OC FAIR & EVENT CENTER

Board of Directors Meeting

November 16, 2017

Please silence your cell phones

The Mission of OCFEC is…

Celebration of Orange County's Communities, Interests, Agriculture and Heritage

(*with results justifying resources expended)*

5. CEO’s Operational Announcements & Updates

SALUTE TO VETERANS

NOVEMBER 11, 2017

9.7 tons of food donated
$1,000 donated for care packages
5,000 attendees
1,119 Heroes Hall visitors
70 booths for veterans services
3,000 hot dogs served
8 swing dancers
2 live bands performed
1 10-year-old boy played Taps
3 plaques unveiled at Heroes Hall

Coffee & Candy for the Troops

OCTOBER 2017

	Actual	Budget	Variance
YTD Revenue	$ 44,257,935	$ 44,343,272	$ (85,337)
YTD Expenses	$ 35,904,240	$ 38,038,887	$ 2,134,647
YTD Net Proceeds	$ 8,353,695	$ 6,304,385	$ 2,049,310

CASH & EQUIVALENT

October 31, 2017	October 31, 2016
$ 46,542,577	$ 40,578,662

Flying Miz Daisy Vintage Market
Friday-Saturday, Dec. 1-2

Gem Faire
Friday-Sunday, Dec. 1-3

Centennial Farm Food Preservation Class
Saturday, Dec. 2

Fight Club OC
Thursday, Dec. 7

Centennial Farm Winter Wreath Class
Saturday, Dec. 9 and 16

Adopt-a-Family Program
Monday-Thursday, Dec. 18-21

Magic Christmas Tree Lot
November 29-December 17

Winter Fest
December 21-January 7

Monday-Friday: 1p.m.-4p.m.
Saturday-Sunday: 9a.m.-4p.m.

HEROES HALL
THROUGH THE EYES OF VETERANS

Daily 11a.m.-5p.m.

Orange County Market Place
Affordable. Family. Fun.

Saturdays/Sundays, 7a.m.-4p.m.

Thursday, 9a.m.-1p.m.

5. CEO’s Operational Announcements & Updates

6. Matters of Public Comment

Speakers are requested to sign in prior to the start of the meeting and are limited to three minutes. Public comment is allowed on issues NOT on the current Agenda. However, no debate by the Board shall be permitted on such public comments, and no action will be taken on such public comment items at this time, as law requires formal public notice prior to any action on a docket item.

Comments will be accepted on Agenda items during the meeting. Speakers wishing to address the Board on items on the agenda are requested to sign in prior to the start of the meeting and identify the agenda item[s] on which you desire to address the Board. Speakers are limited to three minutes.

7. Minutes

A. Board Meeting held October 26, 2017
   Action Item

8. Consent Calendar: (Policy Reference: 4.3.4)

All matters listed under Consent Calendar are operational matters about which the Board has governing policies, implementation of which is delegated to the CEO. They will be enacted in one motion by category in the order listed below. There will be no discussion of these items prior to the time the Board of Directors votes on the motion, unless members of the board, staff or public request specific items to be discussed separately and/or removed from this section.

Any member of the public who wishes to discuss Consent Calendar items should notify the Chair of the Board, at the time requested and be recognized by invitation of the Chair to address the Board.

9A. Committee/Task Force/Liaison Reports

INFORMATION ITEM:

To assure compliance with the Bagley-Keene Act, Committee reports are only for the purpose of the Committee chair, Task Force members or Liaison to provide a verbal update. Should the Board want to discuss any Committee work item not already on the agenda; those would need to be agendized for a future Board meeting.

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, Director Ruiz)
vii. Tenant Liaison Committee (Director Tkaczyk, Director Berardino)
viii. Consumer Initiatives Task Force (Chair Bagneris, Director Pham)
ix. Agricultural Committee (Director Mouet, Director Cervantes)
x. Equestrian Center Task Force (Director Aitken, Director Tkaczyk)
xi. Pacific Amphitheatre Operation Evaluation & Review Task Force (Director Berardino, Director Tkaczyk)
xii. Community Outreach & Education Task Force (Director Berardino, TBD)

9B. Heroes Hall Plaque Installation

The Heroes Hall Veterans Foundation has reviewed and recommended the installation of a new plaque at the Heroes Hall Medal of Honor Courtyard honoring Marine Corps Lance Corporal Donald J. Hogan, age 20, of San Clemente for his meritorious service during the Global War on Terror.

RECOMMENDATION:
At the Board's discretion.

9C. Research the Opportunity to Purchase the Art Astor Foundation Inventory Owned by the City of Cerritos

The City of Cerritos acquired a significant Americana museum collection from the Art Astor Foundation and is now looking to dispose of this collection. Director LaBelle is asking to appoint a two member task force, along with the CEO, to explore the feasibility of acquiring this collection or portions thereof.

RECOMMENDATION:

At the Board's discretion.

9D. California Department of Food & Agriculture Cannabis Event Guidelines

California Department of Food & Agriculture Fairs and Expositions Branch has recently released their report to District Agriculture Associations that provides cannabis event guidelines.

RECOMMENDATION:

Board of Directors to provide staff direction to review the California Department of Food & Agriculture's Cannabis Events Guidelines and bring back recommendations to the Board for consideration.

9E. Review and Approve 2018 OCFEC Operating Budget & Capital / Major Projects

RECOMMENDATION:

Review and approve 2018 OCFEC Operating Budget and Capital / Major projects plan.

Policy 2.5 – Financial Planning & Budgeting

Financial planning for any fiscal year or the remaining part of any fiscal year will not deviate materially from the Board's Ends priorities, risk financial jeopardy, or fail to be derived from a multi-year plan.

Accordingly, the CEO will not prepare, present or allow budgets that:

1. Risk incurring those situations or conditions described as unacceptable in the "Financial Conditions and Activities" Board policy.
2. Omit credible projection of revenues and expenses for each of the business units (Summer Fair, year-round events/rentals, Pac Amp and Orange County Market Place), separation of capital and operational items, cash flow, and disclosure of planning assumptions.
3. Plan the expenditure in any fiscal year of more funds than are conservatively projected to be received.
4. Provide less for Board activities during the year than is set forth in the Cost of Governance policy (see policy in Governance Process).

Financial Management Structure

- Fiscal year runs January through December
- Budgets are created annually for departmental units which are summarized into five business units:
  - Fair / Self Produced Events
  - Pacific Amphitheatre - Fair
  - Pacific Amphitheatre - Year-round
  - Year-Round Events (includes Orange County Market Place)
  - Support Services (Administration, Accounting, Purchasing, HR, Facilities, Operations, etc)
- The 57 departmental budgets are directly overseen by 21 management staff

Organizational Initiatives
2018 Operating Budget

TECHNOLOGY

COMMUNITY ENGAGEMENT

PLANNING

PEOPLE

2018 OCFEC Produced Event Revenue

	2018 PROPOSED BUDGET	2017 FORECAST	2016 ACTUAL
Total OCFEC Produced Revenue	**36,767,103**	**36,167,719**	**34,203,177**

Primary Growth Areas:

- Pacific Amphitheatre – Forecasting three additional Year Round shows in 2018 for a total of 31 (23 fair-time)
- Food Concessions – $275K, 6%
- Gate Admissions - $161K, 2%
- Year Round & Preferred Parking - $154K, 8%

2018 OCFEC Rental Revenue Year Round Events

	2018 PROPOSED BUDGET	2017 FORECAST	2016 ACTUAL
Rental of Facilities	3,503,491	3,568,600	3,531,742
Other Event Rental Revenues (including parking, personnel, equip. rental)	7,181,296	5,864,447	6,035,582
Total Rental Revenue	**10,684,787**	**9,551,447**	**9,567,324**

Growth is from parking and other services associated with Year Round events ($700K)

- New Business Development Activities
  - *Cirque, large parking lot event (March 1-25, 2018)*

2018 OCFEC Operating Expenses

	2018 PROPOSED BUDGET	2017 FORECAST	2016 ACTUAL
Labor Expenses	17,033,152	14,862,806	13,642,192
Non Labor Expenses	22,623,229	21,164,936	20,812,618
Total	**$ 39,656,381**	**$36,027,742**	**$31,702,857**

Primary Expense Increases

TEMP LABOR

$20K - Contingency for possible recruiting difficulties for fair time seasonal positions

$98K - Minimum Wage increase - *Approximately **882** Seasonal Employees impacted by Minimum Wage increase*

PERMANENT LABOR

$242K - New headcount for 2018 (salary, civil service benefits & employer costs):

- Community Outreach Director, Marketing Specialist

$650K - COLA, Bargaining Unit Contracts, PERS, employer contributions to benefits

$500K - Authorized open positions carried over from 2017

Professional Services Expenses

$57K EBMS (Ungerboeck)

$60K Gonsalves & Son (Legislative Representatives)

$20K Heroes Hall Curator

$15K Forecasting/Analyst part-time staff

$166K Sound Monitoring

$27K Meltwater (Media Monitoring Service)

$430K New Ad Agency – Expanding services to include Rebranding & Marketing/PR Outreach

$80K Arborist

$30K Patron Survey for Fair

$12K Videographer (Year-round & Fair)

2018 Out of State Travel

There are several criteria for approval of out-of-state travel plans. The criteria relevant to OCFEC's operations are:

1. **Survey** – An on-the-spot review and evaluation of an operation/function to improve/initiate a similar operation/function performed by OCFEC staff.
2. **Training** – Upgrading specific employee skills to meet job requirements. The need must be urgent and not reasonably available within the State.
3. **Conferences and Meetings** – Attendance at conferences and meetings with topics directly concerning normal departmental activities.

The 2018 operating budget includes **$103,688** for employee and Board member travel and training.

This year all travel/training expenses have been rolled into Administration budget (06). In prior years it lived in individual department budgets.

Provided that the overall travel budget has not been exceeded, out-of-state travel to any of the following are considered to be approved by the Board via the budget process. Any out-of-state trips which do not meet the state guidelines will be individually approved by the Board.

2018 Out of State Travel

2018 OCFEC Travel Plan – Potential Staff Travel Expenditures

Survey

Eastern States Exposition – The Big E (West Springfield, MA)
Minnesota State Fair (St. Paul, MN)
Other member fairs of the Western Fairs Association (WFA)

Training

AVSS Security Academy (Minneapolis, MN)
EBMS (event management software) Users' Group (generally in St. Louis, MO)
IAVM Venue Management School (Wheeling, WV)
IAFE (Int'l Assoc. of Fairs & Expositions) Spring Management Conference (Minneapolis, MN)
Institute of Fair Management Summit (Louisville, KY)
nQativ (business system software) Users' Group (location varies, recently in Las Vegas, NV)

Conferences and Meetings

Adobe Users Summit (Las Vegas, NV)
AIMS Conference (Galveston, TX)
American Assoc. of Museums Conference (Phoenix, AZ)
HOW Design Conference (Boston, MA)
IAFE Annual Convention (San Antonio, TX)
IAVM (Int'l Assoc. of Venue Managers) Annual Conference (Toronto, ON, Canada)
IEG Sponsorship Seminars and Conferences (Chicago, IL)
IFEA (Int'l Festivals & Events Assoc.) Annual Convention (location varies, 2018 location TBD)
Midwest Fair Managers Conference (Tucson, AZ)
PRSA (Public Relations Society of America) (New Orleans, LA)
Ragan PR & Social Media Conference (Orlando, FL)
Travel Events & Management in Sports Conference (Louisville, KY)

Overview

	2018 PROPOSED BUDGET	2017 FORECAST	2016 ACTUAL
REVENUE	**48,227,068**	**45,787,306**	**44,085,055**
Labor Expenses	17,037,252	14,862,806	12,492,253
Non-Labor Expenses	23,864,285	22,202,900	20,812,618
TOTAL EXPENSES	**44,201,537**	**40,287,742**	**36,450,033**
NET PROCEEDS	4,025,531	5,499,564	7,635,021
Less: Depreciation/Interest	2,893,000	2,908,222	2,954,270
EBITDA	**$ 6,918,531**	**$8,407,786**	**$10,589,292**

Forecasted 2018 Cash Position

	$ in millions
2017 Ending Cash Positon	**$42.00**
Add 2018 Budgeted Cash from Operations	4.0
Addback Depreciation	3.3
Less Capitalized Projects	2.6
2018 Projected Ending Cash Position	**$46.7**
Liquidity Requirement (25%)	$10.3
Committed Capital	2.6
Restricted Capital - RCS (Carnival)	0.7
Total Restricted Cash	**$13.6**
Total Cash Available for Investment	**$33.2**

2018 Interest Income

JOHN CHIANG
TREASURER
STATE OF CALIFORNIA

PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
09/25/17	1.12	1.08	175
09/26/17	1.12	1.08	173
09/27/17	1.12	1.08	179
09/28/17	1.13	1.08	180
09/29/17	1.13	1.08	180
09/30/17	1.11	1.08	190
10/01/17	1.11	1.11	191
10/02/17	1.13	1.12	198
10/03/17	1.13	1.12	200
10/04/17	1.13	1.13	198
10/05/17	1.13	1.13	197
10/06/17	1.13	1.13	196
10/07/17	1.13	1.13	196
10/08/17	1.13	1.13	196
10/09/17	1.13	1.13	193
10/10/17	1.13	1.13	194
10/11/17	1.13	1.13	192
10/12/17	1.14	1.13	193

LAIF Performance Report

Quarter Ending 09/30/17

Apportionment Rate:	1.07%
Earnings Ratio:	.00002942867511750
Fair Value Factor:	.999042071
Daily:	1.11%
Quarter to Date:	1.08%
Average Life:	190

PMIA Average Monthly Effective Yields

Sept 2017	1.111
Aug 2017	1.084
July 2017	1.051

DAA's Pension Liability – GASB 68

At its December 21, 2016 meeting, the CalPERS Board of Administration approved lowering the CalPERS discount rate assumption, the long-term rate of return, from 7.50 percent to 7.00 percent over the next three years. This will increase state employer contribution costs beginning in Fiscal Year 2017-18.

The phase-in of the discount rate change approved by the Board for the next three Fiscal Years is as follows:

Valuation Date	Fiscal Year for Required Contribution	Discount Rate
June 30, 2016	2017-18	7.375%
June 30, 2017	2018-19	7.25%
June 30, 2018	2019-20	7.00%

Lowering the discount rate means plans will see increases in both the normal costs (the cost of pension benefits accruing in one year for active members) and the accrued liabilities. These increases will result in higher required employer contributions.

Projected Future Employer Contribution Rates with Discount Rate Changes (as a percentage of payroll)

Fiscal Year	State Miscellaneous	State Industrial	State Safety	Peace Officers and Firefighters	California Highway Patrol
2016-17	26.646%	18.365%	18.753%	40.276%	48.719%
2017-18	28.8%	20.2%	20.2%	43.5%	52.2%
2018-19	31.3%	22.2%	21.9%	47.1%	56.1%
2019-20	34.7%	25.1%	24.4%	52.3%	61.7%
2020-21	36.9%	26.9%	25.9%	55.7%	65.4%
2022-23	38.7%	28.3%	27.1%	58.6%	68.4%
2023-24	39.7%	29.1%	27.7%	60.1%	70.1%
2024-25	40.3%	29.6%	27.6%	61.2%	71.2%

Organizational Initiatives
2018 Operating Budget

TECHNOLOGY

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Technology Audits Conducted in 2017

Network Audit

Reviewed:

- Entire Network Fiber, Servers, PCs & Network Management
- Server & Virtualization Architecture
- Data Backup, Recovery, Disaster Recovery Configuration
- Network Security

Recommendations:

- Firewall Replacement
- Replace All Network Switches
- Virtual Server Expansion
- Budget Item For 2018: $135,000 – Major Projects

Wifi Audit & Infrastructure Expansion

Reviewed:

- Building & Grounds Coverage
- Existing Infrastructure In Place
- Centralized Management Capability

Recommendations:

- Replace All Existing Wifi Access Points With Centrally Manageable System
- Improve Building Coverage With Additional Hardware
- Introduce Parking Lot & Perimeter Coverage
- Budget Item For 2018: $60,000 – Major Projects

ocfair.com – 2018 Website Upgrade

External

- New E-commerce Engine for Central Management
- New Vendor Portal
- Super Pass Upgrade
- HR Integration
- Departmental Applications
- Document Portal / Public Records Requests

Internal

New Intranet Website

- Improved Form Function for Tasks
- Message Bulletin Board
- Improved Fair Equipment Support & Ordering
- Staff Information
- Ungerboeck Connectivity

2018 Business Operating Software Applications

Ungerboeck Software International

Space Booking & Scheduling
Invoicing, Collections & Payment Processing
Inventory Management & Scheduling
Proposals & Contracts
Work Order Fulfillment
Sales Forecasting

nQativ

a CoNetrix company

General Ledger
Purchasing
Accounts Payable
Accounts Receivable
Payroll & Human Resources
Bank Reconciliation
Fixed Assets

Celayix Software

Workforce Management Solutions

(currently exploring a demo for this vendor)

Time & Attendance with Reporting
Scheduling & supervisor control center
Custom or standard billing & payroll interface
Custom reports & budgeting
Employee availability
Visual scheduler
Time-off requests

2018 New Department (88)
Community Relations

Focus:

- Community Outreach and Relations
- Program Development and Promotion of Educational Assets; Centennial Farm, Heroes Hall, Table of Dignity

New Staff – Director Level:

- Existing Staff that will report to new department:
  - Guest Experience Supervisor
  - Heroes Hall Supervisor

2018 New Department (88)
Community Relations

Community Programs / Partnerships:

- Pacific Symphony Partnership – $100K
- National Restaurant Foundation (Pro-Start) - $50K
- Vanguard University Partnership - $75K
- OC Fair Kids Club - $12K

Rental Relief Program:

- New Community Give Back $200K *(10% annual Year Round rental revenue)*
  - Non-profits, community organizations, government

Future Planning

2018 Business Planning

- Ten Year Master Site Plan
  - Board approve Ten Year Master Site Plan
  - Financial forecasting to support Ten Year Master Site Plan
  - CEQA & EIR process
- Five Year Strategic Business Plan
  - Board approve Five Year Strategic Business Plan
  - Staff develop tactical goals to support Five Year Strategic Business Plan

2019 – 2021 Future Business Planning

- Minimum wage impact on future profitability
  - 2019, 2020, 2021 – Minimum wage increase $1 each year
- Competitive analysis of facility rental rates (2019-2021)

  (2018 last year of current 3-year rental rate strategy)
- OC Fair Food Concession pricing analysis
  - Look at different rate strategies (flat vs. tier/location)
- Future OC Fair gate admission pricing models and impact on profitability

Organizational Succession Planning

- **31%** of Civil Service employees eligible for retirement **NOW**
- **54%** of Civil Service employees eligible for retirement in the **NEXT 5 years**

These employees have a combined 632.5 years of experience.

Succession Planning Initiatives

- Conducting future based job analysis for Civil Service positions that are eligible for retirement **NOW**
- Identified four positions within the organization that can provide cross department support in addition to current duties
- Documentation of key processes and duties

2018 Proposed New Civil Service Positions

Department	Annual Base Salary (approx):
Director, Community Relations Outreach/Education – New Department (88)	**$83,677**
Marketing Specialist	**$48,251**

2018 Rental Rate Per Square Foot
Year-Round Events

	OCFEC	LA FAIRPLEX	SAN DIEGO COUNTY FAIR
$$ PER SQ FT	$.1194	$.1414	$.1200

Exhibit Building Rental Fee Comparison

- Above $$ Per Square Foot Based On Comparable/Similarly Sized Buildings
- San Diego County Fairgrounds Requires a 2 Day Minimum Rental

Year Round Venue Rental Rate Increases

	Proposed 2018	2017	2016
Buildings	$50-$100/day	Increased $50-$100/day	Increased $25-$100/day
Grounds	$50/day	Increased $50/day	Increased $25-$100/day
Personnel	$1/hr. (trades increase $2.50/hr.)	Increased $1/hr. (trades increased $2.50/hr.)	Increased .50/hr. (trades increased $2.50/hr.)
Total Increased Revenue	**$74,979 (3.62%)**	**$74,979 (3.75%)**	**$68,352 (3.59%)**

- 2018 is the last year of a 3-year rental rate plan
- A follow-up 3-year rental rate analysis will be developed next year for 2019-2021

OC Fair Merchant Rate Increases

	Proposed 2018	2017	2016
Carnival of Products	$0-$75/space	Increased $50-$100/space	No increase
Parade of Products	$75/space	Increased $100/space	No increase
Festival of Products	$0-$75/space	Increased $52-$120/space	No increase
Outside Space	$50-$75/space	Increased $75/space	No increase
Crafter's Village	$60-$120/space	Increased $100-$500/space	No increase
Green Gate Village	$345-$805/space	Increased $345-$805/space	Increased $345-$805/space
Total Increased Revenue	**$31,810**	**$42,845**	**$7,820**

- Green Gate Village included a multi-year plan to bring former Market Place Village merchants equal to other similar spaces

2018 Gate Admissions For Top California Fairs

San Diego County Fair	Adult	$18	Child/Senior	$11
LA County Fair	Weekday Adult Weekend Adult	$14 $20	Weekday Child/Senior Weekend Child/Senior	$8 $12
Orange County Fair	Weekday Adult Weekend Adult	$12 $14	Child/Senior	$7

Last gate admission price increase for OC Fair was 2017, increasing from $12 to $14 on weekends only.

San Diego County Fair is again increasing gate admissions $2 in all categories for 2018.
Los Angeles County Fair has no plans to increase their 2018 general admission rates.

2018 OC Fair Gate Promotions

Current promotions for 2018 will remain the same as 2017

Opening Day	**“Free ‘Til Three”**	**Free admission and half price parking from Noon to 3 p.m.**
Wednesdays	We Care Wednesday (Noon – 3p.m.)	Free admission with donation
Thursdays	Kids Days	Free all day (12 and under)
Fridays	Seniors Day	$5 admissions + free Ferris Wheel & Merry-Go-Round rides
Sat/Sun	OC Fair Express - OCTA	$3 admissions; $2 ride each way OCTA direct bus
Sat/Sun	“Best Deal Ever” (11a.m – 1p.m.)	$7 general admission plus half the carnival tickets to ride
Full Run	Children 5 and under free	Free admission
Full Run	Active Military and Veterans	Free admission with military ID
Full Run	Farm to Fair	$1 child admission for all students who tour CF
Final Weekend	First Responders	Free admission for first responders with ID
Full Run	Super Pass*	

*Super Pass debuted in 2009. The last across the board pricing change was in 2014
Proposed increase in Super Pass would result in approximately $90K in additional gate revenue

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Final Weekend	First Responders	Free admission for first responders with ID
Full Run	Super Pass*	***Presale Period 1: $30Adult/$23 Youth Senior** ***Presale Period 2: $35 Adult/$33 Youth Senior** ***Regular Price: $40 Adult/$33 Youth-Senior**

*Super Pass debuted in 2009. The last across the board pricing change was in 2014
Proposed increase in Super Pass would result in approximately $90K in additional gate revenue

2018 Capital Expenditures

2018 Capital Expenditures			
2017 Carry Forward	**FY 2018**		
Bioswale - Internal Storm Water Management	300,000		
Heroes Hall - (Retention held)	20,000		
AV equipment	18,000		
Furniture & Equipment (partitions/ cubicals)	25,000		
2017 Carry Forward Total:	**363,000**		
2018 Major Capital – Buildings & Improvements	**FY 2018**	**FY 2019**	**FY 2020**
Maintenance restroom remodel	50,000		
Arlington chainlink fence (Fairview / Newport - 3000 lft)	180,000		
Hanger staging	50,000		
Admin water intrusion repair	30,000		
Huntington Beach HVAC	50,000		
ADA sidewalk access - Heroes Hall	20,000		
Lot G storage expansion	30,000		
Chicken Coop - Centennial Farm	28,000		
Replace all the Sikaflex in the main mall / concrete repairs	50,000		
Property site survey (Utilities & building locations)	80,000		
Master site plan	50,000		
Costa Mesa HVAC retrofit	60,000	60000	
Parking lot maintenance (seal / Stripe)	150,000	200,000	200,000
Exterior parking lot repairs	100,000	150,000	150,000
Interior parking lot repairs	350,000	350,000	350,000
Store front insert doors (3) bld. 12,14,16	60,000	60,000	60,000
Replace asphalt in action sport arena pit	40,000	50,000	60,000
Property signage	100,000	100,000	100,000
Wash rack for animals		25,000	
Parking lot lighting controls		150,000	
Pac Amp roll up doors		25,000	
Ranch bld - install trellis		35,000	
Gate 10 sidewalk- Mesa Dr / Newport Blvd.		20,000	
Pac Amp - coating outer concourse		100,000	
Replace shade cloth - Court Yard		50,000	
Maintenance yard compactor cover		100,000	
Asphalt at west side of E&E building		12,000	
Replace island at Box Office (ficus and curb)		250,000	
Sound wall		1,000,000	
2018 Capital Total:	**1,478,000**	**2,737,000**	**920,000**

2018 Capital Expenditures

Major Projects	FY 2018	FY 2019	FY 2020
Pac Amp 3rd base fence replacement	15,000		
Pac Amp bridge wrought iron replacement	25,000		
Triangle Square sewer R/R	7,000		
CEQA / EIR	250,000		
High mass light towers rewire - B,C, D, F (internal)		11,000	
Lot G sewer line install		85,000	
Replace in ground utility boxes (Crafters Village / Park Plaza)		5,500	
Flooring/locker room @ restrooms in the Millennium Barn		15,000	
Heroes Hall keyless entry		20,000	
Repair bld floors - crack fill / polish or stain		50,000	50,000
Replace rusted in-grounds electrical boxes		30,000	30,000
Lot P electrical upgrade		7,500	7,500
2018 Major Projects Total:	**297,000**	**224,000**	**87,500**
Equipment	**FY 2018**	**FY 2019**	**FY 2020**
Forklift - LP/Gas, 20,0000 lb. triple mass	150,000		
Hydraulic power lift - mechanic shop	15,000		
Cabs for utility carts	5,000		
Migrant Agricultural Memorial (equipment)	50,000		
Time center software	40,000		
Time scheduling software	37,000		
All grounds Wi-Fi upgrade	60,000		
Umbrella purchase	10,000		
Exhibit equipment	90,000		
Debris catch systems for storm drains (MS4 requirement)	15,000		
All grounds network & server upgrade	135,000		
Cable ramps	12,000	12,000	12,000
2 yard trash dumpsters	25,000	25,000	25,000
Electrical SO cord storage containers	8,000	5,500	5,500
Picnic table	15,000	15,000	15,000
Crowd control stantions	7,000	7,000	7,000
Forklift - LP/Gas, 5000 lb. / side shift / rotator / triple mass		45,000	
85' Genie Boom lift		175,000	
IT emergency support generator		450,000	
Taylor Dunn carts - fleet replacement		35,000	35,000
Portable elect panels		40,000	40,000
Portable rolling bleachers		30,000	30,000
Power monitoring system		25,000	25,000
2018 Equipment Total:	**674,000**	**864,500**	**194,500**
2018 Capital / Major / Equipment project Totals:	**2,449,000**	**3,825,500**	**1,202,000**
2018 Contingency:	**151,000**	**191,275**	**60,100**
2018 Cap-X budget:	**2,600,000**		
2018 Cap-X and 2017 Carry Over Accumulative Totals:	**2,963,000**		

Capital & Major Projects Budget

Category	2018	2019	2020
Major Capital, Building & Improvements	$1,478,000	$2,737,000	$920,000
Major Maintenance	$297,000	$224,000	$87,500
Equipment	$674,000	$864,500	$194,500
Contingency	$151,000	$191,275	$60,100
Total	$2,600,000	$4,016,775	$1,262,100

2018 Capital & Major Projects

- Parking lot maintenance
- Arlington chainlink fence
- ADA sidewalk access - Heroes Hall
- Property site survey
- CEQA / EIR
- Forklift – 20,000 lb.
- All grounds network / server upgrade

10. Closed Session

A. Pending Litigation – The Board will meet in closed session to consult with legal counsel regarding the following pending litigation. [Gov. Code section 11126(e).]

i. To confer with and receive advice from legal counsel regarding potential litigation involving the 32nd District Agricultural Association. Based on existing facts and circumstances, the Board of Directors will decide whether to initiate litigation.

ii. To confer with and receive advice from legal counsel regarding potential litigation involving the 32nd District Agricultural Association. Based on existing facts and circumstances, there is significant exposure to litigation against the 32nd District Agricultural Association.

11. Board of Directors' Matters of Information

Next Board Meeting

December 14, 2017

OC Fair & Event Center – Costa Mesa, California