

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING  
HELD MARCH 23, 2017**

**1. CALL TO ORDER:**

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

**2. MISSION STATEMENT**

**3. PLEDGE OF ALLEGIANCE:**

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

**4. DIRECTORS PRESENT:**

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

**DIRECTORS ABSENT/EXCUSED:** Vice Chair Bagneris

**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; Bianca Kulback, OCFEC Director of Human Resources; Jason Jacobsen, OCFEC Director of Planning & Presentation; Joan Hamill, OCFEC Director of Exhibits & Education; Terry Moore, OCFEC Director of Communications; Dan Gaines, OCFEC Director of Entertainment; Howard, Sandler, OCFEC Director of Events; Nick Buffa, OCFEC Director Security & Traffic; Evy Young, OCFEC Agriculture Education Supervisor; Jeff Wilson, Entertainment Supervisor; Roxanne Hack, OCFEC; Josh Caplan, Office of the Attorney General; Denise Herft, Stenographer; Tamara Goddard, Tandem; Scott Bruno, Tandem; Kelly Shelton, City of Costa Mesa; Nick Nicora, Spectra, Adela Generally, Spectra; Jeff Teller; Gary Kutscher, Director of the OC Marathon; Theresa Sears; Reggie Mundekis; Beth Refakes; Jeanine Robbins; Mike Robbins; Carol Russo; Greg Silva

**5. CEO'S OPERATIONAL UPDATE**

Kathy Kramer, OCFEC CEO, announced the reappointments of Director Cervantes and Director La Belle by Governor Brown to the OCFEC Board of Directors.

Kramer shared that the 2016 OC Fair television commercial won the Addy Award given by the American Advertising Federation.

Kramer also announced that Senate Bill SB741 passed the print requirement and legislative representative, Gonsalves & Son, continues to work with stakeholders for support for this bill.

Kramer reported that staff is hard at work, focusing on Imaginology which happens April 21<sup>st</sup> through 23<sup>rd</sup> and the OC Fair which opens in 113 day.

Kramer shared highlights of the OC Fair summer concert series.

Kramer stated that one of the goals of this year's OC Fair is to expand the Hispanic programming. She announced the addition of another performance by Mariachi Sol De Mexico de Jose Hernandez and partnering with organizers of the Mariachi Youth Nationals and Summer Institute.

Adam Carleton, OCFEC VP Finance & Administration presented the February 2017 financials.

Kramer gave an update on the renovation of the Boys Chorus Building for the relocation of Exhibits and Education staff.

Kramer reported meeting with Costa Mesa Councilman, John Stephens and City staff to discuss a City of Costa Mesa 4<sup>th</sup> of July Celebration event at OCFEC. She stated that OCFEC will continue to work with the City of Costa Mesa, Pacific Symphony and the OC Market Place to explore opportunities for all the organizations to work together to be a part of this 4<sup>th</sup> of July celebration.

Kramer stated that staff is in the process of drafting a rental agreement with the Pacific Symphony and anticipates bringing the agreement forward by the May Board meeting.

Kramer reported meeting with and giving a tour of the fairgrounds to Chargers Vice President of Community Relations. Kramer also shared that she attended the Costa Mesa City Council Meeting where the City Council unanimously voted to enter into a ten year contract with the Chargers to use Jack Hammett Sports Complex for their training facility.

Kramer shared that she, Director La Belle and Chair Berardino toured the Boys Republic in Chino Hills.

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

Kramer reported that since the February Board meeting, staff had spent an estimated 46.5 hours, at a cost of \$1,896.27, fulfilling public records requests.

## **6. PUBLIC COMMENT**

Mike Robbins, OC Market Place vendor, spoke in opposition of the closure of the fairgrounds on March 25<sup>th</sup> and 26<sup>th</sup>.

Jeanine Robbins, OC Market Place vendor, spoke in opposition of the closure of the fairgrounds on March 25<sup>th</sup> and 26<sup>th</sup>.

Reggie Mundekis criticized the letter she received regarding her public records request of the closure of the fairgrounds on March 25<sup>th</sup> and 26<sup>th</sup>.

Carol Russo, spoke in opposition of the closure of the fairgrounds on March 25<sup>th</sup> and 26<sup>th</sup>.

Greg Silva, OC Market Place vendor, spoke in opposition of the closure of the fairgrounds

**7. MINUTES:**

**A. Board Meeting held February 23, 2017**

**ACTION:** Director Cervantes motioned and Director La Belle seconded to approve the minutes from the Board meeting held February 23, 2017.  
**MOTION CARRIED. AYES: Chair Berardino, Director Mouet, Director Tkaczyk, Director La Belle, Director Cervantes and Director Pham.**  
**NAYES: None. ABSTENTION: Director Ruiz and Director Aitken.**

**8. CONSENT CALENDAR**

A. Standard Agreements: SA-051-17BB; SA-052-17GE; SA-053-17GE; SA-054-17GE; SA-055-17HB; SA-060-17BB; SA-062-17AS; SA-064-17BB; SA-066-17HB; SA-067-17HB; SA-068-17AS; SA-069-17HB; SA-070-17HB; SA-072-17GE; SA-085-17GE; SA-088-17GE; SA-056-17FTYR; SA-058-17FT; SA-071-17IA; SA-073-17FT; SA-074-17YR; SA-090-17IO

B. Amendments: SA-201-15SP (Amend. #2); SA-35-14FV (Amend. #2); SA-038-15PL (Amend. #1); SA-25-13CT (Amend. #3)

C. Rental Agreements: R-007-17; R-008-17; R-027-17; R-030-17; R-037-17; R-041-17; R-068-17; R-076-17; R-077-17; R-078-17; R-081-17; R-083-17; R-084-17; R-089-17; R-091-17; R-092-17; 17 IO-FE 01; 17 IO-FE 02; 17 IO-FE 03; 17 IO-FE 04; 17 IO-FE 05; 17 IO-FE 06; 17 IO-FE 07; 17 IO-FE 08; 17 IO-FE 09; 17 IO-FE 10; 17 IO-FE 11; 17 IO-FE 12; 17 IO-FE 13; 17 IO-FE 14; 17 IO-FE 1; 17 IO-FE 16; 1 7 IO-FE 17; 17 IO-FE 18; 17 IO-FE 19; 17 IO-FE 20; 17 IO-FE 21; 17 IO-FE 22; 17 IO-FE 23; 17 IO-FE 24; 17 IO-FE 25; 17 IO-FE 26; 17 IO-FE 27; 17 IO-FE 28; 17 IO-FE 29; 17 IO-FE 30; 17 IO-FE 31; 17 IO-FE 32; 17 IO-FE 33; 17 IO-FE 34; 17 IO-FE 35; 17 IO-FE 36; 17 IO-FE 37; 17 IO-FE 38; 17 IO-FE 39; 17 IO-FE 40; 17 IO-FE 41; 17 IO-FE 42; 17 IO-FE 43; 17 IO-FE 44; 17 IO-FE 45; 17 IO-FE 46; 17 IO-FE 47; 17 IO-FE 48; 17 IO-FE

49; 17 IO-FE 50; 17 IO-FE 51; 17 IO-FE 52; 17 IO-FE 53; 17 IO-FE 54;  
17 IO-FE 55; 17 IO-FE 56; 17 IO-FE 57; 17 IO-FE 58; 17 IO-FE 59; 17  
IO-FE 60; 17 IO-FE 61; 17 IO-FE 62; 17 IO-FE 63; 17 IO-FE 64; 17 IO-  
FE 65; 17 IO-FE 66; 17 IO-FE 67; 17 IO-FE 68; 17 IO-FE 69; 17 IO-FE  
70; 17 IO-FE 71; 17 IO-FE 72; 17 IO-FE 73

D. Active Joint Powers Authority Agreements: 17-010

E. Commercial Rental Agreements: 17001; 17002; 17003; 17004; 17005;  
17006; 17007; 17009; 17010; 17011; 17012; 17013; 17014; 17016;  
17017; 17018; 17019; 17020; 17021; 17022; 17023; 17024; 17025;  
17026; 17027; 17028; 17029; 17033; 17036; 17037; 17038; 17039;  
17040; 17042; 17043; 17044; 17045; 17046; 17049; 17050; 17051;  
17053; 17054; 17055; 17056; 17057; 17059; 17061; 17062; 17063;  
17064; 17065; 17066; 17067; 17068; 17069; 17070; 17072; 17073;  
17078; 17079; 17080; 17081; 17082; 17083; 17084; 17085; 17086;  
17087; 17088; 17092; 17093; 17094; 17095; 17096; 17097; 17099;  
17100; 17102; 17103

F. Platinum Rental Agreements: 17710; 17715; 17729

G. Green Gate Village Rental Agreements: 17601; 17603; 17604; 17605;  
17606; 17607; 17608; 17609; 17610; 17612

H. 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.

*-End of Consent Calendar-*

**ACTION:** Director Cervantes motioned and Director La Belle seconded to approve the Consent Calendar with items SA-25-13CT and R-008-17 pulled for discussion. **MOTION CARRIED. AYES: Chair Berardino, Director Mouet, Director Aitken, Director Tkaczyk, Director La Belle, Director Cervantes, Director Ruiz and Director Pham. NAYES: None.**

Kramer explained that contract SA-25-13CT was amended to extend the last option year to an eight-month agreement to expire November 30, 2017. She stated the reasoning for the amendment was to avoid an interruption of service if the current vendor (Ticketmaster), were not the winning bid in the Request for Proposal (RFP) process.

**ACTION:** Director La Belle motioned and Director Cervantes seconded to approve contract SA-25-13CT. **MOTION CARRIED. AYES: Chair**

**Berardino, Director Mouet, Director Aitken, Director Tkaczyk, Director La Belle, Director Cervantes, Director Ruiz and Director Pham. NAYES: None.**

Michele Richards reported that rental agreement R-008-17 is a new five-year agreement with the Orange County Marathon; the first five year agreement ended in May of 2016. She stated that the OC Marathon has been an important partnership, bringing a great community event to the fairgrounds.

Richards clarified for Chair Berardino that the agreement R-008-17 would begin for the May 2017 marathon through the May of 2021 marathon.

Chair Berardino congratulated Gary Kutscher, Director of the OC Marathon, and his team on the success of the previous five years. Chair Berardino talked about limiting agreements to less than five years. He also discussed his hesitation on approving five-year contracts without lengthy negotiations between the two parties.

Director Ruiz agreed five-year agreements are a long commitment and suggested a two or three-year agreement with additional term options as an alternative.

Director Aitken stated she would like to explore the OC Marathon charities fundraising to include Centennial Farm Foundation and Heroes Hall Veterans Foundation charities in future negotiations.

Richards explained details of the new five year rental agreement R-008-17 having a base fee of \$100,000.00 with a built-in 3% escalator each year with OCFEC keeping all parking, food and beverage, and facility rental fees revenue.

Board and staff discussion continued around different deal points of agreement R-008-17.

Director Tkaczyk suggested to staff that agreements like R-008-17 reviewed by the Tenant Liaison Committee prior to reaching the Board agenda.

Chair Berardino stated he did not want to impede or negatively impact the 2017 OC Marathon from moving forward but wanted the Tenant Liaison Committee to discuss the five-year agreement. He asked Counsel if there was a way to approve the agreement for the 2017 Marathon without having a five year term.

Josh Caplan, Office of the Attorney General (Counsel), stated that the Board may adapt the agreement as is with the sole change being the term of the agreement; the change needs to be on the record and subject to a vote at today's meeting.

Board and Counsel discussion continued around what action options the Board has with the agreement.

Counsel confirmed for Director La Belle that the agreement term could be modified from five years and amended to a one year term and approve in today's

Board meeting, in an effort to have an agreement with OC Marathon and OCFEC for the 2017 OC Marathon.

Counsel confirmed for Director Aitken that the amendment of the one year term is not a calendar year but for the Marathon year, for the 2017 dates the OC Marathon will occupy OCFEC.

Counsel clarified to the Board that the vote would be to amend only the term dates of rental agreement R-008-17 to include the term May 3, 2017 through May 8, 2017.

Kramer respectfully requested that a Board discussion be agendaized for the April Board meeting to develop a Board policy to provide staff clear direction on when to involve the Tenant Liaison Committee in rental agreement negotiations.

**ACTION:** Director Tkaczyk motioned and Director Aitken seconded to approve and amend rental agreement R-008-17 of the Consent Calendar with the term dates of May 3, 2017 through May 8, 2017. **MOTION CARRIED. AYES: Chair Berardino, Director Mouet, Director Aitken, Director Tkaczyk, Director La Belle, Director Cervantes, Director Ruiz and Director Pham. NAYES: None.**

Gary Kutscher, Director of the OC Marathon, thanked the Board for the approving the amended rental agreement. He stated that participation has been down in past few years, but kids program is the largest in the country.

## 9. GOVERNANCE PROCESS:

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

- i. Centennial Farm Foundation Board (Director Cervantes)
- ii. Heroes Hall Veterans Foundation Board (Chair Berardino, Director La Belle)
- iii. Financial Monitoring Committee (Vice Chair Bagneris, Director Pham)
- iv. Workers Memorial Task Force (Chair Berardino, Director Aitken)
- v. 2017 OC Fair City Liaison Committee (Director La Belle, Director Cervantes)
- vi. Legislative Monitoring Task Force (Chair Berardino, Director Aitken)
- vii. Master Site Plan Task Force (Director La Belle, Director Ruiz)
- viii. Tenant Liaison Committee (Director Tkaczyk, Chair Berardino)
- ix. Consumer Initiatives Task Force (Director Tkaczyk, Vice Chair Bagneris)
- x. Agricultural Committee (Director Mouet, Director Cervantes)
- xi. Equestrian Center Task Force (Director Aitken, Director Tkaczyk)

Chair Berardino, on behalf of the Heroes Hall Veterans Foundation Board, expressed his gratitude to staff for the great job on the Heroes Hall museum. He announced that two plaques will be presented next month for Board approval. Director La Belle added that he will be making a presentation to OC City Manager's group April 5<sup>th</sup> for fundraising efforts to engage other cities that the Foundation has yet to

make contact with.

Director Pham, on behalf of the Financial Monitoring Committee (FMC), spoke about refreshing the financial reporting. He added that the FMC has been working with staff on revisions of the reports.

Director Aitken, on behalf of the Workers Memorial Task Force, asked Ken Karns, VP of Operations to give an update. Karns gave a progress update on the project and stated that the Memorial will be completed before the 2017 Fair.

Director La Belle, on behalf of the 2017 OC Fair City Liaison Committee, reported that he and Director Cervantes will attend meeting with mayors and city managers on May 18<sup>th</sup> to share the City days at the 2017 OC Fair.

Director Ruiz, on behalf of the Master Site Plan Task Force, deferred to Ken Karns for the update. Karns announced that the website link for community input was launched February 22<sup>nd</sup>. He also reported the employee questionnaire were sent out to all OCFEC staff to provide their input in the Master Site Plan process. He added that the internal stakeholder meeting had also taken place on March 14<sup>th</sup>.

Chair Berardino, on behalf of the Tenant Liaison Committee, reported that he went to the OC Market Place the prior weekend to speak directly with the vendors to show his support and empathy in regards to the closure of the fairgrounds on March 25<sup>th</sup> and 26<sup>th</sup>. Director Tkaczyk spoke on points brought up by some of the vendors during public comment. Director Tkaczyk discussed the fairground closure and the High Profile Event policy. He also suggested the Tenant Liaison committee be involved in the rental agreement negotiations with the Equestrian Center.

Richards explained the efforts to notify the public of the closure of the fairgrounds on March 25<sup>th</sup> and 26<sup>th</sup>.

Kramer reported on the efforts made to assist the OC Market Place with marketing the prior weekend and efforts made with cross promotions.

Director Tkaczyk, on behalf of the Equestrian Center Task Force, gave an update of the type of information the Committee is seeking in regard to the Equestrian Center. Director Aitken shared her appreciation for the appointment to the task force and stated that she will be an advocate of the Equestrian Center.

Chair Berardino corrected a statement from the last meeting that

Theresa Sears will to be a consultant to the Equestrian Center Task Force committee not a committee member.

Reggie Mundekis suggested a third party study be done of the Equestrian Center.

Gibran Stout spoke of her nonprofit youth sports team organization that uses the Equestrian Center and the programs and community service the organization offers.

Lisa Sabo stated she appreciated the Equestrian Center survey that went out. She spoke of her programs and clients who benefit from the Equestrian center.

Chair Berardino announced item G on the agenda to be the next matter of business.

**G. Ten Year Vision and Organizational Direction Discussion**  
Information Item

Chair Berardino discussed ideas for his vision for OC FEC; maximizing the community space for community and recreational purposes; creating a scoring process for all activities; contribution to the community, contribution to property and impact of activities; consider the pros and cons of commercial sponsorship; integration of the entire grounds operation in a sole vision and develop synergy between events; incentivize vendors to contribute to OC FEC community programs and charities; establish clear vision and policy that will continue initiatives.

Director La Belle discussed aspects of the Master Site Planning process and suggested engaging in periodic discussions relative to financing, a physical plan, etc. to keep initiatives on track.

Director Mouet agreed to with the importance of the Board developing a mission. He suggested that the mission be integrated in programing and the Master Site Plan.

Reggie Mundekis shared many ideas that support educational, agricultural and community use of the property. She suggested more agricultural space and walking paths inside and outside of the property.

**B. Heroes Hall Veterans Foundation Memorandum of Understanding**  
Action Item

Director La Belle suggested amending the MOU to include an annual minimum contribution of \$45,000.00 to OC FEC.



**ACTION:** Director Aitken motioned and Director La Belle seconded to review, approve and amend the Heroes Hall Veterans Foundation Memorandum of Understanding to include the Foundation to pay an annual minimum contribution of \$45,000.00 to OCFEC. **MOTION CARRIED. AYES: Chair Berardino, Director Mouet, Director Aitken, Director Tkaczyk, Director La Belle, Director Cervantes, Director Ruiz and Director Pham. NAYES: None.**

**C. OC Market Place Update**  
Information Item

Nick Nicora, Spectra VP of Business Development, spoke about the weather challenges that have impacted the OC Market Place vendors this last season. He also gave an overview of initiatives to improve the OC Market Place.

Jeff Teller, of Spectra, thanked Kramer and staff for the cross promotion efforts with OCFEC and OC Market Place. He also thanked the Board for their leadership and of the difficult decision for the closure for public safety. Teller echoed the difficulties that the weather caused the OC Marketplace vendors and shared his empathy.

Director Aitken suggested the Tenant Liaison Committee review and discuss of any large structural changes made by Spectra on grounds.

The meeting broke at 11:48 a.m. and resumed at 11:58 a.m.

**D. Imaginology Presentation**  
Information Item

Gibran Stout spoke about the equestrian programming during the Imaginology event hosted by OCFEC. She shared that her equestrian organization is participating in Imaginology as a community give back.

Richard presented an overview of Imaginology 2017.

**E. OC Fair & Event Center Security Initiative Update**  
Information Item

Nick Buffa, Director of Security and Traffic, presented the staff report.

Chair Berardino praised staff for exceeding expectations related to security initiatives.

Director Aitken asked if safety department training address sensitivity

training for OCFEC staff.

Buffa answered Board of Directors' security question.

Director Tkaczyk thanked Kramer for the execution of Board direction in the increased security measures.

**F. OC Fair Kids Club Program**  
Information Item

Kramer presented staff report.

**10. CLOSED SESSION**

No closed session.

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

Board members extended their congratulations to Director Labelle and to Director Cervantes on their reappointments.

Director La Belle suggested the Pacific Symphony Memorandum of Understanding be reviewed by Tenant Liaison Committee.

Director Cervantes expressed her excitement and anticipation for the 2017 OC Fair. She thanked Chair Berardino for starting discussions for the development of a Board vision.


Chair Berardino asked Kramer to facilitate a meeting with Karns and Reggie Mundekis to discuss her walkable path idea.

**12. NEXT BOARD MEETING: APRIL 27, 2017**

**13. ADJOURNMENT**

Director Ruiz motioned and Director Cervantes seconded to adjourn. All Board members said Aye.

Meeting adjourned at 12:39 p.m.

  
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Nick Berardino, Chair

  
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Kathy Kramer, Chief Executive Officer