, I appreciate all the help from the
19 Board subcommittee and staff and our audience on this
20 journey. It's been the last couple months that we
21 certainly have been working on this collaborative
22 process.

23 As Chair Mouet commented, the 2016 budget is
24 about reinvesting into the organization to prepare for
25 that future growth. This reinvestment was a foundation

1 around building this year's budget focusing on four key
2 areas: People, processes, programming, and technology.

3 And our people, we'll talk about this in more
4 detail. Jessica, would you -- I'm going to grab the
5 clicker from you, if I may. Thank you.

6 Our people. There we go. Reinvesting in our
7 people. We've added to the 2016 budget a request for
8 additional Civil Service staff to support the
9 organization's growth and future opportunities. It's
10 been since 2008 that we've added any new Civil Service
11 head count to our ranks.

12 Programming. At a time when many fairs are
13 being criticized for shrinking their ag. education
14 programs, we continue to expand on-site programming, as
15 well as expanding new initiatives around the
16 agricultural and educational programming in the
17 community.

18 We'll also be introducing a dedicated
19 resource to manage our guest experience, building
20 customized customer service training, establishing
21 organizationalwide customer service performance
22 benchmarks, and a higher level of engagement with our
23 customers and the community.

24 Processes are important. Anytime you want to
25 do improvements, you -- it's an evaluation of what

1 processes are working, what processes can we -- we will
2 continue through that.

3 Technology is going to be playing a role in
4 our process improvement. How do our systems talk to
5 each other? What systems are antiquated? What do we
6 need to replace?

7 One of our top priorities in the technology
8 will be the redesign of our website, and that RFP is
9 going to go out in early January. We will be
10 reinvesting in communication technology radio systems to
11 make sure we can efficiently communicate life-safety
12 initiatives, infrastructure, as well as current
13 operating systems.

14 So at that time -- at this time, let's go
15 ahead and jump into the budget.

16 As we discussed, it was a great -- it was a
17 great budget study meeting last Friday. Very engaging
18 from not only our Board Finance Monitoring Committee but
19 the Board Members in attendance, as well as our
20 audience. You know, I have a phrase that none of us are
21 as smart as all of us, and I think that produced a
22 result that was certainly above average.

23 What I'm going to do is -- everyone has a
24 copy. The audience -- Board Members, in your packet,
25 the actual budget is green in your binder. And for our

1 audience, members of our audience, the actual budget
2 itself is printed on green paper, and then in your -- in
3 your agendas are the slides, so if you want to follow
4 through. So if you're following one document, not the
5 other, and it doesn't align, you'll know why.

6 So, again, I want to thank everybody for
7 their participation in this. As we look at -- as we
8 looked at what does 2016 look like, we're anticipating a
9 5 percent increase in our projected revenue. You can
10 see that that's coming from gate admissions and that's
11 not a gate admission increase. It's from driving
12 additional traffic numbers, attendees, through the
13 gates.

14 We're at a point with our concert series,
15 ASA, and The Hangar where we have an opportunity because
16 of the caliber of performances we're doing to reevaluate
17 ticketing prices and strategies and continue growing our
18 facility rent through our year-round activities.

19 Expense budget. The primary driver in our
20 labor expenses was going to be the addition of the
21 full-time staff. We'll get into that in more detail as
22 we -- as we move -- move through the budget presentation
23 and then all of the ancillary and taxes and payroll that
24 support that.

25 Last week at the budget study meeting, one of

1 the conversation points was Director Berardino had
2 requested for us to take a look at the COLA projection.
3 We've increased it from a 2.5 to a 3 percent in this
4 budget per any possible union negotiation increases that
5 might be happening in 2016. That increased that labor
6 budget to just over 47,000 -- \$47,000.

7 In our nonlabor -- in our nonlabor, as you
8 can see, right off the top, the one million for our
9 participation in the Arlington bioswale project. I do
10 have that paperwork from the city, and we'll be looking
11 through that document after the first of the year.

12 Lots of exciting things. We're going out to
13 RFP to secure a permanent legislative representative
14 firm, a website. We've got -- we'll be adding to our
15 Centennial Farm a new oxen team. The ag. team and the
16 farm team are pretty excited about that.

17 You can see -- and then general, just as you
18 go through that list, are just increased costs in
19 operations. And certainly not least, but last, we're
20 preparing for the opening ceremonies of Heroes Hall.

21 If you look at it in a five-year snapshot,
22 consistent growth and revenue, we're projecting over a
23 \$3 million net income for 2016. One might say, well, we
24 are -- we are decreasing that from 2015. That is
25 supported by the additional staff, our million dollars

1 to our bioswale project, and just giving back and
2 reinvesting in the organization.

3 It was also an interesting exercise to go
4 through and look at how did -- how did our revenue as it
5 parallels to fair attendance to the year-round event
6 grow? As you can see from that slide, in a snapshot,
7 we're seeing from 2009 a 21 percent increase in our
8 attendance at the fair.

9 Our year-round is tremendous growth, and we
10 don't anticipate that to slow down any. As we ramp up
11 from our sales team and marketing initiatives to support
12 that, we're showing a 52 percent growth in the events
13 from 2015.

14 So with growth, you're going to need
15 additional resources, and therein lies the budget ask of
16 adding the additional Civil Service employees with a
17 salary impact of just over 417,000.

18 The nice thing about these positions, it was
19 a very detailed vetted exercise with the executive team
20 and staff. As we were rebuilding with the anticipation
21 of our VP of Ops coming on board and having a fully
22 seated executive team, we were able to look
23 cross-sectionally where was that growth needed. And it
24 really spread evenly over that, supporting, as we said,
25 if you look, the exhibits and agriculture programs,

1 adding another exhibit supervisor there to help us build
2 that program.

3 We need a dedicated resource as a museum
4 curator for Heroes Hall. Entertainment continues to
5 grow. How do we provide support in that area?
6 Facilities, some farm operations supervisor, as we're
7 moving some of the folks that were in the farm into more
8 of a programming role.

9 And then I'm particularly excited about our
10 guest experience/community relations position. I have
11 to say I think that's been a -- we -- an area where we
12 have significant opportunity. We need to listen to what
13 our guests are saying. We need to capture their
14 comments and establish service benchmarks as we continue
15 to take what I call good -- from good to great. And
16 then, again, to support all the event activity, our R&D
17 and operations -- the operations team.

18 So as you can see, it's been, as I said
19 earlier, since 2008 that we've reinvested back into our
20 team.

21 At this time, I'd like to turn it over to
22 Debbye, and I believe Jerry Eldridge is here, as well,
23 regarding our major maintenance and capital projects.

24 MS. DEBBYE MCDANIEL: Relative to the budget
25 overall, I'd like to thank our management staff. We

1 have some really amazing management staff who really
2 know their budgets, and they've been very, very
3 instrumental in developing this budget.

4 During our budget study session last Friday,
5 Director Tkaczyk led a discussion around adding another
6 generator to power up the administration building, this
7 building, in the event of an outage.

8 So if you look at the overall estimated
9 capital expenditure, we've included a \$250,000 second
10 generator. We had one generator in the budget. We
11 added another one for this building.

12 That raises our expected unrestricted capital
13 to just under \$8.7 million -- 595,000 is budgeted for
14 restricted. We have agreements with RCS for the
15 carnival and with Spectra wherein they contribute -- as
16 part of their contractual obligation, they contribute to
17 a restricted fund for capital improvements specific to
18 their needs.

19 And if you look in part of the budget,
20 there's a detail of the capital expenditure, what we're
21 proposing for that.

22 If you could go to the next slide, please.

23 MS. KATHY KRAMER: Absolutely.

24 MS. DEBBYE MCDANIEL: Thank you.

25 This is our projected cash position relative

1 just to the capital expenditures. We expect to begin
2 the -- the year with \$32.5 million. State of California
3 liquidity requirement reserve is 8.7 million. And that
4 leaves us with \$23.8 million available. Committed
5 capital of 8.7, and the restricted is .6.

6 So if we did nothing but invest in capital
7 next year, we would have \$14.5 million available after
8 doing all that. That doesn't take -- we'll discuss our
9 revenue and our operations next after Jerry discusses
10 the capital details.

11 At that point, I'd like to turn it over to
12 Jerry -- (indiscernible).

13 MR. JERRY ELDRIDGE: Thank you, and merry
14 Christmas to you all.

15 So as we had discussed before, you know what
16 we're looking at. The expenses for buildings and
17 grounds, buildings particularly, 3.1 million is set
18 aside for Heroes Hall. We spoke about that.

19 The Pacific Amphitheater is one five. The
20 seating in that, that's 1.2 that we've set aside for
21 Pacific Amphitheater. Also included in that is painting
22 and additional expenses of repairs and resealing the
23 asphalt that we have over there we do every year.

24 The equipment -- as Debbye has stated, we
25 increased our equipment. We're looking at that other

1 generator that we spoke about to support this building
2 and/or another facility or building on the grounds if
3 need be. And we're also looking at replacing a forklift
4 that is out of compliance with AQMD, so we need to get
5 four-tier forklift to replace.

6 We have 200,000 for our master plan to
7 develop a new ten-year master plan, and that was set
8 aside to procure any architects, engineering, any -- any
9 gathering information and developing with -- the last
10 master plan we did was in 2003. So it's time to have
11 that happen, and we're in the process. So I'm excited
12 about that because I get to be part of this one.

13 So restricted capital, the carnival. We use
14 a lot of the RCS restricted capitals for stuff that they
15 ask for, which is usually underground sleeves. So we
16 open up the ground and we put in so that they don't have
17 to have their cables running all over.

18 We've added power in the past to locations.
19 You know, they moved the log ride over to Gate 10. We
20 took out a fence, put down panels in the ground, and
21 made areas so they could be more usable. We used their
22 capital for that.

23 A substantial amount of their capital we use
24 is for asphalt repair. And so, like, in lot G where
25 they set up every year and they damage the asphalt with

1 the weight of their equipment, we're going to be
2 spending about \$250,000 to take out the parking lot as
3 much as we can and re-establish the subgrade and then
4 reapply the asphalt, which it's a good process that
5 we've got going on. And, also, for resurfacing the
6 interior grounds we use that, as well.

7 And that's about it on that. Do you have any
8 questions?

9 DIRECTOR STAN TKACZYK: You said something that
10 prompted a question that I'm going to ask you. You
11 mentioned something about the generator would be here --
12 and my interpretation of what you said, it would be here
13 on site, and it could come over to this building to
14 activate it if there was --

15 MR. JERRY ELDRIDGE: Correct.

16 DIRECTOR STAN TKACZYK: Okay. That really isn't
17 the way I would like to see things happen. I think we
18 need to discuss that. I was hoping when we talked about
19 a generator for this facility that it would be
20 permanently located in this location.

21 Because by the time you have an emergency and
22 you bring it over from wherever it is on our property,
23 the emergency could be come and gone by that time. That
24 would be good if it happened that quickly.

25 But I was hoping we would have a mechanism or

1 a generator here that has a switching device that if
2 electricity goes down, it automatically starts the
3 generator, and we are, you know, without any downtime
4 here for seconds. That -- that -- when I brought it up,
5 that was my thinking was to have it here on a permanent
6 basis.

7 Now, it could be moved somewhere else, I
8 guess, if you needed it. But I just wanted to discuss
9 that openly. Because by the time you bring it over
10 here, plug it in, and set it up --

11 MR. JERRY ELDRIDGE: I understood that to be your
12 intent.

13 DIRECTOR STAN TKACZYK: Which -- which that?
14 Here?

15 MR. JERRY ELDRIDGE: To be left here.

16 DIRECTOR STAN TKACZYK: Yeah.

17 MR. JERRY ELDRIDGE: The size of the generator is
18 substantial. The location that we have is filled up for
19 during fair time and the --

20 DIRECTOR STAN TKACZYK: But that's the time we
21 might need it.

22 MR. JERRY ELDRIDGE: Right. So the important, I
23 guess, data information and the backup that we would
24 need if there was a power outage is backed up on our
25 server, which is off another generator that has that

1 trigger when power goes out, and that's down in the
2 maintenance facility.

3 So what we would be having as an emergency
4 here, we would have power out. We could have it back up
5 within 20 minutes, just rolling it in and plugging it
6 in, trying to save space. But it's easily able to be
7 parked here permanently. That's --

8 MS. KATHY KRAMER: Jerry, let's take a look at
9 that as we do the fair layout just because --
10 (overlapping speakers).

11 MR. JERRY ELDRIDGE: Yeah. That's fine. I
12 just -- I just wanted to let you know it can be here.
13 It is going to be purchased with that ability. I just
14 wanted to -- I wasn't overlooking what you had asked. I
15 understood that.

16 DIRECTOR STAN TKACZYK: No. That's why I wanted
17 to discuss it, so --

18 MR. JERRY ELDRIDGE: If I can keep it mobile,
19 then we may need it for another building, as well, if
20 this is still working and something goes out.

21 DIRECTOR STAN TKACZYK: Yeah. I -- I get what
22 you're saying. I -- I was just hoping that when -- this
23 is our nerve center, if something happens, that we're
24 plugged in all the time and then if -- you know, if you
25 need to go somewhere else, then the new one that --

1 there's two that you're purchasing so that that one
2 would go. And then if it's serious enough, then we can
3 unplug here and go somewhere else.

4 So I'm -- again, conversation, process, leave
5 it here.

6 BOARD CHAIR GERARDO MOUET: I think, Stan, you
7 make a good point. I think -- I'm sensing that it's
8 going to be taken very seriously.

9 DIRECTOR STAN TKACZYK: I'm done.

10 BOARD CHAIR GERARDO MOUET: We'll probably get an
11 update on it.

12 DIRECTOR STAN TKACZYK: I want lights here in
13 case.

14 BOARD CHAIR GERARDO MOUET: Yeah. No. I'm with
15 you on that.

16 So I think you were done, Jerry.

17 MR. JERRY ELDRIDGE: I am.

18 BOARD CHAIR GERARDO MOUET: And unless there's
19 any other questions for Jerry, I think the presentation
20 continues.

21 MS. DEBBYE MCDANIEL: Thanks, Jerry.

22 Our overall cash. We talked a minute ago
23 about if we have \$14 million -- (indiscernible) --
24 nothing but capital expenditures, we're, obviously, not
25 going to -- (indiscernible) -- capital expenditures.

1 So projected revenue and expenses leaves us
2 with \$6 million in cash operations. If you're looking
3 at that and thinking then why are we --
4 (indiscernible) -- \$3 million and come down to realize
5 depreciation is not accounted for in this slide, nor is
6 the capital expenditure cost.

7 So with the beginning projected balance of
8 32.5 million and the 6 million for cash ops, less the
9 capital expenditure commitment, we project that we'll
10 end the year -- and our liquidity requirement for
11 reserve -- with \$20.5 million excess in the bank.

12 If there are any questions from the Board,
13 that's all I have. And showing none, I'll turn it back
14 to Kathy.

15 BOARD CHAIR GERARDO MOUET: Thank you.

16 MS. KATHY KRAMER: One of the other areas we
17 looked at that is revenue generating and it's always a
18 discussion point for do we increase it, why, and the
19 strategy behind that.

20 Relative to the fair admissions ticket price,
21 we've made -- our recommendation is no change from the
22 2015 pricing is recommended for 2016.

23 It was -- part of the conversation and
24 certainly I can say from my vantage point, what really
25 resonated at the budget study session is developing

1 multiyear. Instead of taking it on an annual basis, we
2 need to have a long-term strategy not only for our fair
3 admissions and understand what's driving. And it's not
4 just a matter of going "Oh, I think I can." This has to
5 have the analytics behind it, and we want to parallel
6 that.

7 If anything, we should be looking at things
8 in a three-to-five-year lens from not only the fair
9 admissions, but parking. Anything that's going to have
10 a direct impact on the price increase should fall into
11 that three-to-five-year bucket.

12 We're also going to be working towards on a
13 side note that will parallel that, this year, as Debbye
14 stated, moving the budget from a four-year rolling
15 average to an historical budget where we can more
16 accurately track. That's going to build a foundation so
17 we can start to build as we roll in the master plan a
18 strategic plan. We'll be able to have a longer term
19 budget for the future. Again, goal ideally three to
20 five years.

21 So that said, we -- and I believe the
22 consensus, and I'll turn it back over to the Board that
23 were involved in the budget study session, that we --
24 the recommendation was to leave the fair pricing.

25 BOARD CHAIR GERARDO MOUET: Yeah. I -- I -- it

1 was a good discussion, what I recall on this. I -- I
2 think Board Member Tkaczyk made a really good point
3 about the benefit of incremental planning on -- if you
4 recall, Stan, you made the point about the wisdom of
5 not -- not a big jump, but little jumps. And I think
6 there was a consensus that that's a very wise approach.

7 I think -- I think it was Sandra that
8 suggested let's -- let's review 2016 and, perhaps,
9 thinking about 2017 might be the time --

10 MS. KATHY KRAMER: Right.

11 BOARD CHAIR GERARDO MOUET: -- and -- for
12 starting that incremental approach.

13 And as we're doing that, to learn from our --
14 from our other -- you know, we compare ourselves to
15 San Diego and reminded us how -- it's kind of scary to
16 compare ourselves to L.A. right now. The -- but I think
17 it was a good discussion, and I think -- I think we're
18 good in 2016 on the -- on the admission ticket price.

19 Are there any other questions on that item?
20 Yes.

21 VICE CHAIR NICK BERARDINO: I'm going to be
22 supporting -- I'm going to be supporting this budget.
23 But I would like to share for the record my thoughts on
24 one. There needs to be, as I mentioned at the last
25 budget meeting, a very, very diligent effort on our part

1 to raise some of the share that we have.

2 I mean, apparently, we have multiple
3 arrangements, but we need to raise those that were like
4 at 23 percent where other fairs are at 25 percent are
5 the ones that come to my mind. That needs to be looked
6 at this coming year. And I hope that we will have a
7 very aggressive discussion about that.

8 I'm going to thread the needle here a little
9 bit till our learned and very competent counsel throws
10 something at me.

11 Also -- she's picking something up. But --
12 but in terms of budget pricing and the budget as we look
13 at for the next year, we are -- with our -- those folks
14 who provide us revenue for this particular budget, I
15 think it's another thing to examine this -- I'm trying
16 to figure out this idea about part of our -- part of our
17 issues, I guess, in terms of providing fair and working
18 with vendors who are related to and provide this budget
19 is I hope that we're not finding out -- because I don't
20 know what the facts are -- but that we are not importing
21 people from other countries to come here and work on
22 this fair.

23 And I hope to God that -- I'll just say that
24 I don't find out that during the worst recession in the
25 world that we've ever experienced that while we were

1 providing our space for those folks who are here, young
2 Americans were denied jobs. I'll just tell you I hope
3 that's not the truth.

4 BOARD CHAIR GERARDO MOUET: Thank you, Nick. I
5 appreciate your comments.

6 Any -- I think there's a little bit more for
7 the presentation.

8 MS. KATHY KRAMER: Yes.

9 BOARD CHAIR GERARDO MOUET: But before going
10 forward, are there any other questions or comments at
11 this point?

12 MS. KATHY KRAMER: With that said, we are making
13 a recommendation to increase our year-round parking from
14 \$7 to \$8, and the OC Fair parking will remain at the
15 same for \$10. It has been a number of years that we
16 have increased our year-round, and our demand analysis
17 shows that we can take that safely without causing any
18 customer dissatisfaction. So that will be the only
19 increase we'll take in customer event parking.

20 You'll see in your packets that by Board
21 policy, the CEO is expressly authorized to approve and
22 execute any contract up to \$50,000. We provide
23 contracts that are on an annual basis. As part of that,
24 reoccurring as part of your budget packet, we do that.
25 If any would come throughout the year, we would bring

1 those to the Board for their signature, but we have
2 prepared the ones that are reoccurring for that.

3 The entertainment contracts. We do have a
4 different limit. In 2009 the Board adopted a policy to
5 authorize the CEO to approve and execute entertainment
6 contracts up to \$300,000. Again, if those exceed, those
7 will be approved by the full Board. So keep it at 299
8 and continue booking top acts.

9 Another component of our budget is, again --
10 and that should be outlined in detail, and I won't go
11 through all of it, just the gist of it. There's
12 out-of-state travel, and there's several criteria that
13 the state requires. Are you going for the purpose of
14 business to survey, training, conferences and meetings.
15 And that is all outlined. We do not anticipate any
16 additional travel out of state. If there is, we will
17 bring it to the Board for approval. It's pretty
18 comprehensive. Continues to be some of the same
19 conferences, and that budget item is 78,000 for 2016.

20 I shared earlier that we'll have a fully
21 seated executive team in January, and I couldn't be more
22 pleased. And then within the organization, there are
23 three layers of organizational management. You have
24 your executive management team, your strategic
25 management team, and your operations management and

1 their respective departments.

2 You may recall that in -- as we went through
3 the exercise of reorganization and understanding where
4 these functioning departments as we knew we were going
5 to be fully staffed, we made the move the middle of this
6 year to move the Human Resources reporting directly to
7 the CEO's office. As we bring on our new VP of
8 operations, it will -- facilities, entertainment,
9 technology, and production. And I did notice we had
10 a -- we had left off safety and security and parking.
11 So that will also fall under that portfolio.

12 The VP of Finance will be responsible for the
13 accounting, purchasing, contract administrations,
14 admissions, parking sales, and carnival sales. Putting
15 these -- these revenue generating that have heavy cash
16 operations falling under finance made the most sense,
17 and many of those were already in that particular --
18 under that VP.

19 The VP of Business Development, events,
20 that's a new move. That used to be under operations.
21 It makes sense to align the events team that was
22 delivering it so we had the cohesiveness from a sales
23 standpoint and the transition into that, into the VP.
24 Marketing will continue.

25 Exhibits and education program, that was

1 Joan's world what used to be called Community Relations,
2 and we have renamed that particular to really speak to
3 what it was. There was a little bit of confusion when
4 it was called Community Relations, especially as one of
5 the new positions will be Guest Experience and Community
6 Relations. So they're pretty excited to have that pop
7 right on their title.

8 Creative Services will remain in that world.
9 We have a fantastic in-house team that produces many,
10 many of our marketing and collaborative needs.
11 Communications and then sales.

12 So with that said, here is the organizational
13 chart for 2016. The budget supports this, and the
14 activities that will drive everything we described in
15 the budget process. And I couldn't be more pleased for
16 January to be looking across the table and know that
17 we're a completely fully seated executive team and
18 really have the talent and the expertise to continue
19 moving our initiatives in the organization.

20 DIRECTOR BARBARA BAGNERIS: I love the org.
21 chart, but could you do it in black print?

22 MS. KATHY KRAMER: Yes. Perfect. Yes.

23 DIRECTOR BARBARA BAGNERIS: Love the org. chart.

24 MS. KATHY KRAMER: That concludes my budget
25 presentation. I'd be happy to answer any questions.

1 BOARD CHAIR GERARDO MOUET: Thank you. Kathy and
2 team, wonderful presentation.

3 Are there any questions or comments on the
4 overall presentation from the Board? Okay.

5 DIRECTOR DOUGLAS LA BELLE: Gerardo?

6 BOARD CHAIR GERARDO MOUET: Yes.

7 DIRECTOR DOUGLAS LA BELLE: First I'd like to
8 compliment the staff. Having been doing what Kathy's
9 doing for many years, I know how difficult it is and how
10 challenging it is. And I think this is an excellent
11 staff presentation, and I certainly want to compliment
12 everybody, including the committee, yourself and
13 Barbara, for all the work that you've done.

14 Just a couple of observations. Pardon me.
15 And I think Barbara mentioned it at the workshop that we
16 had last week that looking at it from a five-year
17 standpoint I think is an excellent idea, particularly in
18 the area of capital projects.

19 Very few projects get completed in the year
20 that they start in. And I think looking at it from a
21 five-year perspective gives us an opportunity to -- on a
22 go-forward basis to prioritize what the nature of not
23 only capital projects are, but our operational efforts,
24 as well.

25 So I think that's a good idea, and I'd like

1 to see the -- the staff, subject to the Board's
2 concurrence, to kind of begin looking at a five-year
3 approach to both the operating and capital.

4 And then as I mentioned at the budget
5 workshop, we currently use CFFA as our project
6 management team. And I think that's related to the fact
7 that, obviously, they've been here a long time, and
8 they're an approved entity by Department of General
9 Services.

10 I'd like to look at the opportunity for us
11 expanding that through getting some authorization from
12 General Services to provide additional assistance to
13 Jerry in terms of local project manager and skills where
14 we can be looking at augmenting staff in terms of the
15 projects they're working on.

16 There's a number of firms not only in Orange
17 County, but in the immediate area, that provide those
18 kind of services, and I think we ought to have -- at
19 least have that ability to do that. And having spoken
20 with Deborah, obviously, that would require some action
21 on the part of the state. I'd like to see that --

22 MS. DEBORAH FLETCHER: Yes.

23 DIRECTOR DOUGLAS LA BELLE: -- at least pursued.

24 And, lastly, on Heroes Hall, I know we have a
25 curator included in the budget. What -- when it opens

1 in November of next year, we -- are there additional
2 staffing needs that are going to be there? Obviously, a
3 single curator. Is there any part-time staffing or are
4 we going to work to use a lot of docents and that sort
5 of thing? So I'd like to kind of see where --

6 MS. KATHY KRAMER: Joan, do you want to address
7 that?

8 MS. JOAN HAMILL: Yes. We'll have staff support.
9 We'll also have support from the exhibits and
10 agriculture education program to help, as well, growing
11 into the future.

12 DIRECTOR DOUGLAS LA BELLE: So depending on what
13 the exhibits are and the whole program area, that will
14 be our resources --

15 MS. JOAN HAMILL: We'll have volunteer docents,
16 as well.

17 DIRECTOR DOUGLAS LA BELLE: Very good. Thank
18 you.

19 MS. KATHY KRAMER: Thanks, Joan.

20 DIRECTOR DOUGLAS LA BELLE: And, again, my
21 compliments to the staff and the committee for all your
22 hard work. It's an excellent presentation.

23 BOARD CHAIR GERARDO MOUET: Question from Nick?

24 VICE CHAIR NICK BERARDINO: Yeah. And, again,
25 same compliments to everyone. Very, very, very well

1 done budget, very well presented. Compliments to you,
2 Director Bagneris, and to you, Mr. Chairman. You guys
3 really, really brought this to a new level. Much
4 appreciated.

5 My only question on the org. chart is during
6 fair time and as we expand our educational opportunities
7 and as we bring in these foundations and now are
8 bringing more people into the fair that are going to be
9 helping through the community, it involves a lot more
10 guest relations.

11 And as we deal with the various tickets and
12 things with people and volunteers who have given up
13 their time, is there a way -- and I know Board Members,
14 you know, they have issues that are going on during the
15 fair, including trying to get people involved in our
16 fair and trying to get more people to contribute money,
17 business, and that's what we're supposed to do.

18 I know that when I'm -- and a great job by
19 Jessica last year. Just a wonderful job and the staff
20 and accommodating all of this going on at once. But
21 sometimes I would call, and I know Jessica's
22 overwhelmed.

23 During fair time, are we going to maybe look
24 at putting somebody temporarily in there to handle some
25 of this stuff? Because I just anticipate that it will

1 grow because I know from the Heroes Hall Foundation, we
2 want to really reach out to the community and to
3 contributors and get them in here so they can see and do
4 business development. Because, you know, it's what
5 we're supposed to be doing during the fairgrounds. And
6 then I hate to burden her all the time with it. I'm
7 wondering if there's --

8 MS. KATHY KRAMER: I would agree. You've read my
9 mind on fair-time planning, Director Berardino. It gave
10 me an opportunity to look at that demand. You're
11 absolutely right.

12 If we're going to do community outreach and
13 then with the foundations, we're going to need that
14 resource, yes. We will identify a resource early enough
15 that can supplement what we're doing. Also, you know, I
16 want to be a little selfish of Jessica so my world
17 doesn't stop during the fair. I need her to continue
18 the initiatives that we're pushing through. So that
19 would help align, keep her focused on that, and we'll
20 supplement those issues. So absolutely.

21 VICE CHAIR NICK BERARDINO: Well, that's -- see,
22 I thought the CEO just enjoyed the fair. I didn't know
23 you had to work during the fair.

24 MS. KATHY KRAMER: Boy, so did I, but --

25 (Multiple overlapping speakers.)

1 BOARD CHAIR GERARDO MOUET: Good points, Nick.

2 Are there any other comments or questions?

3 Let me say this. I think the 2016 budget is
4 a great budget, and it's -- it's recognizing what --
5 because of the realities of the state budget, you know,
6 we were not able to hire the folks that we needed to
7 have hired some years ago.

8 And -- and, yet, we have such great staff
9 that they can think on their feet, and they always hit
10 it out of the park even when they were shorthanded. And
11 I think this budget reflects on correcting that.

12 And the other thing that I think is important
13 and exciting for the 2016 is -- is the master plan. And
14 my experience with master plans is that they're
15 incredibly important. Was it in 2003 I think it was
16 that you said was the last one approved?

17 MS. KATHY KRAMER: The last time.

18 BOARD CHAIR GERARDO MOUET: The last time.

19 And it's time and it's important to have a
20 really good master plan with really good professional
21 expertise helping us for the Board to be involved in
22 master planning for this wonderful, wonderful location.

23 I think -- I think it helped us with the
24 discussion on the bioswale earlier, and that is also --
25 a million dollars is -- is a worthy investment.

1 So I think -- I think it's a great budget. I
2 really appreciate everyone's involvement, the public and
3 the Board Members and the -- and Barbara's involvement
4 on the committee. So I think -- I think we're open for
5 motions.

6 DIRECTOR ASHLEIGH AITKEN: I'll move.

7 DIRECTOR BARBARA BAGNERIS: Second.

8 BOARD CHAIR GERARDO MOUET: It's been first and
9 second. If I can get a roll call?

10 BOARD CLERK JESSICA ZIMMERMAN: Yes.

11 Board Chair Mouet?

12 BOARD CHAIR GERARDO MOUET: Yes.

13 BOARD CLERK JESSICA ZIMMERMAN: Vice Chair
14 Berardino?

15 VICE CHAIR NICK BERARDINO: Yes.

16 BOARD CLERK JESSICA ZIMMERMAN: Director Aitken?

17 DIRECTOR ASHLEIGH AITKEN: Yes.

18 BOARD CLERK JESSICA ZIMMERMAN: Director Tkaczyk?

19 DIRECTOR STAN TKACZYK: Yes.

20 BOARD CLERK JESSICA ZIMMERMAN: Director
21 La Belle?

22 DIRECTOR DOUGLAS LA BELLE: Yes.

23 BOARD CLERK JESSICA ZIMMERMAN: Director

24 Bagneris?

25 DIRECTOR BARBARA BAGNERIS: Yes.

1 BOARD CLERK JESSICA ZIMMERMAN: Director Ruiz?

2 DIRECTOR ROBERT RUIZ: Yes.

3 BOARD CHAIR GERARDO MOUET: Motion passes. We
4 have a budget.

5 MS. KATHY KRAMER: Yay.

6 (Applause.)

7 BOARD CHAIR GERARDO MOUET: It always feels good.
8 We're now going to go to closed session. We'll come
9 back. And at this time, we'll recess for closed
10 session. Thank you.

11 (Closed session held from 10:18 a.m. until
12 11:10 a.m.)

13 BOARD CHAIR GERARDO MOUET: Okay. The regular
14 Board Meeting is now in session. We're done with closed
15 session. There's no -- nothing to report out. And
16 moving along, we now have -- we're on item 11, Board of
17 Directors Matters of Information. And we'll start on my
18 right and then go this way.

19 DIRECTOR DOUGLAS LA BELLE: Thank you, Gerardo.

20 First of all, I want to again compliment
21 staff on the fine budget presentations. It's been a
22 fantastic year, and I'm looking forward to next year. I
23 want to thank all of my Board Members for all of their
24 work that they've done to move it forward. A lot of
25 projects, and we've got a lot of good things going on

1 here.

2 And with that, I wish everybody happy
3 holidays, merry Christmas, happy New Year, and look
4 forward to 2016.

5 DIRECTOR ROBERT RUIZ: I just wanted to wish
6 everyone a merry Christmas and happy New Year.

7 Kathy, congratulations on your first year.
8 Job well done.

9 And look forward to next year, start --
10 (indiscernible).

11 (Multiple indiscernible speakers.)

12 DIRECTOR STAN TKACZYK: I couldn't hear. What?
13 We couldn't hear what you just said at the end.

14 DIRECTOR ROBERT RUIZ: I just got a text message.
15 One of my members got killed -- (indiscernible).

16 DIRECTOR STAN TKACZYK: Oh.

17 (Indiscernible.)

18 VICE CHAIR NICK BERARDINO: So very -- I think it
19 goes to show the kind of stuff that our union members,
20 our union brothers and sisters, what they endure on the
21 job, particularly why it's so important even with the
22 strong safety measures that unions insist on, what
23 happens on these jobs. And I'll tell you if you go to
24 nonunion jobs, most of them are accidents waiting to
25 happen.

1 So I have just a couple of comments. One,
2 for the next month's agenda, I would like -- on the gun
3 issue, I would like to have something discussed
4 regarding -- specifically, I think, there was an e-mail
5 that was sent to me that the gun shows do -- in
6 California are required to follow certain rules.

7 But apparently there was a loophole that was
8 discovered recently, and it relates to what happened in
9 San Bernardino, that they are allowed to sell
10 semiautomatic weapons because -- and I don't know if
11 this is true, so that's why I want it on the agenda.
12 Because I know folks are very interested, and I want to
13 be responsive to the public -- where they sell it
14 because it's not the gun -- and I don't know if this is
15 true.

16 And I -- the mechanism isn't semiautomatic.
17 It's something with the ammunition that allows the
18 bullet to release something as opposed to a mechanized
19 part of the gun. And, therefore, it's the loophole that
20 gets around selling it.

21 Don't know if it's true. I have a very
22 lengthy e-mail from a lawyer who looks into these things
23 and knows about my interest here and sent me this
24 e-mail. So I'd like to discuss that further.

25 BOARD CHAIR GERARDO MOUET: Okay.

1 VICE CHAIR NICK BERARDINO: And I will dig up
2 that e-mail and provide it prior to the agenda so people
3 can see if that's true.

4 Secondly, very grateful to members of the
5 public that brought the carnival -- I think the use of
6 the visa program, one that's -- of course, the visa
7 program, as we all know, has been very controversial,
8 you know, particularly as it comes to stealing jobs away
9 from the 99 percenters, you know. It is a controversial
10 program.

11 And so I would ask the Chairman if he would
12 consider setting up an investigatory committee whose
13 sole purpose is to learn more -- you know, this is not
14 by any way an indictment. It's about learning more
15 about that program, how it works here on our property,
16 and so we can find out more about how that is working
17 specific to the fairgrounds property and also look at
18 correlations as to is that kind of program allowed on
19 public property. So what we need to -- if the Chair
20 would consider that.

21 Thirdly, I want to agendize for the next
22 meeting appointment for the Heroes Hall Foundation
23 advance so people will know on the agenda will be --
24 this gives people plenty of time to do background
25 investigations and checks -- Barbara Venezia. Kidding.

1 So we will be putting it on the next agenda
2 to advance the appointment of Barbara to the
3 fairgrounds -- I mean to the Heroes Hall Foundation.

4 And, lastly, I just want to say -- because we
5 have our new counsel here, I just want to say my
6 admiration, looking at a lot of different documents over
7 the years, I think what's the most important -- I think
8 one of the most important things that make up character
9 is courage.

10 And, Deborah, looking at your service to here
11 and some of the things that you've dealt with, the
12 demonstration of your courage in doing the right thing
13 is admirable.

14 MS. DEBORAH FLETCHER: Thank you.

15 VICE CHAIR NICK BERARDINO: Truly, truly
16 admirable.

17 MS. DEBORAH FLETCHER: Occasionally annoying, but
18 I'm trying not to --

19 VICE CHAIR NICK BERARDINO: Well, sometimes more
20 than occasionally. But the -- but the fact is -- and
21 then announcing your replacement, I just hope -- you
22 know, that is a character that is important for
23 everybody, certainly important for leaders that have to
24 keep political appointees, you know, going the right
25 direction. So I want to just bring that up to you,

1 bring in your --

2 MS. DEBORAH FLETCHER: Thank you very much. And
3 if you'll allow me to interrupt you just momentarily,
4 I've been working with Josh for a few weeks, and I can
5 assure you that question, you will have no problems in
6 that regard, really. Very impressive.

7 VICE CHAIR NICK BERARDINO: So he'll be a pain is
8 what you're --

9 MS. DEBORAH FLETCHER: Exactly what I'm saying.

10 VICE CHAIR NICK BERARDINO: Thank you. Thank you
11 very much. And merry Christmas to everybody. Happy New
12 Year. Happy other holidays. You know, I don't want to
13 list them all. I don't know what's the politically
14 correct thing to do. But all of them, including -- I
15 mean I'm -- and I'm serious.

16 Look, I have every single religion on this
17 thing. You will see Christian, Muslim, Jewish, all of
18 them. Because when I go to heaven, I'm gonna say I
19 don't know which one of you guys is right, but I was
20 with you. I will negotiate my way in.

21 DIRECTOR STAN TKACZYK: How do you get one of
22 those? That's got them all.

23 (Multiple overlapping speakers.)

24 DIRECTOR STAN TKACZYK: No. How do you get one
25 of those that's got them all? Do you got to go buy them

1 individually?

2 VICE CHAIR NICK BERARDINO: Oh, individually.
3 I've collected them over the years. I'm getting in.

4 DIRECTOR STAN TKACZYK: I want to be behind you.
5 I want to --

6 (Multiple overlapping speakers.)

7 VICE CHAIR NICK BERARDINO: Die on the same day.
8 We'll go up together. I tell them I know this guy. You
9 can trust him. He was into trash, but he's very
10 trustworthy.

11 BOARD CHAIR GERARDO MOUET: Thank you, Nick.

12 DIRECTOR BARBARA BAGNERIS: Ashleigh, how do you
13 follow that?

14 DIRECTOR ASHLEIGH AITKEN: I'm speechless, and
15 that rarely happens.

16 Yeah. I just want to wish everybody merry
17 Christmas and happy holidays. Thank you for everyone's
18 hard work this year. I'm very proud of everything we
19 have done. My heart right now is just breaking for the
20 family of that person that passed before Christmas. I
21 just hope he does not have young children or a young
22 wife that has to then receive -- or parents that have to
23 receive a phone call, but I know that that's not the
24 case.

25 Thank you, Deborah, for your hard work.

1 And please know that nobody loves lawyers
2 like I love lawyers. So I will welcome you with open
3 arms, and I look forward to working with you.

4 One thing I wanted to bring up, and I don't
5 know if the rest of the Board was contacted, is about
6 the advertising that's going on with the conventions
7 that we're putting on. And, apparently, some of the
8 people have been in violation by putting up signs
9 advertising things.

10 I'd like to look into that. I've been
11 contacted several times by people. I guess -- I don't
12 know if it's something that we should be -- it's in our
13 contracts already and we're not enforcing it or it's
14 something that maybe is not in our contracts but it is
15 with other facilities.

16 MS. KATHY KRAMER: Specifically, are they
17 advertising on our grounds or --

18 DIRECTOR ASHLEIGH AITKEN: I think around in the
19 community, putting up -- I don't know. Say Crossroads
20 of the West. I'll just pick on them because they're an
21 easy target -- up and down the freeways, in the
22 communities, and they put up advertising the
23 conventions, and then, of course, they don't go and
24 clean up afterwards. And I know that's been causing
25 concerns just with litter and as an eyesore.

1 And I don't know whether other facilities
2 have something in their contract forbidding that. I
3 really don't have any information. I can pass along
4 information that I have. But -- because it's a second
5 or third time, I'd just like to discuss it and see what
6 we can do.

7 BOARD CHAIR GERARDO MOUET: Yeah. Yeah.

8 MS. KATHY KRAMER: If you have any specifics, I'd
9 like that information.

10 DIRECTOR ASHLEIGH AITKEN: Yeah. I'll forward
11 the information.

12 BOARD CHAIR GERARDO MOUET: Stan?

13 DIRECTOR STAN TKACZYK: I'd like to thank staff
14 that's here for a great year. I've really enjoyed the
15 travel with all of you. And this is becoming my fourth
16 year. And where I was four years ago and where I am
17 today has been quite a journey and quite an education.

18 We've come a long ways. Kathy, you're here.

19 Gerardo, I just want to say you're doing an
20 excellent job as our Chair. And, Nick, you're right
21 there. And my other fellow Board Members, it's just an
22 honor to be here and to see this Board work the way it
23 has all these years and these last couple years.

24 Deborah, thank you for being here.

25 MS. DEBORAH FLETCHER: You're welcome.

1 DIRECTOR STAN TKACZYK: You know, you're a
2 delight.

3 BOARD CHAIR GERARDO MOUET: She's going to be
4 with us for another year.

5 (Multiple overlapping speakers.)

6 DIRECTOR STAN TKACZYK: We're warming you up.

7 BOARD CHAIR GERARDO MOUET: Okay.

8 DIRECTOR STAN TKACZYK: And to the audience
9 members that are here religiously that show up every
10 meeting, thank you for being here. I really enjoy
11 listening to you. You may not think that, but you bring
12 a side to the table that we listen and, you know, we
13 have to look at. And it's part of the process.

14 So merry Christmas to all of you, happy New
15 Year, and God bless.

16 DIRECTOR BARBARA BAGNERIS: I'm like you,
17 Ashleigh, right now. Really feeling for Robert and for
18 the family, what just happened. If you're inclined to,
19 say a prayer for him because I can tell emotionally, it
20 really caught him. Unfortunately, during the holiday
21 season, there are a lot of deaths. They seem to stand
22 out during this time. So my heart goes out there.

23 I want to thank the staff, as well.

24 Debbye, thank you for coming in and putting
25 all this data together. It's a lot of data. We have

1 some great numbers. We're a great organization. This
2 Board has made some really tough decisions. And, you
3 know, the ship was righted, and now we're going from
4 good to great. And I think it's a good thing.

5 I can't say enough about our counsel.
6 Anybody who would stand up to Nick and -- and you're
7 shorter than Nick, so -- okay. So I think -- thank you
8 for your time.

9 And, Josh, look forward to working with you.

10 Jessica, thanks for all you do behind the
11 scenes to keep us going.

12 I don't know what else.

13 Oh, thank you, Mr. Chair, Mr. Chairman.
14 Appreciate what you do.

15 And I look forward to 2016. I really do.
16 I'm getting my fair face on. Getting ready to get my
17 fair face on.

18 MS. KATHY KRAMER: Very good.

19 DIRECTOR BARBARA BAGNERIS: So merry Christmas.
20 Happy New Year. Enjoy your holidays, everybody.

21 BOARD CHAIR GERARDO MOUET: Great. Thank you.
22 Thank you.

23 The -- I accepted the invitation to go to the
24 International Association of Fairs and Exposition that
25 just took place the last weekend of November and first

1 part of December, and it was a very, very good
2 experience. And it was an opportunity to learn a lot
3 about this type of business, fairs, and -- and made a
4 lot of contacts.

5 In particular, I want to share with my Board
6 Members that I made -- I connected well with Del Mar and
7 the current president of their Board. I told him that I
8 was interested in going -- others might also because
9 their fair occurs before ours, and I -- just to get kind
10 of behind the scenes. And so I'm planning on doing
11 that. I'm taking him up on the invitation. So that --
12 that was one of the highlights.

13 I'm planning on going to the Western Fairs in
14 Anaheim, I think, coming up early part of January.

15 MS. KATHY KRAMER: January 4th through 6th.

16 BOARD CHAIR GERARDO MOUET: Yeah. And I'm
17 definitely going to go to that visa workshop that was
18 mentioned and, I think, to -- to get more understanding
19 on that issue.

20 Right before I went to the convention over
21 there in Vegas on Saturday, November the 28th, I went to
22 a gun show. I -- as what I had said to folks, that --
23 at the November meeting, that I was going to go and
24 check it out myself.

25 I introduced myself to Mr. Bob Pendleton.

1 Mr. Pendleton is the owner and operator of Crossroads.
2 Has been doing it for 29 years. I met his family. It's
3 a family-oriented business.

4 I've never -- I had never gone to a gun show
5 before, ever, and I was surprised with the diversity in
6 the attendance. There were men and women, people from
7 all kinds of ethnicities, all kinds of ages, families.
8 I was impressed with the variety of attendance. Very
9 well attended.

10 I met Mr. Pendleton, and we exchanged contact
11 information. I expressed that I'm the current Chair and
12 that I wanted to learn more, and I particularly wanted
13 to make sure, just to echo what Nick has mentioned, that
14 things are always aboveboard and things -- not only
15 safe, but they follow all the laws, the state and
16 federal laws.

17 And -- and I purchased my own ticket, and
18 \$16 sounded pretty reasonable. There were -- there were
19 a lot of different things going on, different kinds of
20 booths.

21 And he provided me with these -- they're good
22 for all 2016, these VIP guest passes. I want to give
23 them to Kathy. If any Board Member wants to attend, the
24 next fair gun show is January the 16th and 17th. I
25 think I'm going to go again because I now have some more

1 specific questions. I want to learn more because we can
2 have, then, the Board when it's agendized have a more
3 thorough understanding of the issue.

4 I -- I understand the business side with
5 regards to the revenue, but I also want to make sure
6 that -- that what occurs on this site is also always
7 following the letter of the law and we're responsible.
8 I didn't see anything that alarmed me, but I am not an
9 expert. And I'm going to continue doing some more
10 homework on -- on that.

11 So -- so also congratulations to the staff
12 for a great presentation. It's always great to approve
13 a budget, and 2016 is going to be a great year. Happy
14 holidays, merry Christmas, feliz navidad, and --
15 (indiscernible). So I think I need a motion to adjourn.

16 DIRECTOR BARBARA BAGNERIS: So moved.

17 DIRECTOR DOUGLAS LA BELLE: Second.

18 BOARD CHAIR GERARDO MOUET: Meeting adjourned.

19 Thank you.

20 * * *

21 (Whereupon, the OCFEC Board of Directors
22 Meeting was hereby adjourned at 11:28 a.m.)

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Certificate
of
Certified Shorthand Reporter

The undersigned certified shorthand reporter
of the State of California does hereby certify:

That the foregoing proceedings was taken
before me at the time and place therein set forth and
was recorded stenographically by me and thereafter
transcribed, said transcript being a true copy of my
shorthand notes thereof.

I further certify that I am neither
financially interested in the action nor a relative or
employee of any attorney of any of the parties.

In witness whereof, I have subscribed my name
this date, December 30, 2015.



Janet M. Taylor
Janet M. Taylor
Certified Shorthand Reporter
Certificate Number 9463