

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING  
HELD SEPTEMBER 22, 2016**

**1. CALL TO ORDER:**

Vice Chair Berardino called the meeting to order at 9:04 a.m.

**2. MISSION STATEMENT**

**3. PLEDGE OF ALLEGIANCE:**

The Pledge of Allegiance was recited by Director Aitken. Roll call was taken by Jeff Willson.

**4. DIRECTORS PRESENT:**

Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle and Director Bagneris

**DIRECTORS ABSENT/EXCUSED:** Chair Mouet, Director Cervantes, Director Ruiz and Director Pham

**OTHERS PRESENT:**

Kathy Kramer, OCFEC CEO; Michele Richards, OCFEC Vice President, Business Development, Ken Karns, OCFEC Vice President, Operations; Adam Carleton, OCFEC Vice President, Finance & Administration; Summer Angus, OCFEC; Jeff Willson, OCFEC Entertainment Supervisor; Jerry Eldridge, OCFEC Director of Facilities; Jason Jacobsen, OCFEC Director of Planning & Presentation; Evy Young, OCFEC Agriculture Education Supervisor; Joan Hamill, OCFEC Director of Exhibits & Education; Thane Hollman, OCFEC Guest Experience Supervisor; Nick Buffa, OCFEC Safety & Security Supervisor; Sabrina Sakaguchi, OCFEC; Bianca Kulback, OCFEC Director of Human Resources; Shannon Kubitz, OCFEC Exhibits & Education Supervisor; Kelly Vu, OCFEC; Evelyn Hernandez, OCFEC; Josh Caplan, Office of the Attorney General; Janet Taylor, Stenographer; Tamara Goddard, Tandem Partnerships; Ben Pickett, RCS; Nick Nicora, Spectra; Juan Quintero, Spectra; Kelly Shelton, City of Costa Mesa; Jeff Teller; Kristen Thompson; Renee Daniels; Alex Reich; Beth Refakes; Reggie Mundekis; Jay Humphrey; Jeanine Robbins; Mike Robbins; Bob Palazzolo; Larry Sasson; Theresa Sears

**5. CEO'S OPERATIONAL UPDATE**

Kathy Kramer, OCFEC CEO, announced that the OC Register had honored OCFEC with an award for "Best Fair or Festival" and OC Parenting Magazine had recognized the OC Fair with their Reader's Choice Award for "Best Fair/Festival."

Kramer thanked the Board for approving the cancellation of the August Board meeting which provided a much needed respite for staff after the Fair. She then introduced new Executive Assistant Summer Angus and new VP of Finance and Administration Adam Carleton.

She then presented a certificate of recognition to the OC Wine Society for their 40<sup>th</sup> anniversary.

Kramer presented the June 2016 financials. She announced that the 2016 OC Fair P&L will be presented at the December meeting. She noted that the OCFEC had received an invoice from the Orange County Sheriff's Department for services provided during the Trump rally and staff is working with the Trump campaign to resolve the matter.

Kramer then mentioned that staff is working with our web developer to create a new OCFEC website that should launch in early 2017.

Michele Richards, OCFEC VP of Business Development, provided an overview of upcoming events at OCFEC.

Jerry Eldridge, OCFEC Director of Facilities, provided an update of the Heroes Hall construction project. He then provided statistics regarding the Facilities department efforts during the OC Fair.

Vice Chair Berardino complimented staff for the outstanding job on the Heroes Hall project.

Kramer announced that OCFEC has been selected to host the IAFE Management Conference in the Spring.

Kramer then apologized for the mishandling of recent public records requests and announced that Evelyn Hernandez had now been hired to manage records requests for the Association, noting that, since the June Board of Directors meeting, staff had spent 174 hours working on responding to public records requests.

## **6. PUBLIC COMMENT**

Kristen Thompson, American Cancer Society, thanked the Board and staff for their collaboration with the American Cancer Society.

Renee Daniels, American Cancer Society, thanked OCFEC for their sponsorship of the Relay for Life events in Orange County as well as OCFEC staff's participation in the Costa Mesa Relay for Life event. Thompson and Daniels then presented OCFEC with plaque in recognition of the Association's efforts.

Kelly Shelton, City of Costa Mesa, on behalf of the Mayor, City Council and staff, congratulated OCFEC for the success of the 2016 OC Fair and thanked OCFEC for their outreach to city staff. She then mentioned that City Manager Tom Hatch looks to the Heroes Hall project from his office

window for inspiration on tough days. She then personally thanked Kathy and Michele for remembering her birthday.

Vice Chair Berardino asked Shelton to convey the Board's appreciation to the City Manager.

Beth Refakes spoke in support of the Heroes Hall project and asked when the exhibits and tours will begin. She stated that she was pleased that OCFEC was pursuing recouping the additional costs incurred by the Trump rally. She then inquired about the success of OCFECs outreach to Camp Pendleton.

Vice Chair Berardino asked the CEO to reach out to Refakes and provide answers for her questions.

Alex Reich spoke about the link between bacon consumption and cancer. He noted that the Fair does not provide a lot of healthy, vegetarian or vegan options.

Bob Palazollo spoke about the history of the Santa Ana Army Air Base, a portion of which is now home to OCFEC. He expressed his appreciation to Bolton Colburn, OCFEC, regarding his outreach to the Costa Mesa Historical Society.

## 7. MINUTES:

### A. Board Meeting held June 23, 2016

**ACTION:** Director La Belle and Director Bagneris seconded to review and approve the minutes from the Board meeting held June 23, 2016. **MOTION CARRIED. AYES: Vice Chair Berardino, Director Tkaczyk, Director La Belle and Director Bagneris. NAYES: none. ABSTENTION: Director Aitken**

## 8. CONSENT CALENDAR

A. Standard Agreements: SP-06-16FT; SA-094-16FT; SA-095-16FT; SA-096-16FT; SA-096-16FT; SA-101-16PA; SA-122-16PA; SA-131-16PA; SA-132-16PA; SA-133-16PA; SA-134-16PA; SA-135-16GE; SA-138-16PA; SA-140-16PA; SA-142-16GE; SA-143-16PA; SA-144-16PA; SA-145-16PA; SA-146-16PA; SA-147-16PA; SA-148-16PA; SA-149-16SP; SA-150-16SP; SA-151-16SP; SA-152-16SP; SA-153-16SP; SA-154-16FT; SA-155-16FT; SA-158-16FT; SA-160-16FT; SA-161-16FT; SA-163-16FT; SA-164-16FT; SA-165-16GE; SA-166-16FT; SA-168-16FT; SA-169-16FT; SA-170-16FT; SA-171-16FT; SA-172-16CF; SA-175-16CF; SA-176-16CF; SA-177-16CF; SA-178-16C; SA-179-16CF; SA-180-16CF; SA-181-16CF; SA-182-16CF; SA-183-16FT; SA-184-16FT;

SA-185-16FT; SA-186-16FT; SA-187-16FT; SA-188-16FT; SA-189-16FT; SA-190-16FT; SA-191-16-FT; SA-192-16FT; SA-193-16FT; SA-195-16SP; SA-196-16SP; SA-197-16FT; SA-198-16PA; SA-199-16FT; SA-200-16PA; SA-201-16PA; SA-202-16PA; SA-203-16PA; SA-204-16PA; SA-205-16PA; SA-206-16PA; SA-207-16PA; SA-208-16PA; SA-209-16PA; SA-210-16FT; SA-211-16FT; SA-212-16SP; SA-213-16SP; SA-214-16FT; SA-215-16PA; SA-216-16SP; SA-217-16YR; SA-218-16FT; SA-219-16SP; SA-220-16SP; SA-221-16SP; SA-222-16CF; SA-223-16SP; SA-224-16FTYR; SA-225-16FT; SA-226-16FT; SA-227-16FT; SA-228-16FT; SA-229-16SP; SA-230-16SP; SA-231-16SP; SA-232-16LS; SA-233-16FT; SA-234-16SP; SA-235-16FT; SA-236-16FT; SA-237-16PA; SA-238-16WR; SA-213-16SP; SA-239-16SP; SA-240-16SP

B. Amendments: SA-22-13PA (Amend. #3); SA-125-15YR (Amend. #1); SA-087-16FT (Amend. #1); SA-125-16PA (Amend. #1); SA-005-15FT (Amend. #1); SA-56-14RD (Amend. #1); SA-213-16SP (Amend. #1); SA-096-16FT (Amend. #1); SA-037-16GE (Amend. #1)

C. Rental Agreements: R-004-16; R-077-16; R-083-16; R-085-16; R-094-16; R-098-16; R-106-16; R-108-16; R-114-16; R-126-16; R-132-16; R-133-16; R-135-16; R-137-16; R-139-16; R-140-16; R-141-16; R-142-16; R-144-16; R-147-16; R-150-16; R-153-16; R-154-16; R-156-16; R-163-16; FT-051-16; FT-058-16; FT-059-16; FT-060-16; FT-061-16

D. 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 Aitken motioned and Director La Belle seconded to approve the Consent Calendar with SA-150-16SP removed for further discussion. **MOTION CARRIED. AYES: Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle and Director Bagneris. NAYES: none.**

Related to SA-150-16SP, Director La Belle disclosed his investment in Verizon noting that he owned 64 of 4.1 billion shares.

**ACTION:** Director Bagneris motioned and Director Aitken seconded to approve SA-150-16SP. **MOTION CARRIED. AYES: Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle and Director Bagneris. NAYES: none.**

*-End of Consent Calendar-*

## 9. GOVERNANCE PROCESS:

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

- i. Centennial Farm Foundation Board (Chair Mouet)
- ii. Heroes Hall Foundation Board (Vice Chair Berardino, Director La Belle)
- iii. Financial Monitoring Committee (Chair Pham, Director Bagneris)
- iv. Workers Memorial Task Force (Vice Chair Berardino, Director Aitken)
- v. 2016 OC Fair City Liaison Committee (Director La Belle, Director Cervantes)
- vi. Legislative Monitoring Task Force (Vice Chair Berardino, Director Aitken)
- vii. Master Site Plan Task Force (Director La Belle, Director Ruiz)
- viii. Tenant Liaison Committee (Director Tkaczyk, Director Berardino)
- ix. Consumer Initiatives Task Force (Director Tkaczyk, Director Bagneris)
- x. Agricultural Committee (Chair Mouet, Director Cervantes)

Vice Chair Berardino, on behalf of the Heroes Hall Foundation Board, expressed Governor Brown's approval of OCFEC efforts regarding Heroes Hall and the use of public space for educational purposes.

Director Bagneris, on behalf of the Financial Monitoring Committee, noted that the committee is pleased with the financial standing of the organization.

Richards, on behalf of the OC Fair City Liaison Committee, recapped the Cities Days program during the 2016 OC Fair.

Director Aitken, on behalf of the Legislative Monitoring Task Force, announced that the Governor had signed AB1907.

Vice Chair Berardino asked that Gonsalves & Sons provide a monthly update through the Legislative Monitoring Task Force regarding legislation that affects OCFEC. Director Aitken volunteered to provide an update regarding pending legislation at each Board meeting.

### B. High Profile Event Policies

Kramer then discussed the proposed booking policies for high profile events.

Reggie Mundekis thanked staff for their efforts in creating these policies. She then thanked staff for working towards recouping expenses from the Trump campaign.

Jay Humphreys thanked staff for their work on creating these policies.

Kelly Shelton, City of Costa Mesa, noted that the City appreciated the opportunity to review the draft policies and agreed with the scope of the proposed policies.

**ACTION:** Director Tkaczyk motioned and Director Bagneris seconded to approve new booking policies for high profile events. **MOTION**

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

### **C. OC Fair Safety & Security**

Vice Chair Berardino thanked and complimented the OCFEC Security team, Orange County Sheriff's Department and the Costa Mesa Police Department for their work during the Fair. He noted that the Board wants to ensure that OCFEC is able to budget and hire for the necessary resources to do a great job.

Ken Karns, OCFEC VP, Operations, discussed the 2016 new Safety & Security initiatives and the proposed initiatives for 2017 specific to the annual Fair.

Nick Buffa, OCFEC Public Safety Supervisor, thanked Kramer and Karns for their support of the Safety & Security Department. He discussed the joint efforts of various organizations during the Fair resulting in the lowest number of arrests at the event.

Vice Chair Berardino spoke about discussions with law enforcement regarding the possibility of arming Buffa. He asked that Director Aitken and Director Tkaczyk work on examining this issue.

Director La Belle mentioned that the Blue Gate tent should be used to prescreen attendees for the Opening Day Free Hour.

Director Bagneris suggested that the proposed 2017 initiatives be applied to all events at OCFEC.

### **D. 2016 OC Fair Sound Mitigation Results**

Karns discussed the success of the sound mitigation efforts during the 2016 OC Fair.

Jason Jacobsen, OCFEC Director of Production, reported that OCFEC received no sound complaints during the OC Fair. He discussed changes in the program for 2016. Jacobsen then thanked Gary Hardesty, Sound Media Fusion, for his work on sound issues.

### **E. Agricultural Worker Memorial Next Steps**

Director Aitken presented that staff report and recommendation.

Director Tkaczyk thanked Director Aitken for her report regarding the events surrounding this project.

Vice Chair Berardino and Director La Belle agreed with Director Tkaczyk's comments.

**ACTION:** Director Bagneris motioned and Director Tkaczyk seconded to approve up to \$27,500 to work with CFFA to develop a scope of work, construction specifications, a construction budget and prepare a bid package to rebuild the Agricultural Workers Memorial. **MOTION CARRIED. AYES: Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle and Director Bagneris. NAYES: none.**

#### F. Board Approval to Contract for Master Site Plan Consultant

Kramer thanked Karns for his efforts towards this project.

Karns presented that staff report and recommendation.

Theresa Sears spoke about her excitement regarding the Master Site Plan asking to be included in the process.

Director La Belle thanked Kramer and Karns for doing an outstanding job drafting the RFP. He then discussed benchmarks during the process and scheduled updates to the Board.

Vice Chair Berardino asked the Master Site Plan Committee to reach out to Theresa Sears.

**ACTION:** Director Aitken motioned and Director Tkaczyk seconded to authorize staff to contract with Johnson Consulting for Master Site Plan consulting. **MOTION CARRIED. AYES: Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle and Director Bagneris. NAYES: none.**

#### G. 32<sup>nd</sup> DAA Construction Management Options

Vice Chair Berardino thanked Director La Belle for not abandoning this issue. He then thanked Kramer for working on this discussion.

Kramer then presented the staff report noting that the Department of General Services may authorize OCFEC to contract with construction management firms outside of CFFA.

Director Aitken asked if the approval by DGS would be required on a project-to-project basis.

Kramer answered yes.

Director Aitken asked if construction management would be rolled up into one RFP.

Karns answered that each project would have to be evaluated on an individual basis, noting that staff has a lot of homework ahead.

Director La Belle noted that having the ability to look at different options can slow things down but can also help control costs.

Director Tkaczyk asked about CFFA construction management fees.

Karns replied that they vary based upon the scope of services and the size of the project but that they are generally lower than the industry standard.

#### **H. AB 1907, the anti-sale legislation, has been signed by Governor Brown**

Kramer announced that the Governor had signed AB1907 on September 12, 2016.

Teresa Sears thanked the Board and staff for working towards repealing ABx 422.

Vice Chair Berardino thanked the Fair Preservation Society for their work towards stopping the sale of the fairgrounds.

Vice Chair Berardino noted that he thanked the Governor for signing the legislation.

Beth Refakes stated that she was happy that the legislation passed and the community can move forward.

Jeff Teller spoke about the level of commitment that was put forward to save the fairgrounds. He spoke about the need to memorialize the people work worked towards blocking the sale of the fairgrounds.

Vice Chair Berardino stated that he found it repugnant to be a part of Western Fairs Association who often took legislative positions contrary to the positions of the OCFEC Board of Directors.

#### **I. Options Available to the 32<sup>nd</sup> DAA to Enhance Recruitment and Retention**

Vice Chair Berardino discussed the need to engage with Cal HR to develop options regarding recruitment and retention offers for OCFEC staff.

**ACTION:** Director Bagneris motioned and Director La Belle seconded to authorize staff to work with Cal HR to understand and develop options to enhance Recruitment and Retention. **MOTION CARRIED.**



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

**J. Board of Directors Nominating Task Force Recommendation and Election of Board Officers**

Vice Chair Berardino suggested that the vote be postponed until the October meeting

Director Tkaczyk presented the Nominating Task Force recommendations of nominating Nick Berardino as Chair and Barbara Bagneris as Vice Chair.

**ACTION:** Director Aitken motioned and Director La Belle seconded to accept the Nominating Task Force recommendations for Nick Berardino as Chair and Barbara Bagneris as Vice Chair of the Board of Directors for 2016 – 2017 but to withhold the vote until the October meeting. **MOTION CARRIED. AYES: Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle and Director Bagneris. NAYES: none.**

**K. Board of Directors Governance Training & Team Building October Board Meeting**

Kramer presented the staff report and recommendation.

Director La Belle suggested working with Kelly Associates for this workshop.

**ACTION:** Director La Belle motioned and Director Bagneris seconded to approve conducting a half-day training session as part of the October Board Meeting during the afternoon of October 27, 2016. **MOTION CARRIED. AYES: Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle and Director Bagneris. NAYES: none.**

Vice Chair Berardino adjourned the meeting for a break at 11:06 a.m. and the meeting resumed at 11:17 a.m.

**L. 2016 OC Fair Presentation**

Richards presented the 2016 OC Fair recap presentation.

Ruby Lau, OCFEC Director of Marketing, presented statistics regarding promotions at the 2016 OC Fair.

Joan Hamill, OCFEC Director of Exhibits and Education, presented a recap of exhibit and educational and competitive programs at the Fair.

Jacobsen presented a recap of the technological roll out in preparation for the Fair.

Howard Sandler, OCFEC Director of Events, provided a recap of the Commercial and Concession program.

Dan Gaines, OCFEC Director of Entertainment, provided a recap of 2016 Entertainment program.

Tamara Goddard, Tandem, presented a recap of sponsorship, premium space, group tickets, and mobile marketing programs.

Richards discussed public relations and media outreach for the Fair.

#### **10. CLOSED SESSION**

No closed session.

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

Director La Belle congratulated staff on a great Fair and congratulated Vice Chair Berardino and Director Bagneris on their nominations as Board Chair and Vice Chair.

Director Bagneris suggested allowing families to bring food to the Fair. She thanked staff and welcomed Carleton to the organization.

Director Tkaczyk thanked staff for an exceptional year. He reminded everyone that despite the amount of money in the bank, the organization needs to remain prudent. He noted that he looked forward to the new leadership of the Board.

Director Aitken stated that the Fair gets better every year and discussed her visit to the Calgary Stampede and her participation in the Junior Livestock Auction.

Vice Chair Berardino discussed his and Director La Belle's visit with Art Aster and his interest in Heroes Hall. He thanked staff for an incredible job during the OC Fair and noted Director Tkaczyk's perfect attendance for five years at the Fair. He then mentioned his disappointment regarding Western Fairs Association's Legislative Report and asked for a list of all members of WFA, what their per caps are, how much they pay in dues; minutes of all meetings where legislative discussions have taken place; copies of all votes and who voted in support of their legislation to be provided at the next Board meeting.

12. NEXT BOARD MEETING: OCTOBER 27, 2016

13. ADJOURNMENT

Meeting adjourned at 12:41 p.m.

  
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Gerardo Mouet, Chair

  
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Kathy Kramer, Chief Executive Officer