

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING
HELD March 22, 2018**

1. CALL TO ORDER:

Chair Bagneris called the meeting to order at 9:00 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 Aitken, Director Tkaczyk, Director La Belle, Director Cervantes and Director Pham.

DIRECTORS ABSENT/EXCUSED: None.

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 Executive Assistant; Bianca Kulback, OCFEC Director of Human Resources; Jason Jacobsen, OCFEC Director of Planning & Presentation; Joan Hamill, OCFEC Director of Exhibits & Education; Howard, Sandler, OCFEC Director of Events; Elaine Kumamoto, OCFEC Director of Finance; Nick Buffa, OCFEC Director Security & Traffic; Jeff Wilson, OCFEC Entertainment Supervisor; Kelly Vu, OCFEC Contracts and Purchasing Supervisor; Josh Caplan, Office of the Attorney General; Luis Hernandez, Stenographer; Nick Nicora, Spectra; Adela Generally, Spectra; Janet Hauser, City of Costa Mesa; Reggie Mundekis; Ana Vrska

5. CEO'S OPERATIONAL UPDATE

Kathy Kramer, OCFEC CEO, announced the OC Fair & Event Center was honored with the "Pillar of the City" award at the Costa Mesa State of the City event the prior week.

Kramer reported the welcoming of Hatch Culinary Lab students on their first day of their culinary training program on February 28th.

Director Cervantes joined the meeting at 9:04 a.m.

Kramer announced, in commemoration of Caesar Chaves Day on March 31st, a four paneled stand up monument will be installed at the Table of Dignity.

Kramer reported over 130 RSVPs have been received for the Women's History Month event later that evening at Heroes Hall.

Adam Carleton, OCFEC VP Finance & Administration presented the 2018 February financials.

Ken Karns, OCFEC VP Operations, gave an update on OCFEC's no smoking initiatives. He elaborated on the new "No Smoking Team" and their new efforts to get the no smoking message across to all fairgoers.

Michele Richards, OCFEC VP of Business Development, provided an overview of upcoming events. She also presented an overview of the upcoming Imaginology event, OCFEC's biggest community giveback on April 13-15, 2018.

Director Mouet joined the meeting at 9:10 a.m.

Chair Bagneris informed she was going to try to keep pace of the meeting to the outlined timeline.

Chair Bagneris asked that all cards for public comment be turned in.

6. PUBLIC COMMENTS

Ana Vrska, commented on the California Environmental Quality Act (CEQA) RFP, asking for clarification of deliverables and the requirement of the preparation of the EIR. She commented on the importance of the CEQA process.

Lisa Sabo gave her own report of the Equestrian Center. She shared that there are therapy programs taking place at the Equestrian Center and the Pony Club was growing. She added her wish to be a part of the Master Site Plan as it moves forward.

7. MINUTES:

A. Board Meeting held February 22, 2018

ACTION: Director Cervantes motioned and Director Tkaczyk seconded to review and approve the minutes from the Board meeting held February 22, 2018. **MOTION CARRIED. AYES: Chair Bagneris, Director Bernardino, Director Mouet, Director Tkaczyk, Director La Belle, Director Cervantes. NAYES: None. ABSTENTIONS: Vice Chair Ruiz, Director Aitken and Director Pham**

Director Aitken asked if there were plans to place a discussion regarding the gun shows on the agenda.

Chair Bagneris stated that a gun show discussion will be agendized at a future meeting, possibly the May meeting. She assured Director Aitken that there will definitely be a discussion.

8. CONSENT CALENDAR

- A.** Standard Agreements: SA-036-18IO; SA-043-18GE; SA-046-18PL; SA-050-18PA; SA-052-18PA; SA-053-18HB; SA-054-18GE; SA-056-18BB; SA-057-18GE; SA-058-18BB; SA-064-18P; SA-065-18IO; SA-066-18HL; SA-083-18SP; SA-084-18SP
- B.** Amendments: SA-50-14BS (Amend. #4); SA-096-16FT (Amend. #1); SA-128-16FT (Amend. #1); SA-224-16FTYR (Amend. #2); SA-238-16WR (Amend. #3); SA-096-17YR (Amend #2)
- C.** Interagency Agreements: SA-060-18IA
- D.** Rental Agreements: R-004-18; R-019-18; R-021-18; R-022-18; R-030-18; R-036-18; R-049-18; R-053-18; R-059-18; R-069-18; R-083-18; R-087-18; R-088-18; R-089-18; 18 IO- 01; 18 IO-FE 53; 18 IO-FE 54; 18 IO-FE 55; 18 IO-FE 56; 18 IO-FE 57; 18 IO-FE 58; 18 IO-FE 59; 18 IO-FE 60; 18 IO-FE 61; 18 IO-FE 62; 18 IO-FE 63; 18 IO-FE 64; 18 IO-FE 65; 18 IO-FE 66; 18 IO-FE 67; 18 IO-FE 68
- E.** Active Joint Powers Authority Agreements: 03218005
- F.** Commercial Rental Agreements: IMCOM-01-18; IMCOM-02-18; IMCOM-03-18; IMCOM-04-18; IMCOM-05-18; IMCOM-06-18; IMCOM-07-18
- G.** Concession Rental Agreements: IMFO-01-18; IMFO-02-18; IMFO-03-18; IMFO-04-18; IMFO-05-18; IMFO-06-18; IMFO-07-18; IMFO-08-18; IMFO-09-18; IMFO-12-18; IMFO-14-18; IMFO-15-18; IMFT-01-18; IMFT-02-18
- H.** Independent Amusement Agreements: IMIA-01-18
- I.** Judging Agreements: IO-001-18; IO-002-18; IO-003-18; IO-004-18; IO-005-18; IO-006-18; IO-007-18; IO-008-18; IO-009-18
- 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.

K. CDFA Correspondence:

Communications to the Board from the California Department of Food & Agriculture Division of Fairs & Expositions regarding relevant topics at Fairs and Expositions.

i. none.

-End of Consent Calendar-

Kramer stated staff had an agreement that they would like to pull and asked Karns to give the information. Karns stated staff would like to pull SA-096-17YR (Amend. #2) for UTP Production. He stated staff would like more time to reevaluate the contract and bring it back the following month.

Director Berardino stated he has a discussion once there a motion is made.

Director La Belle stated he would like to pull the golf cart rental agreement SA-128-16FT (Amend. #1).

Chair Berardino stated that prior to supporting the items on the consent calendar, he wants to be sure all contractors and vendors are being told that safety is the number one priority of the fair.

Kramer replied in the affirmative, that in place are new safety procedures and robust training of staff to support safety and security as OC FEC's number one priority.

ACTION: Director Berardino motioned and Director La Belle seconded to review and approve the Consent Calendar with agreements SA-096-17YR (Amend. #2) and SA-128-16FT (Amend. #1) pulled for discussion. **MOTION CARRIED. AYES: Chair Bagneris, Vice Chair Ruiz, Director Berardino, Director Mouet, Director Aitken, Director Tkaczyk, Director La Belle, Director Cervantes and Director Pham. NAYES: None.**

Director La Belle asked staff for details of the golf cart agreement, SA-128-16FT (Amend. #1).

Ken Karns explained service terms of the golf cart agreement and the need for them for fair and Imaginology and how they are used on grounds.

Director La Belle asked how many golf carts are rented versus owned.

Karns stated that he would bring back an evaluation.

Vice Chair Ruiz asked how many carts are rented. Karns answered 106.

Director Tkaczyk questioned the term of the contract. Karns answered that the contract is in its option year.

Karns reiterated that staff would like to pull SA-096-17YR from the consent calendar for time to evaluate the contract and bring it back the following month.

ACTION: Vice Chair Ruiz motioned and Director Cervantes seconded to review and approve agreement SA-128-16FT (Amend. #1). **MOTION CARRIED. AYES: Chair Bagneris, Vice Chair Ruiz, Director Berardino, Director Mouet, Director Aitken, 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. Legislative Monitoring Task Force (Director Berardino, Director Aitken)
- v. Master Site Plan Task Force (Director La Belle, Vice Chair Ruiz)
- vi. Tenant Liaison Committee (Director Tkaczyk, Director Berardino)
- vii. Equestrian Center Task Force (Director Aitken, Director Tkaczyk)
- viii. Pacific Amphitheatre Operation Evaluation & Review Task Force (Director Berardino, Director Tkaczyk)

Reggie Mundekis requested Vice Chair Ruiz be recused from the Master Site Plan (MSP) Task Force until perceived conflicts of interest have been resolved. She criticized staff's fulfillment of public records request with regard to environmental procedures and the Master Site Plan work from Johnson Consulting.

Anna Vrska suggested the committee reports be done first before public comment. She asked for clarity on comments made by CEO Kramer regarding the MSP at a Costa Mesa City Council meeting. She spoke about protection that CEQA and EIR give the public.

Theresa Sears gave an update from her site visit to the Equestrian Center. She suggested to the Board to have an Equestrian Center footprint discussion including how to incorporate the Equestrian Center to enhance the property.

Director Cervantes, on behalf of the Centennial Farm Foundation Board, reported there was a Foundation meeting scheduled later that same day to finalize loose ends with regard to the MOU.

Chair Bagneris announced, that in light of the Centennial Farm

Foundation's discussion of the MOU later today, she asked for a motion to table Agenda Item 9C: Centennial Farm Foundation Memorandum of Understanding, to the following month.

Director Mouet stepped out of the meeting and was absent for the vote.

C. Centennial Farm Foundation Memorandum of Understanding (MOU)

Action Item

ACTION: Director Aitken motioned and Vice Chair Ruiz seconded to table the Centennial Farm Foundation Memorandum of Understanding to the following month. **MOTION CARRIED. AYES: Chair Bagneris, Vice Chair Ruiz, Director Berardino, Director Aitken, Director Tkaczyk, Director La Belle, Director Cervantes and Director Pham. NAYES: None.**

Director Berardino, on behalf of the Heroes Hall Veterans Foundation Board, reported on the upcoming exhibition of *Brave Minds* at Heroes Hall, an exhibit on PTSD.

Director La Belle, on behalf of the Master Site Plan Task Force (MSPTF), reported the CEQA RFP was released on March 13th with the hope to have the RFP awarded by mid-April. He added the plans for a Master Site Plan (MSP) workshop would take place at the April Board meeting. He stated the MSPTF is recommending an evening meeting for the public to be able to comment on the MSP draft concept, for some time after the April Board meeting. Director La Belle added the draft materials from Johnson Consulting will be released to the public and the Board of Directors on April 2nd.

Karns clarified the draft will be posted on the website for the public.

Director Tkaczyk, on behalf of the Tenant Liaison Committee, reported that the contractor performance evaluations have been implemented.

Chair Bagneris clarified a commented on possibly sunseting the Tenant Liaison Committee at the last Board meeting but retracted, saying there is policy that directly affects the committee.

Director Aitken, on behalf of the Equestrian Center Task Force, reported that the Task Force is going to use the opportunity within the Master Site Plan process to address concerns and explore opportunities regarding the Equestrian Center.

Director Berardino, on behalf of the Pacific Amphitheatre Operation Evaluation & Review Task Force, reported that safety and security is

the number one priority of the OCFEC.

B. Spectra Contract Amendment and OC Market Place Update
Action Item

Karns introduced Nick Nicora and Adela Generally of Spectra.

Nick Nicora, announced Adela Generally as the new General Manager of the OC Market Place (OCMP).

Adela Generally thanked OCFEC staff and the Board for their continued support of the OCMP. She shared the OCMP is looking to become more of a community gathering place. She elaborated on the March 31st OCMP Grand Re-opening with a focus on arts, education music, entertainment, entrepreneurship, small business, community and food and beverage.

Nicora explained the request to amend the Spectra agreement is a change to shorten the window of time from 90 days' notice to 45 days' notice, to allow for the blending of events and help enhance the OCMP. He also added the approval process would remain the same as in the current agreement

Generally clarified that admission is free for the March 31st, OCMP Grand Re-opening event.

Director La Belle suggested oversight by the Tenant Liaison Committee.

Kramer clarified that under the current agreement, staff has the authority to work with Spectra and the OCMP on these events.

Director La Belle clarified for the Board Chair his suggested caveat to the amendment would be; the contract amended from 90 to 45 days' notice with the Tenant Liaison Committee having the ability to waive the 45 day period and be involved with reviewing any activities proposed by the OCMP. He shared his concern with unwanted events.

Kramer added under the current agreement and with the high profile event policy there is a mechanism in place to protect against at risk events.

Josh Caplan, Office of the Attorney General, warned against Director La Belles proposal as an ad hoc committee with delegated authority would have to be a public meeting and provide the 10 day notice period.

Director Aitken shared that she heard Director La Belle's suggestion

differently; not that the Tenant Liaison Committee has the authority to change an agreement but that the Committee be given notice on proposed events.

Caplan agreed in that case, if the Committee was not changing or waiving a contractual obligation and did not have any delegated authority, the suggested amendment caveat be a matter of staff communicating with the Committee, then he would not any objection.

Director Berardino stated, as the maker of the motion, to amend the motion and the contract amendment to require notice to the Tenant Liaison Committee.

Kramer asked for clarification on the intended notice process, if email notification was acceptable. The Board of Directors agreed.

Director Aitken added also any further developments as they occur.

Josh Caplan, Office of the Attorney General, clarified that the motion is to approve the amendment as it is provided to the Board today, with the caveat and direction to staff to communicate with the Tenant Liaison Committee as an internal process.

ACTION: Director Berardino motioned and Vice Chair Ruiz seconded to review and approve the Spectra Contract Amendment. **MOTION CARRIED. AYES: Chair Bagneris, Vice Chair Ruiz, Director Berardino, Director Mouet, Director Aitken, Director Tkaczyk, Director La Belle, Director Cervantes and Director Pham. NAYES: None.**

D. California Assembly Bill AB 2396 Discussion

Action Item

Reggie Mundekis spoke in opposition of Assembly Bill AB 2396 stating it as unneeded.

Director Berardino stated his recommendation that the Board adopt a "watch position" on AB 2396, not a position to support or opposing AB 2396.

Chair Bagneris clarified that the motion is to take "watch position" on AB 2396

ACTION: Director Berardino motioned and Vice Chair Ruiz seconded to take a "watch position" on California Assembly Bill AB 2396. **MOTION CARRIED. AYES: Chair Bagneris, Vice Chair Ruiz, Director Berardino, Director Mouet, Director Aitken, Director Tkaczyk,**

Director La Belle, Director Cervantes and Director Pham. NAYES: None.

Meeting broke for a recess at 10:14 a.m. and resumed at 10:34 a.m.

E. Board of Directors Training Workshop
Information Item

Chair Bagneris presented the staff report.

Bill Kelly of Kelly Associates Management Group facilitated the Board training workshop for effective governance.

Chair Bagneris stated it is time to review OCFEC Bylaws and Governance Policies. She shared her idea of creating an ad hoc committee to review and make recommendations for updating the OCFEC Board Policy handbook.

Board of Directors discussed the setting and review of goals and priorities.

Kelly stressed that clarifying motions are critical and to follow Robert's Rules of Order.

Kelly suggested to drop Task Force and replace Ad Hoc for the committees and set a goals and sunseting clauses for each committee.

Chair Bagneris stressed the importance of having a committee chair to be responsible for taking the committee through its process and purpose.

Board of Directors discussion continued regarding culture shift, staffing and responsibility.

Kelly encouraged focusing on communication, trust and keeping meetings to follow Robert's Rules of Order.

Chair Bagneris thanked Bill Kelly for the training session. She added future training will be on a more consistent basis.

10. CLOSED SESSION

No closed Session

11. BOARD OF DIRECTORS MATTERS OF INFORMATION

The Board of Directors thanked Bill Kelly for his time.

Director Berardino emphasized that safety and security is the number one priority of the OCFEC. He suggested to the Chair to meet with the CEO and counsel to explore accountability standards.

Director Pham added that as a newer Board member, the training was very helpful.

Director Cervantes congratulated Chair Bagneris, Vice Chair Ruiz and Director Pham on their reappointments to the Board of Directors. She added she is looking forward to Imaginology and celebrating Dia Del Nino.

Vice Chair Ruiz shared the training was very informative and is looking forward to more. He congratulated his fellow Board members on the reappointments.

Director Tkaczyk stated he is looking forward to the work ahead.

Director La Belle echoed the congratulations on the reappointments. He asked CEO Kramer, subject to the Chair's approval, to come back with a report on the smoke created by the barbeque vendors at the fair and what staff is doing to monitor those vendors.

Chair Bagneris stated the comments made during *Board of Directors Matters of Information*, she has directed CEO Kramer to provide updates on those comments in her CEO reports.

Director La Belle suggested an objective list to capture status of items requested by the Board of Directors.

Chair Bagneris congratulated staff on the awards from the State of the City event. She asked staff for a status update on public records requests at a future meeting. She reminded the Board of the April 1st deadline to start using their new OCFEC Board email addresses. She shared that she is very excited for Imaginology.

12. NEXT BOARD MEETING: APRIL 26, 2018

13. ADJOURNMENT

Meeting adjourned at 12:09 p.m.



Barbara Bagneris, Chair



Kathy Kramer, Chief Executive Officer