

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING  
HELD September 28, 2017**

**1. CALL TO ORDER:**

Chair Berardino 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 Aitken. Roll call was taken by Summer Angus.

**4. DIRECTORS PRESENT:**

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

**DIRECTORS ABSENT/EXCUSED:** Director Ruiz

**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; Bianca Kulback, OCFEC Director of Human Resources; Jerry Eldridge, OCFEC Director of Facilities; Jason Jacobsen, OCFEC Director of Planning & Presentation; Howard, Sandler, OCFEC Director of Events; Elaine Kumamoto, OCFEC Director of Finance; Thane Hollman, OCFEC Guest Experience Supervisor; Roxanne Hack, OCFEC; Josh Caplan, Office of the Attorney General; Luis Hernandez, Stenographer; Charlie Johnson, Johnson Consulting; Elizabeth Shreeve, SWA; Larry Frapwell, HPI; Ben Waldo, SWA; Jeff Teller, OC Market Place; Jo Ellen Chatham, Co-Vice Chair, Pacific Symphony; Jay Humphrey; Reggie Mundekis; Beth Refakes; Theresa Sears; Brian West

**5. CEO'S OPERATIONAL UPDATE**

Kathy Kramer, OCFEC CEO, highlighted attendance, revenue and patron survey numbers from the 2017 OC Fair.

Kramer reported the temporary closure of Heroes Hall Veterans Museum, from October 2<sup>nd</sup> through October 13<sup>th</sup>, for the installation of the "Kimberly Millet's Operation Iraqi Freedom" exhibition. She also announced that OCFEC will be hosting the second presentation of Voices – Veterans Storytelling Project on October 20<sup>th</sup> and a Veterans Day celebration on November 11<sup>th</sup> at Heroes Hall.

Kramer reported the installation of new, metal animal pens at Centennial Farm.

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

Ken Karns, OCFEC VP Operations, provided an updated and description of the Arlington Drive Beautification project, formerly referred to as the Bio Swale project. He also shared the anticipated completion date of the project to be May 2018.

Kramer reported that each Pacific Symphony performance at the Pacific Amphitheatre was monitored and found in compliance by Sound Media Fusion, sound monitoring contractor. She also stated that OCFEC and the Pacific Symphony are in discussions to finalize their 2018 summer concert dates at the Pacific Amphitheatre.

Kramer shared that Kelly Associates Management Group won the RFP to facilitate OCFEC's five year strategic business plan. She also announced that two public community stakeholder meetings are scheduled for October 18<sup>th</sup> & 19<sup>th</sup>.

Kramer announced that OCFEC is partnering with Coastline Regional Occupational Program (ROP), to provide internships to Orange County high school students.

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

Chair Berardino congratulated staff on a successful and well produced 2017 OC Fair. He applauded the percentage increase of the patron survey results.

## **6. PUBLIC COMMENTS**

Jo Ellen Chatham, Co-Vice Chair, Pacific Symphony, thanked the OCFEC Board of Directors and staff for the welcome, hospitality and partnership with the Pacific Symphony and patrons during the summer concert series. She shared information on the symphony's Heart Strings program and how their guests enjoyed their experiences at the Pacific Amphitheatre and the OC Fair. Chatham reported the positive feedback from the Pacific Symphony's patron surveys.

Jay Humphrey, Costa Mesa resident, criticized the monthly Board of Directors meetings for being held solely in the daytime. He suggested that some of the monthly Board of Directors meetings be held in the evenings to allow more community members to be able to attend. Humphrey also criticized the lack of content on one of the staff reports.

## **7. MINUTES:**

**A. Board Meeting held June 22, 2017**

**ACTION:** Vice Chair Bagneris motioned and Director Cervantes seconded to review and approve the minutes from the Board meeting held June 22, 2017. **MOTION CARRIED. AYES:** Chair Berardino, Vice Chair Bagneris, Director Aitken, Director Mouet, Director Tkaczyk and Director Cervantes. **NAYES:** None.

**8. CONSENT CALENDAR**

- A. Standard Agreements:** SA-167-17HB; SA-211-17PA; SA-212-17PA; SA-213-17PA; SA-214-17PA; SA-215-17SP; SA-216-17CF; SA-217-17PA; SA-218-17PA; SA-219-17PA; SA-220-17PA; SA-221-17PA; SA-222-17PA; SA-223-17PA; SA-234-17BB; SA-224-17SP; SA-225-17SP; SA-226-17SP; SA-227-17SP; SA-228-17SP; SA-229-17SP; SA-230-17FT; SA-231-17FT; SA-232-17SP; SA-236-17SP; SA-237-17SP; SA-238-17SP; SA-239-17YR; SA-240-17SP; SA-241-17CS
- B. Amendments:** SA-56-14RD-A#2; SA-106-17FT #1; SA-124-17FT-A#1; SA-146-17PA #1; SA-152-17AS #1; SA-187-17PA #1; SA-213-17PA #1; SA-258-13WC-A#3; SA-260-13CS #3; SA-263-15SM-A#1
- C. Rental Agreements:** OCC-1701; OCC-1702; OCC-1704; OCC-1705; OCC-1706; OCC-1707; OCC-1708; OCC-1709; OCC-1710; OCC-1711; R-031-17; R-032-17; R-034-17; R-050-17; R-099-17; R-102-17R-104-17; R-106-17; R-111-17; R-117-17; R-128-17; R-129-17; R-130-17; R-131-17; R-134-17; R-137-17; R-138-17; R-139-17; R-141-17; R-142-17; R-143-17; R-144-17; R-145-17; R-146-17; R-147-17; R-148-17; R-149-17; R-150-17; R-151-17; R-154-17; R-155-17; R-156-17; R-161-17
- D. Active Joint Powers Authority Agreements:** None
- E. Commercial Rental Agreements:** 17032; 17041; 17052; 17089; 17112; 17115; 17141; 17237
- F. Concession Rental Agreements:** 17520; 17521; 17522; 17597; 17598
- G. Independent Amusement Rental Agreement:** 17632
- H. Platinum Rental Agreements:** 17632
- I. Judging Agreements:** GF-001-17; GF-002-17; GF-021-17; GF-022-17; GF-023-17; GF-024-17; GF-028-17; GF-029-17; GF-003-17; GF-030-17; GF-031-17; GF-004-17; GF-005-17; GF-006-17; GF-007-17; GF-009-17; GF-011-17; GF-012-17; GF-013-17; GF-015-17; GF-017-17;



HA-021-17; HA-022-17; HA-023-17; HA-024-17; HA-025-17; HA-026-17; HA-027-17; HA-028-17; HA-029-1; LS-027-17

**J. 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 Vice Chair Bagneris seconded to review and approve the Consent Calendar. **MOTION CARRIED.**  
**AYES:** Chair Berardino, Vice Chair Bagneris, Director Aitken, Director Mouet, Director Tkaczyk and Director Cervantes. **NAYES:** None.

Chair Berardino announced that agenda item 9I to be moved to start the governance process.

**9. GOVERNANCE PROCESS:**

**I. Board Discussion on Pacific Symphony Partnership for the 2018 Summer Season**  
Action Item

Kramer presented staff recommendation; OCFEC to provide the Pacific Symphony with a \$100,000 cash contribution for their summer concert series. In trade, the Pacific Symphony will provide performances in support of OCFEC's educational and community outreach initiatives, as well as co-marketing opportunities.

Theresa Sears, Pacific Symphony season ticket holder, shared the wonderful experience she had at the Pacific Symphony's summer concerts at the Pacific Amphitheatre. She spoke in support of recommendation.

Chair Berardino shared his unequivocal support of the recommendation. He stated that the partnership with the Pacific Symphony supports the OCFEC's mission statement and would contribute to OCFEC's educational assets as well as furthering community outreach initiatives.

Vice Chair Bagneris stated that she is looking forward to the continued partnership with the Pacific Symphony.

Director Cervantes stated that she also strongly supports the opportunity.

Director Mouet also shared his support of the recommendation and the opportunity it will provide underserved youth in the community the access to and education of classical music.

Director Aitken echoed the support and comments of the other Directors. She shared her hope for building on the amazing partnership with the Pacific Symphony and also collaborating with Orange County School Districts.

Director Tkaczyk also shared his support and applauded staff and for their efforts.

**ACTION:** Director Aitken motioned and Vice Chair Bagneris seconded to review and approve providing the Pacific Symphony with a \$100,000 cash contribution for their summer concert series. In trade, the Pacific Symphony will provide performances in support of OCFEC's educational and community outreach initiatives, as well as co-marketing opportunities.  
**MOTION CARRIED. AYES: Chair Berardino, Vice Chair Bagneris, Director Aitken, Director Mouet, Director Tkaczyk and Director Cervantes. NAYES: None.**

#### **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. 2018 OC Fair City Liaison Committee (Director La Belle, Director Cervantes)
- v. Legislative Monitoring Task Force (Chair Berardino, Director Aitken)
- vi. Master Site Plan Task Force (Director La Belle, Director Ruiz)
- vii. Tenant Liaison Committee (Director Tkaczyk, Chair Berardino)
- viii. Consumer Initiatives Task Force (Director Tkaczyk, Vice Chair Bagneris)
- ix. Agricultural Committee (Director Mouet, Director Cervantes)
- x. Equestrian Center Task Force (Director Aitken, Director Tkaczyk)

Chair Berardino, on behalf of the Heroes Hall Veterans Foundation Board, reported that 44,000 people had visited Heroes Hall during the 2017 OC Fair.

Vice Chair Bagneris, on behalf of the Financial Monitoring Committee, reported on their monthly meeting held on September 15<sup>th</sup>. She stated that she is looking forward to the 2017 OC Fair P&L that will be presented at the October meeting.

Reggie Mundekis spoke about required processes of the Master Site Plan and referred to letters she had written to the Board.



Ken Karns, on behalf of the Master Site Plan Task Force, reported that the committee attended a workshop with the consulting team on July 7<sup>th</sup> where the consulting team presented preliminary master site plan concepts. He stated that the committee also had a meeting on September 8<sup>th</sup> which focused on CEQA and EIR (California Environmental Quality Act and Environmental Impact Reports).

Director Tkaczyk, on behalf of the Equestrian Center Task Force, stated that he is looking forward to a plan being formulated for the equestrian center.

**B. Board Chair and Vice Chair Nominating Committee**  
Information Item

Chair Berardino appointed Director Tkaczyk and Director La Belle to the Board Chair and Vice Chair Nominating Committee.

**C. Establish OC Fair & Event Center and City of Costa Mesa  
Program Development Committee**  
Information Item

Kramer reported on a meeting she and Chair Berardino attended with the Mayor of Costa Mesa and City of Costa Mesa Leadership wherein the formation of the committee was suggested, to have both Board and staff representation.

Chair Berardino also commented on the meeting with the City of Costa Mesa and the continued to partnership with the City to broaden education programs at OC FEC.

Chair Berardino stated that he will defer to the new Board Chair to appoint the committee.

**D. OC Fair & Event Center Smoking Policy Discussion**  
Information Item

Kathy Kramer presented the staff report.

Vice Chair Bagneris stated that she would like to see additional signage and continued enforcement of the non-smoking policy.

**E. Establish Pacific Amphitheatre Operation Evaluation and Review  
Committee**  
Information Item

Chair Berardino announced that the committee had been formed

during the 2017 OC Fair. Chair Berardino reported that he appointed himself and Director Tkaczyk to the committee.

**F. Board Discussion on Reissuing Request For Proposals (RFP) for the Following Services:**

- Pacific Amphitheatre Production Services
- Pacific Amphitheatre Lighting Equipment and Services
- The Hangar and Action Sports Arena Production Services, Lighting and Staging Equipment

Action Item

Chair Berardino stated that he strongly supports the reissuing of the RFP for services listed on the agenda item 9F.

Chair Berardino clarified for Director Aitken that the Board will be working with counsel to set very clear and specific standards of performance for the contract.

**ACTION:** Director Tkaczyk motioned and Vice Chair Bagneris seconded to review and approve reissuing Request For Proposal (RFP) for the following services: Pacific Amphitheatre Production Services, Pacific Amphitheatre Lighting Equipment and Services, The Hangar and Action Sports Arena Production Services, Lighting and Staging Equipment. **MOTION CARRIED. AYES: Chair Berardino, Vice Chair Bagneris, Director Aitken, Director Mouet, Director Tkaczyk and Director Cervantes. NAYES: None.**

**G. Request Board of Directors to Waive Costs for 2017 Veterans Day Event**

Item pulled from the agenda. No action taken.

**H. Discussion on Proposed Changes, Submitted by the Centennial Farm Foundation, to their Memorandum of Understanding (MOU)**

Action Item

Richards presented the changes submitted by the Centennial Farm Foundation, to their MOU.

Board discussion ensued around the submitted changes by the Centennial Farm Foundation, to their MOU.

Vice Chair Bagneris stated that the Centennial Farm Foundation MOU should have the same language as the Heroes Hall Veterans Foundation MOU in regard to complimentary fair and parking passes. She shared that she is in support of rejecting changes submitted in item 1 on the staff report.

Josh Caplan (counsel), Attorney General's office, stated that he had not seen the March 1997 letter referenced by the Centennial Farm Foundation and also stated that his recommendation had not changed.

Counsel and Richards clarified that Centennial Farm Foundation may use 88 Fair Dr. as their physical address only if there is a rental agreement in place with OC FEC, to avoid the gifting of public funds.

The Board of Directors discussed the changes submitted by the Centennial Farm Foundation to their MOU and decided to:

- Reject the change the word "may" to "will" in the following statement: District, at its sole discretion, ~~may~~ will provide to each active Foundation Board member one (1) complimentary pass to District's annual county fair, which pass ~~may~~ will include an F Lot parking hang tag. The type and quantity of additional complimentary passes will be assessed by the District on an annual basis and shall comply with California law and District's Ticket Distribution Policy...
- Reject the following: The Foundation will continue to use 88 Fair Drive as its mailing address.
- Reject to eliminate "and physical address" from the following statement: Foundation shall maintain its own web site and ~~physical address~~ which shall be separate and apart from the Centennial Farm web site and ~~physical address~~ maintained by the District.
- Accept to add "(if it maintains employees)" to the following statement: Worker's Compensation. Foundation shall secure and maintain (if it maintains employees), at its own expense, during the Initial Term and any subsequent Renewal Term, Worker's Compensation insurance as required by California law for all of Foundation's employees and shall require the same coverage for any subsidiaries, agents, if any, and its employees, and shall carry a minimum of five million dollars (\$5,000,000) employers insurance coverage as part of the Worker's Compensation insurance.
- Accept the recommendation of the Foundation to consider a \$5 million umbrella policy at the renewal of their current liability policy.

No vote was taken.

**J. California Department of Food and Agriculture Required Board of Directors Training**  
Information Item

Kathy Kramer presented the staff report.



The meeting broke for a recess at 10:16 a.m. and resumed at 10:58 a.m.

Director La Belle joined the meeting at 10:58 a.m.

**K. Master Site Plan Workshop**  
Information Item

Ken Karns gave an introduction of the Master Site Plan workshop.

Jay Humphrey requested that the Board make the materials and presentation from the workshop available to the public on-line.

Charlie Johnson, Johnson Consulting, introduced his team; Elizabeth Shreeve, of SWI and Larry Frapwell, of HPI. Johnson and team presented three conceptual ideas for the Master Site Plan.

Director Pham joined the meeting at 11:27 a.m.

Board of Directors and consultants discussion ensued.

Chair Berardino complimented Johnson and team on an excellent presentation.

**Public Comment:**

Theresa Sears stated that she thought that the master site concepts were a great start but still needs work. She criticized the consultants for referring to the Equestrian Center as "back of the house." She suggested exploring more ways of integrating the Equestrian Center more into the property and with the other educational assets.

Lisa Sabo, President of the OC Preservation Society criticized the master site plan concepts for the size of the Equestrian Center footprint. She spoke about educational equestrian programs and offered to facilitate connecting OCFEC with those programs.

Beth Refakes, Costa Mesa resident, voiced her concerns about the possible demolition of historical Santa Ana Air Base buildings. She suggested meeting with the City of Costa Mesa to explore pedestrian walkways and bikeway opportunities to the grounds. Refakes stated that she liked the plan to restrike the parking lot to gain additional parking spaces.

Brian West, Costa Mesa resident, suggested that more focus is needed on the infrastructure of the property.

Board discussion ensued in response to the public comments.

Chair Berardino thanked the consultants for listening to board and to the public to formulate the concepts presented.

**10. CLOSED SESSION**

No closed session

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

Director Tkaczyk thanked everyone for their participation.

Director Mouet thanked staff for their work to date.

Director Pham commented that the plan looked fantastic and thanked staff.

Vice Chair Bagneris shared that she liked the visuals that the consultants presented. She thanked the Master Site Plan Committee and the consultants for their efforts.

Director Cervantes thanked staff for their work.

Director La Belle thanked staff for another outstanding OC Fair. He also thanked Kramer, Karns and the consulting team for their hard work and effort in the preparation and presentation of the Master Site concepts.

**12. NEXT BOARD MEETING: OCTOBER 26, 2017**

**13. ADJOURNMENT**

Director La Belle motion and Vice Chair Bagneris seconded to adjourn. All Board members said Aye.

Meeting adjourned at 12:48 p.m.

  
Nick Berardino, Chair

  
Kathy Kramer, Chief Executive Officer