

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING  
HELD OCTOBER 27, 2016**

**1. CALL TO ORDER:**

Chair Mouet called the meeting to order at 9:01 a.m.

**2. MISSION STATEMENT**

**3. PLEDGE OF ALLEGIANCE:**

The Pledge of Allegiance was recited by Director Ruiz. Roll call was taken by Summer Angus.

**4. DIRECTORS PRESENT:**

Chair Mouet, Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle, Director Ruiz and Director Pham.

**DIRECTORS ABSENT/EXCUSED:** Director Bagneris and Director Cervantes.

**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; 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; Howard Sandler, OCFEC Director of Events; Sabrina Sakaguchi, OCFEC; Kelly Vu, OCFEC; Mariana Sanchez, OCFEC; Evelyn Hernandez, OCFEC; Bolton Colburn, OCFEC; Josh Caplan, Office of the Attorney General; Denise Herft, Stenographer; Adela Generally, Spectra; Fran Gitsham, Orange County Wine Society; Jeff Teller; Beth Refakes; Reggie Mundekis; Larry Sasson; Theresa Sears; Kim Harmes;

**5. CEO'S OPERATIONAL UPDATE**

Kathy Kramer, OCFEC CEO, announced that the Centennial Farm Foundation received a grant from the US Department of Agriculture's 2016 Crop Block Grant Program for \$193,000.00.

She announced the arrival of Hoss & Howe, the new oxen team at Centennial Farm.

Kramer announced the upcoming visit by the Secretary of Agriculture, Karen Ross on November 10<sup>th</sup>.

Ken Karns, OCFEC VP of Business Operations, provided information from a meeting with OCTA regarding the upcoming 405 Improvement Project.

He reported that the impact on OCFEC will not be known until the project is awarded.

Karns reported that the contract for the Master Site Plan is fully executed and gave a status update.

Kramer announced the dedication ceremony for Heroes Hall will be on Veteran's Day November 11<sup>th</sup> and encouraged all planning to attend to register on the Heroes Hall website.

Jerry Eldridge, OCFEC Director of Facilities, shared photos of the progress on the Heroes Hall construction project in preparation for dedication ceremony.

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

Adam Carleton, OCFEC VP of Finance & Administration, presented the August 2016 financial summary.

Director La Belle asked about the 2016 Fair Profit and Loss Statement. Kramer informed him that there would be a full presentation later in the meeting.

Kramer stated that a meeting was held with OCFEC Staff, Vice Chair Berardino and representatives for the OC Sherriff's Department to discuss the outstanding invoice for Sheriff services from the Trump Campaign Rally.

Kramer announced that OCFEC has created a public art contest to paint six designated storm drains on the property to promote the statewide initiative to remind the public not to dump waste in the storm drains.

Kramer announced the 2017 Budget Study Session will take place on November 10<sup>th</sup>, from 9:00 a.m. to 11:00 a.m.

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

Director Tkaczyk voiced concerns about the image of a gun depicted on the iBUY Masters' logo and the relationship to video games and children.

Richards explained that the event was a video gaming tournament and not for specifically for children.

Director Pham commented his familiarity with the tournament that participants in the "Counter Strike" game are usually in their late 20's to



30's. He further stated that it is a professional gaming tournament and the game is used for military training as well.

Vice Chair Berardino agreed with Director Tkaczyk and spoke about his concerns with guns.

Director Ruiz stated he will be attending the event and would also like to see age demographic of attendees.

Kramer reported that since the September Board Meeting, staff had spent 67.5 hours at a cost of \$3,180.00 fulfilling public records requests.

Chair Mouet welcomed Adam Carleton and Summer Angus to the OCFEC team. He then commented on the CEO's updates and the upcoming events.

Director Aitken arrived at 9:35 a.m.

## 6. PUBLIC COMMENT

Beth Refakes stated her concerns about the Orange County Sherriff's invoice for the Trump Rally noting that it may be uncollectable from the Trump campaign after the election.

## 7. MINUTES:

### A. Board Meeting held September 22, 2016

**ACTION:** Vice Chair Berardino and Director La Belle seconded to review and approve the minutes from the Board meeting held September 22, 2016. **MOTION CARRIED. AYES: Chair Mouet, Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle, Director Ruiz and Director Pham. NAYES: none. ABSTENTION: Chair Mouet, Director Ruiz and Director Pham.**

## 8. CONSENT CALENDAR

A. Standard Agreements: SA-241-16MS; SA-242-16YR

B. Amendments: SA-01-16PA (Amend. #1); SA-21-13AM (Amend. #3); SA-260-13CS (Amend. #2); SA-077-16YR (Amend. #1)

C. Rental Agreements: R-111-16; R-125-16; R-138-16; R-143-16; R-148-16; R-149-16; R-151-16; R-152-16; R-158-16; R-159-16; R-160-16; R-161-16; R-162-16; R-164-16; R-166-16; R-167-16; R-169-16; R-170-16; R-001-17; R-004-17; R-005-17; R-015-17; FT-062-16

- D. Active Joint Powers Authority Agreements: None
- E. Commercial Rental Agreements : 16010; 16094; 16095; 16160; 16194; 16199; 16228; 16248; 16249; 16250; 16251; 16252; 16253; 16254; 16255; 16256; 16257; 16258; 16259; 16260; 16261; 16262; 16263; 16264; 16265; 16266
- F. Concession Rental Agreements: 16578
- G. Independent Amusement Rental Agreements : 16649
- H. Platinum Rental Agreements : 16701; 16715; 16716; 16717; 16733; 16737
- I. Correspondence:
  - Communications to the Board from the public in response to Board discussion or to comments made before the Board are to be listed on the meeting agenda and included in the Board materials as an item of public disclosure.
  - i. none.

Chair Mouet stated that there were two public comment requests regarding Consent Calendar contract SA-260-13CS. He also stated he would pull contract SA-260-13CS from Consent Calendar for discussion.

**ACTION:** Director La Belle motioned and Director Tkaczyk seconded to approve the Consent Calendar with SA-260-13CS (Amend #2) removed for discussion. **MOTION CARRIED. AYES: Chair Mouet, Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle, Director Ruiz and Director Pham. NAYES: none.**

Beth Refakes spoke in opposition to the extension of the Tandem contract.

Reggie Mundekis spoke in opposition to the extension of the Tandem contract.

Vice Chair Berardino suggested tabling the approval of the Tandem contract until next Board Meeting for further discussion and reporting.

Director La Belle asked that the report include more background, including when Tandem was originally selected and the details of the RFP process.

Chair Mouet asked the report include a list of options. He also asked the report to include background and more information on the LFestival and what OC FEC's policies and procedures would allow.

Chair Mouet stated lessons were learned from Trump Rally and that the new



policies for third party events will be tested with similar events.

**ACTION:** Vice Chair Berardino motioned and Director La Belle seconded to table SA-260-13CS (Amend. #2) until the November Board meeting. **MOTION CARRIED. AYES: Chair Mouet, Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle, Director Ruiz and Director Pham. NAYES: none.**

## 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)

Chair Mouet, on behalf of the Centennial Farm Foundation, reported that the Foundation has not met. He commented on the grant that the Foundation was awarded.

Vice Chair Berardino spoke of the success of the Hero's Hall Foundation fundraising event and complimented Jeff Teller and Spectra for their efforts. He invited the Board to join him on November 7<sup>th</sup> for the plaque reading that was going to be filmed by the Voice of OC.

Director Pham, on behalf of the Financial Monitoring Committee, congratulated staff on a great job taking the OCFEC financials to the next level by creating the Fair Profit and Loss Statement.

Director Aitken, on behalf of the Workers Memorial Task Force, reported that a Letter of Understanding was sent to CFSA on October 6<sup>th</sup> for the work to include a full construction plan and budget.

Chair Mouet, on behalf of the Agricultural Committee, asked if he and Director Cervantes may have a standing Agricultural Committee Meeting immediately following the monthly Board meeting each month.

### B. Review and Approve the Appointment of the Board Chair to serve on behalf of the 32<sup>nd</sup> District Agricultural Association as an Elector for the California Fair Services Authority (CFSA) Board of Directors Elections

Action Item

Kramer presented the staff report and recommendation.

**ACTION:** Director La Belle motioned and Director Ruiz seconded to review and approve the Appointment of the Board Chair to serve on behalf of the 32nd District Agricultural Association as an Elector for the California Fair Services Authority (CFSA) Board of Directors Elections. **MOTION CARRIED. AYES: Chair Mouet, Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle, Director Ruiz and Director Pham. NAYES: none.**

- C. The 32<sup>nd</sup> District Agricultural Association Board of Directors delegates authority to execute all forms of agreements, contracts, and purchase orders without further authorization from the Board of Directors (Policy 2.3.5). All such agreements, contracts and purchase orders are to be submitted to the Board of Directors for review at subsequent meetings. This delegation is subject to board review at each annual meeting**

Action Item

Kramer presented the staff report and recommendation.

**ACTION:** Director La Belle motioned and Director Ruiz seconded to review and approve the following delegation of authority: The 32<sup>nd</sup> District Agricultural Association Board of Directors delegates contractual authority to the CEO, Kathy Kramer, up to \$50,000 for general contracts and \$300,000 for talent guarantees. Michele Richards, Vice President Business Development; Ken Karns, Vice President Operations; and Adam Carleton, Vice President Finance and Administration may sign contractual instruments as delegated by the CEO within the limits of the aforementioned contractual authority. Additionally, the Board authorizes an exemption for staff to issue payment for billings in excess of \$50,000 via the "Over \$50,000 Expenditure Budget Schedule" which is submitted with each annual budget or an approved contract, LOU or rental agreement or is payment for utilities, Cal Card expenditures, insurance, payroll or State mandated employee services. **MOTION CARRIED. AYES: Chair Mouet, Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle, Director Ruiz and Director Pham. NAYES: none.**

- D. Information Request Regarding Western Fairs Association**

Action Item

Kramer presented staff report.

Vice Chair Berardino stated the information items regarding the Western Fairs Association (WFA) that the Board would like to have staff collect and report on at the next Board meeting: list of WFA



members, dues paid, list of legislative actions during 2016 and list of lobbyist representation.

Director Aitken suggested finding out what ways the Board can get more involved with WFA.

Director Tkaczyk requested that all Board members receive the WFA newsletter.

Director La Belle suggested that the Legislative Monitoring Committee have to clear understanding of what WFA's position is on various legislative matters.

No action taken.

**E. 2016 OC Fair Profit and Loss Statement**  
Information Item

Reggie Mundekis spoke regarding public records request for supporting documents for last month's financial presentation.

Kramer gave background and update on financials.

Adam Carleton, OCFEC presented 2016 OC Fair Profit and Loss Statement.

Vice Chair Berardino and Director Ruiz congratulated staff on an outstanding job in completing the OC Fair Profit and Loss Statement.

Director La Belle inquired about remaining availability of rental space on the OCFEC property for the rest of the year.

**F. Board of Directors Nominating Task Force Recommendation and Election of Board Officers**  
Action Item

Director Tkaczyk, on behalf of the Nominating Task Force, presented the recommendation of Nick Berardino as Board Chair and Barbara Bagneris as Vice Chair for 2016-2017.

**ACTION:** Director La Belle motioned and Director Aitken 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. **MOTION CARRIED. AYES: Chair Mouet, Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle, Director Ruiz and Director Pham. NAYES: None. ABSTENTION: none.**

Chair Mouet congratulated Vice Chair Berardino and Director Bagneris on their new appointments.

Vice Chair Berardino, on behalf of the Board, presented Chair Mouet with a plaque of recognition, for his service as Board Chair for the past term.

Chair Mouet reflected on his experience as Board Chair and how grateful he is for having been selected by Governor Brown to serve.

#### **G. Request to Move December Board Meeting**

Action Item

Kramer presented the staff report and recommendation.

**ACTION:** Vice Chair Berardino motioned and Director La Belle seconded to approve to Request to Move December Board Meeting to December 15<sup>th</sup>. **MOTION CARRIED. AYES: Chair Mouet, Vice Chair Berardino, Director Aitken, Director Tkaczyk, Director La Belle, Director Ruiz and Director Pham. NAYES: none. ABSTENTION: none.**

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

Chair Mouet reopened meeting at 12:13 p.m. noting that there were no reportable actions out of closed session. He then announced the Board Training and Team Building session would be rescheduled at a later date.

Kim Harmes, Market Place vendor, spoke her concerns with some Market Place patrons being wrongfully charged for parking.

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

Director La Belle thanked Chair Mouet for his time as Chair. He also suggested incumbent Chair Berardino consider creating a new Fair Theme Committee and appoint himself and Vice Chair to the committee.

Director Tkaczyk thanked Chair Mouet for his leadership and looks forward to the leadership of Vice Chair Berardino as the new Chair.

Director Tkaczyk gave examples of 50-50 style raffle drawings and suggested that the topic be made an agenda item for the November Board meeting to discuss adding such raffles to the annual Fair. He added such 50-50 raffles could benefit charities such as Centennial Farm Foundation and Heroes Hall Foundation.



Director Aitken, Director Pham and Director Ruiz thanked Chair Mouet for his service and congratulated Vice Chair Berardino on his new appointment.

**12. BOARD OF DIRECTORS GOVERNANCE TRAINING & TEAM BUILDING**

Training session to be rescheduled for a later date.

**13. NEXT BOARD MEETING: NOVEMBER 17, 2016**

Director Aitken motioned and Director La Belle seconded to adjourn. All Board members said Aye.

**14. ADJOURNMENT**

Meeting adjourned at 12:19 p.m.



Nick Berardino, Chair



Kathy Kramer, Chief Executive Officer