

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING  
HELD November 16, 2017**

**1. CALL TO ORDER:**

Vice Chair Ruiz called the meeting to order at 9:02 a.m.

**2. MISSION STATEMENT**

**3. PLEDGE OF ALLEGIANCE:**

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

**4. DIRECTORS PRESENT:**

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

**DIRECTORS ABSENT/EXCUSED:** Director Aitken

**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; Jerry Eldridge, OCFEC Director of Facilities; Jason Jacobsen, OCFEC Director of Planning & Presentation; Joan Hamill, OCFEC Director of Exhibits & Education; Terry Moore, OCFEC Director of Communications; Nick Buffa, OCFEC Director Security & Traffic; Dan Gaines, OCFEC Director of Entertainment; Jeff Wilson, OCFEC Entertainment Supervisor; Johanna Svensson, OCFEC Creative Services Supervisor; Josh Caplan, Office of the Attorney General; Luis Hernandez, Stenographer; Theresa Sears; Reggie Mundekis; Beth Refakes; Ana Vrska

Chair Bagneris joined the meeting.

**5. CEO'S OPERATIONAL UPDATE**

Kathy Kramer, OCFEC CEO, reported on the Salute to Veterans event held on November 11<sup>th</sup> at the fairgrounds. She also reported that on November 13<sup>th</sup> community and OCFEC staff volunteers, in partnership with Starbucks, prepared and packaged candy and coffee boxes to be sent to US Military troops overseas.

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

Ken Karns, OCFEC VP Operations, gave a report on the administration building backup emergency generator capabilities, as requested by Director Tkaczyk.

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

## 6. PUBLIC COMMENTS

Theresa Sears congratulated the new chair on her appointment. Sears spoke about her experience during the Canyon 2 Fire and the animal evacuations.

Reggie Mundekis spoke about her request to view the filed form 700s and criticized that the forms were not readily available.

Mary, Costa Mesa resident, spoke about the increase in reported crimes to the Costa Mesa Police Department during the OC Fair dates.

Beth Refakes, commented on the Veterans Day event on November 11th. She suggested having the food donation collection at all entrances to the event.

Ana Vrska, Costa Mesa resident, shared her concerns of the Master Site Plan concepts. She also suggested a change in time of the meetings and flat rate stipend compensation for Board members.

Lisa Sabo commented on her experience at the fairgrounds during the Canyon 2 Fire animal evacuations.

## 7. MINUTES:

### A. Board Meeting held October 26, 2017

**ACTION:** Director Cervantes motioned and Vice Chair Ruiz seconded to review and approve the minutes from the Board meeting held October 26, 2017. **MOTION CARRIED. AYES: Chair Bagneris, Vice Chair Ruiz, Director Berardino, Director Mouet, Director Tkaczyk, Director La Belle, Director Cervantes and Director Pham. NAYES: None.**

## 8. CONSENT CALENDAR

A. Standard Agreements: None

B. Amendments: SA-065-17FT (Amend. #1); SA-076-17FT (Amend. #1); SA-082-17FT (Amend. #1); SA-193-(17FT Amend. #1); SA-224-17FTYR (Amend. #1)

C. Rental Agreements: R-135-17; R-136-17; R-152-17; R-153-17; R-162-17; R-163-17; R-170-17; R-171-17; R-015-18

D. Active Joint Powers Authority Agreements: None

**E. 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 review and approve the Consent Calendar. **MOTION CARRIED. AYES: Chair Bagneris, Vice Chair Ruiz, Director Berardino, Director Mouet, Director Tkaczyk, Director La Belle, Director Cervantes and Director Pham. NAYES: None.**

**9. GOVERNANCE PROCESS:**

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

- i. Centennial Farm Foundation Board (Director Cervantes)
- ii. Heroes Hall Veterans Foundation Board (Director Berardino, Director La Belle)
- iii. Financial Monitoring Committee (Director Pham, Director Mouet)
- iv. 2018 OC Fair City Liaison Committee (Director La Belle, Director Cervantes)
- v. Legislative Monitoring Task Force (Director Berardino, Director Aitken)
- vi. Master Site Plan Task Force (Director La Belle, Vice Chair Ruiz)
- vii. Tenant Liaison Committee (Director Tkaczyk, Director Berardino)
- viii. Equestrian Center Task Force (Director Aitken, Director Tkaczyk)
- ix. Pacific Amphitheatre Operation Evaluation & Review Task Force (Director Berardino, Director Tkaczyk)
- x. Community Outreach & Education Task Force (Chair Bagneris, Director Berardino)

Theresa Sears spoke about her experience helping move evacuated animals to the fairgrounds during the Canyon 2 Fire.

Michele Richard, on behalf of the Centennial Farm Foundation Board, reported that no action had taken place at the Foundation's October meeting and that they will not meet again until January 2018.

Director Berardino, on behalf of the Heroes Hall Veterans Foundation Board, reported on the Salute to Veterans event on November 11<sup>th</sup> and complimented staff on their efforts with the event.

Char Bagneris moved to agenda item 9B.

**B. Heroes Hall Plaque Installation**

**Action Item**

Bobby Mc Donald, Heroes Hall Veterans Foundation, presented the recommendation of the Foundation for the plaque for Marine Corps

Lance Corporal Donald J. Hogan to be installed at Heroes Hall Medal of Honor Courtyard. He also commented on the Salute to Veterans event held November 11<sup>th</sup>.

Director Berardino presented more information regarding Marine Corps Lance Corporal Donald J. Hogan.

**ACTION:** Director Berardino motioned and Director Cervantes seconded to review and approve the Heroes Hall Plaque Installation for Marine Corps Lance Corporal Donald J. Hogan. **MOTION CARRIED. AYES: Chair Bagneris, Vice Chair Ruiz, Director Berardino, Director Mouet, Director Tkaczyk, Director La Belle, Director Cervantes and Director Pham. NAYES: None.**

Chair Bagneris, on behalf of the Financial Monitoring Committee, announced that she will be stepping down from the Committee. She also announced that Director Pham will chair the Committee and Director Mouet will be a member. Director Pham commented on the 2018 Budget Study Session.

Director La Belle, on behalf of the Master Site Plan Task Force, reported on a workshop that was held in September, wherein conceptual drawings were presented by the consultants. La Belle reiterated that the Board has made no decisions representative to which, if any, of the concepts being adopted. Director Berardino stated he is confused about the public comments regarding a supposed convention center being considered as part of the Master Site Plan. He stated that to his knowledge no convention center has been presented at any point in the workshops or concepts. Director La Belle confirmed that at no point has a convention center been presented. Director Ruiz also confirmed the same.

Chair Bagneris announced the discontinuation of the Consumer Initiatives Task Force and the Agricultural Committee. She stated that if there is a future need for a like task force or committee that it could be brought back in an ad hoc capacity.

Director Berardino, on behalf of the Pacific Amphitheatre Operation Evaluation & Review Task Force, reported that the Committee is in the process of reviewing and developing new policies. He reported that the Committee met with a consultant and the sheriff's department regarding the recent security concerns that have taken place at other major event centers. Director Tkaczyk reported that significant changes to policies will take place provide a safe environment for performers, staff and guests alike.

Chair Bagneris, on behalf of the Community Outreach & Education Task Force, introduced the new Task Force that will concentrate on

educational engagement with the community.

**C. Research the Opportunity to Purchase the Art Astor Foundation Inventory Owned by the City of Cerritos**

Action Item

Reggie Mundekis spoke in opposition to the purchase of the Art Astor Foundation Inventory collection.

Kathy Kramer presented the staff report.

Director La Belle discussed the background of the collection and Art Astor's connection to Orange County and the Santa Ana Army Air Base. He recommended that a committee be formed to research and explore the opportunity.

Theresa Sears stated that she had the opportunity to view the collection and shared her support in exploring the opportunity to purchase the collection. She share that she had interviewed Art Astor years ago.

Director Mouet agreed that the opportunity should be explored as it relates to the OC FEC's mission statement as part of heritage.

Director Tkaczyk stated that he agrees with researching the opportunity but also weighing the cost effectiveness carefully.

Director Pham shared his concerns about the number of vehicles in the collection, the footprint and expense the collection would take to house at OC FEC. Pham stated that he would like to understand the expense and maintenance of the collection.

Chair Bagneris appointed Director Pham and Director Mouet to serve on the committee.

No vote, no action taken.

**D. California Department of Food & Agriculture Cannabis Event Guidelines**

Action Item

Reggie Mundekis spoke in opposition of allowing cannabis events at the fairgrounds.

Kathy Kramer presented the staff report.

Chair Bargneris directed staff to review the California Department of Food & Agriculture Cannabis Event Guidelines and bring back recommendations to the Board.

No vote, no action taken.

**E. Review and Approve 2018 OCFEC Operating Budget & Capital / Major Projects**

Action Item

Reggie Mundekis questioned specific general ledger accounts in the 2018 budget.

Kathy Kramer introduced the 2018 OCFEC Operational Budget and the 2018 Organizational Initiatives.

Adam Carleton, VP Finance, presented the 2018 OCFEC Operational Budget. Carleton presented 2018 budget information for the following categories: Produced Event Revenue; Rental Revenue for Year-round Events; Operating Expenses; Professional Services Expenses; Out of State Travel; Overview of Revenue, Labor and Non-Labor Expenses, Net Proceeds and EBITA; Forecasted Cash Position; Interest Income; Pension Liability and Increased Pension Contribution Rates.

Kathy Kramer reported on the technology audits that were conducted in 2017. She reported on the audit recommendations and presented 2018 technology budget items. Kramer also reported plans to upgrade ocfair.com website and the integration of the business operating software to increase efficiencies.

Kramer proposed adding a new civil service head count, at a Director level, for a new department to support the community initiatives. She added that this new director and department would focus on the following: community outreach and relations; program development and promotion of educational assets; community programs and partnerships; rental relief program for non-profits, community and government organizations.

Kramer discussed the 2018 Business Planning and Organizational Succession Planning. She outlined the Succession Planning Initiatives and the proposed 2018 New Civil Service Positions.

Michele Richards presented the 2018 Rental Rates for Year-round Events, with a comparison of price per squares foot rental rates, between OCFEC, LA Fairplex and the San Diego County Fair. She outlined the proposed Year-round rental rate and OC Fair Merchant rate increases.

Director Tkaczyk asked for a merchant space rate comparison between OCFEC, LA Fairplex and San Diego County Fair.

Richards announced that there will not be a gate admission increase in 2018. She also stated that the 2018 OC Fair gate promotions would remain the same as 2017 with the exception of the Super Pass. She reported that the Super Pass would increase by \$5.00 across the promotion.

Director Tkaczyk asked for a comparison of other fairs' Super Pass type promotions.

Ken Karns presented the 2018 Capital Expenditures budget, outlining the categories within the budget as: major capital, building and improvement, major maintenance, equipment and contingency. He highlighted the parking lot restriping and ADA compliance of the Heroes Hall building as some of the projects for 2018.

Director La Belle and Karns discussed different type of fencing to secure the back of the grounds perimeter.

Director Berardino discussed the OC Sherriff's Department budget amount.

Board and staff discussion ensued about different budget account totals.

Director Berardino discussed directors expense budget and ticket policy.

Director Tkaczyk questioned campground rental space. Director Tkaczyk talked about the FPPC regulations regarding tickets that apply to all California Fairs.

Kramer stated that staff would work on a price breakdown of services for the OC Sheriff's Department contract and bring back to the Board.

Director La Belle agreed with looking at the OC Sherriff's Department contract to understand the services being provided. He shared his concerns with the barbeque smoke from the fair time food vendors.

Chair Bagneris congratulated staff for their hard work putting the budget together.

**ACTION:** Director Tkaczyk motioned and Vice Chair Ruiz seconded to review and approve the 2018 OCFEC Operating Budget & Capital / Major Projects. **MOTION CARRIED. AYES: Chair Bagneris, Vice Chair Ruiz,**

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

**10. CLOSED SESSION**

No closed session.

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

Director Mouet suggested to the Chair and CEO to connect staff with Costa Mesa Police Department to get an assessment of the crime statistics during OC FEC programing.

Vice Chair Ruiz thanked staff for a great presentation and great transparency.

Director Berardino commented on the Masuda plaque ceremony at Heroes Hall. Berardino suggested a staff appreciation ticket policy be considered for civil service staff to attend a concert during the fair. He also suggested that staff wear fully visible identification while working.

Director Pham commented on a great meeting and wished everyone a happy Thanksgiving.

Director Cervantes wished everyone a happy Thanksgiving.


Chair Bagneris thanked Vice Chair Ruiz for starting the meeting. She reminded the Board of Directors to finish their online Board Training by December 30<sup>th</sup>.

**12. NEXT BOARD MEETING: DECEMBER 14, 2017**

**13. ADJOURNMENT**

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

Meeting adjourned at 11:48 a.m.

  
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Barbara Bagneris, Chair

  
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Kathy Kramer, Chief Executive Officer