

MINUTES OF OCFEC BOARD OF DIRECTORS MEETING HELD April 23, 2020

The following Minutes are a summary of Board action and proceedings. For a full transcript please click on the link below or visit the [ocfair.com](https://s3-us-west-1.amazonaws.com/ocfair.com/wp-content/uploads/2020/04/06084619/20_04_April_transcript.pdf) website.

https://s3-us-west-1.amazonaws.com/ocfair.com/wp-content/uploads/2020/04/06084619/20_04_April_transcript.pdf

1. CALL TO ORDER:

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

4. DIRECTORS PRESENT (via teleconference):

Chair Cervantes, Vice Chair Rubalcava-Garcia, Director Ruiz, Director Bagneris, Director Aitken, Director La Belle and Director Pham.

DIRECTORS ABSENT/EXCUSED: None.

OTHERS PRESENT:

(in person): Michele Richards, OCFEC CEO; Ken Karns, OCFEC Chief Operating Officer; Jason Jacobsen, OCFEC Director of Planning & Presentation; Nick Buffa, Director of Safety & Traffic

(via teleconference): Doug Lofstrom, OCFEC Chief Business Development Officer; Terry Moore, OCFEC Director of Communications; Dan Gaines, OCFEC Director of Entertainment; Summer Angus, OCFEC Executive Assistant; Josh Caplan, Office of the Attorney General; Reggie Mundekis; Vincent Pollmeier; Gibran Stout; Jeanine Robbins; Mike Robbins; Theresa Sears

5. CLOSED SESSION:

The meeting adjourned to closed session at 9:06 a.m. and reconvened at 9:23 a.m.

Matters to report out of closed session: None.

6. CEO'S OPERATIONAL UPDATE

Michele Richards, OCFEC CEO, reported the following:

- Staff continuing to work remotely, only emergency essential staff on site
- Centennial Farms crops harvested and donated to OC Food Bank
- OC Fair ticket booths on loan to the County of Orange Clerk-Recorder's office for walk-up marriage license and marriage ceremonies
- Sixty-three events have cancelled due to COVID-19, nine have rescheduled for the fourth quarter 2020

Richards presented the March 2020 financial statement.

7. MINUTES:

A. Board meeting held March 26, 2020

Action Item

ACTION: Director La Belle motioned and Director Aitken seconded to approve the minutes from the Board meeting held March 26, 2020. **MOTION CARRIED. AYES: Chair Cervantes, Vice Chair Rubalcava-Garcia, Director Ruiz, Director Bagneris, Director Aitken, Director La Belle and Director Pham. NAYES: None. ABSTENTIONS: None.**

8. MATTERS OF PUBLIC COMMENT

Gibran Stout gave an update on the Equestrian Center (EQC). She thanked CEO Richards and Facilities Director Jerry Eldridge for the communications/notifications with the EQC users. She shared she has worked with EQC staff to create protocols aligned with State and City orders. She added only essential owners, workers and caretakers are allowed on the property to care for the horses.

Reggie Mundekis spoke about rumors/misinformation being spread amongst boarders at the EQC. She urged people to ask staff or go online to find correct information.

9. CONSENT CALENDAR: (Policy 4.3.4)

A. Standard Agreements (New): SA-020-20HB; SA-097-20PA; SA-098-20PA; SA-099-20PA; SA-100-20PA; SA-111-20PA; SA-116-20PA; SA-117-20PA; SA-119-20HB; SA-120-20PA; SA-121-20PA; SA-122-20PA; SA-123-20PA; SA-124-20PA; SA-125-20PA; SA-126-20PA; SA-129-20FT; SA-130-20FT; SA-131-20FT

B. Rental Agreements: R045-18 (Amend.#2); R-002-21; R-085-20; R-087-20; R-088-20; R-090-20; R-091-20; R-093-20; R-031-20; R-095-20; R-001-21

C. Active Joint Powers Authority Agreements (New): 03220018

D. Commercial Rental Agreements: 20001; 20002; 20003; 20004; 20006; 20011; 20012; 20013; 20015; 20016; 20017; 20018; 20019; 20020; 20021; 20022; 20023; 20024; 20025; 20026; 20027; 20028; 20031; 20032; 20034; 20035; 20036; 20037; 20038; 20039; 20041; 20042; 20044; 20045; 20046; 20048; 20050; 20051; 20052; 20054; 20055; 20056; 20057; 20060; 20061; 20062; 20063; 20064; 20068; 20069; 20070; 20071; 20073; 20074; 20075; 20076; 20079; 20080; 20081; 20082; 20083; 20084; 20085; 20086; 20093; 20094; 20095; 20096; 20097; 20099; 20101; 20102; 20105; 20106; 20107; 20108; 20110; 20111; 20112; 20114; 20115; 20116; 20118; 20119; 20120; 20122;

20123; 20124; 20125; 20137; 20138; 20139; 20141; 20142; 20143;
20144; 20145; 20146; 20147; 20148; 20149; 20150; 20151; 20152;
20153; 20154; 20156; 20157; 20158; 20161; 20162; 20163; 20164;
20165; 20166; 20167; 20168

E. Concession Rental Agreements: 20583; 20591; 20592; 20594; 20595

F. Correspondence:

Communications to the Board from members of public related to OCFEC business are identified below and included with the Board materials (available on the OCFEC website). Note that this agenda item includes only those communication(s) that were sent to the entire Board and CEO before the publication of this month's agenda. *The deadline for correspondence to be included on the May agenda is May 15, 2020.*

- i. Reggie Mundekis: April 9, 2020 – Unsigned LOU with County for Sheltering of Animals

G. 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. F2020-08 EMMP Advisory Committee Meeting Update and COVID-19 Resources for Equestrian Facilities in California

-End of Consent Calendar-

Richards explained the majority of the items on the Consent Calendar are fair related and asserted the contracts/agreements will not be executed should the fair be cancelled.

Director La Belle pulled the Rental Agreements R045-18 (Amend.#2); R-002-21; R-085-20; R-087-20; R-088-20; R-090-20; R-091-20; R-093-20; R-031-20; R-095-20; R-001-21 for discussion.

Richards pulled Rental Agreement R-095-20, stating the rental agreement number was a duplicate and it will come back to the Board once corrected.

Gibran Stout discussed the CDFA correspondence regarding protocols for equine illness. She urged the correspondence relates more toward show events and not the activities at the OCFEC EQC. She requested that when considering any sort of protocols for the EQC that collaboration with local equestrians and local veterinarians take place before making a decision.

Reggie Mundekis thanked CEO Richards for affirming fair time contracts will not be executed and used until a decision is made if the 2020 OC Fair is going forward.

Vincent Pollmeier thanked CEO Richards for the clarity regarding the fair time contracts. He encouraged the Board to take a solid look at all the non-fair time contracts, beyond normal maintenance, and how the investment would be impacted if things need to change in the new normal (due to COVID-19). He discussed the Letter of Understanding regarding emergency use of the property with the County and how there is no indication that the agreement was ever signed or approved by the County. He urged the Board to be clear on these types of agreements, especially ones that require third parties to commit funds and requests, to make sure they are actually approved.

ACTION: Director La Belle motioned and Director Bagneris seconded to review and approve the Consent Calendar with items Rental Agreement R-095-20 pulled from the Consent Calendar and Rental Agreements R045-18 (Amend.#2); R-002-21; R-085-20; R-087-20; R-088-20; R-090-20; R-091-20; R-093-20; R-031-20; R-001-21 pulled for discussion. **MOTION CARRIED. AYES: Chair Cervantes, Vice Chair Rubalcava-Garcia, Director Ruiz, Director Bagneris, Director Aitken, Director La Belle and Director Pham. NAYES: None. ABSTENTIONS: None.**

Regarding pulled Rental Agreements R045-18 (Amend.#2); R-002-21; R-085-20; R-087-20; R-088-20; R-090-20; R-091-20; R-093-20; R-031-20; R-001-21: Director La Belle stated for the record, should restrictions on mass gatherings remain in place, he wanted to be sure that potential renters are aware that the District has the authority to cancel events with 30 days' notice.

ACTION: Director La Belle motioned and Director Bagneris seconded to review and approve the Consent Calendar with the provision that none of the fair agreements be fully executed in anyway until it has been determined, by the Board or other individuals, that the 2020 OC Fair will take place. **MOTION CARRIED. AYES: Chair Cervantes, Vice Chair Rubalcava-Garcia, Director Ruiz, Director Bagneris, Director Aitken, Director La Belle and Director Pham. NAYES: None. ABSTENTIONS: None.**

10. GOVERNANCE PROCESS:

A. Committee / Ad Hoc Committee / Liaison Reports Information Item

To assure compliance with the Bagley-Keene Act, Committee reports are only for the purpose of the Committee chair, Ad Hoc Committee 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. Community Engagement Committee (Vice Chair Rubalcava-Garcia, Committee Chair; Director Ruiz)

- ii. Heroes Hall Veterans Foundation Board (Director La Belle, Chair Cervantes)
- iii. Centennial Farm Foundation (Chair Cervantes)
- iv. Financial Monitoring Committee (Director Pham, Committee Chair; Director La Belle)
- v. Legislative Monitoring Committee (Director Aitken, Committee Chair; Director Ruiz)
- vi. Governance Committee (Vice Chair Rubalcava-Garcia, Committee Chair; Director Bagneris)
- vii. Safety & Security Committee (Chair Cervantes, Committee Chair; Vice Chair Rubalcava-Garcia)
- viii. Facilities Committee (Director Aitken, Committee Chair; Vice Chair Rubalcava-Garcia)
- ix. Audit and Compliance Committee (Vice Chair Rubalcava-Garcia, Committee Chair; Director La Belle)
- x. Branding Project Ad Hoc Committee (Director Aitken, Committee Chair)
- xi. Storage, Parking and Traffic Ad Hoc Committee (Director La Belle, Committee Chair; Director Bagneris)

Director Pham, on behalf of the Financial Monitoring Committee, reported:

- March financials are beginning to reflect some of the cancellations and the effect of COVID-19
- Discussed controlling expenses
- Staff is looking through the contracts to see if there's force majeure language

Director Ruiz, on behalf of the Legislative Monitoring Committee, reported:

- Most legislation is on hold – due to COVID-19 and most is COVID -19 related legislation

Director Ashleigh added the Committee will continue to monitor the directive coming down from the State and will disclose to the public, any actions that the Board will take on the Fairgrounds, in coordination with the State mandate that would affect the surrounding neighborhoods.

Vice Chair Rubalcava-Garcia, on behalf of the Governance Committee, reported:

- She was recently appointed to the Committee as Committee Chair
- The Committee has received the second set of governance policies to review and will be meeting virtually to review and discuss next steps

Director Bagneris also reported:

- She and CEO Richards met earlier in the month
- She thanked former Director Meyer for his work on the Committee

- She spoke in support of Vice Chair Rubalcava-Garcia's appointment to the committee
- Once the second set is reviewed by Deputy Attorney Caplan, the Committee will set a public meeting and come back to the Board for approval

Vice Chair Rubalcava-Garcia asserted the Committee is focused on the policies and will keep the previous pace moving forward.

Director Aitken, on behalf of the Facilities Committee, reported:

- The Committee has a meeting next week
- There are RFPs that are going to be going out
- Capital projects are moving forward on a per need basis
 - Work to continue on the property
- More updates to come at the next Board meeting

Director La Belle, on behalf of the Storage, Parking and Traffic Ad Hoc Committee reported:

- The Committee met earlier in the week
- Discussed the wayfinding signage report received from the consultant
 - The report will be posted on the website today or tomorrow

Reggie Mundekis spoke in support of the Board Governance Committee Manual moving forward. She urged the need for the public to see documents showing the work that is being done regarding storage, parking and capital projects, that verbal updates are not enough. She criticized and alleged questions regarding the gate signage project were met by obstruction by staff. She urged the Board to open the committee meetings to the public. She also criticized that OCFEC staff managing projects do not have California contractor or civil engineering licenses.

Vincent Pollmeier criticized that the committee meetings are not public meetings with agendas, meeting minutes and summaries. He asserted in multiple meetings the Board discussed to open up the subcommittees to the light of day. He stated public information is a California Constitutional right. He encouraged the Board to figure out a way to have public committee meetings.

B. Consideration of and Vote on Whether or Not to Approve Release of the Entertainment Marketing and Booking Services Request for Proposal (RFP)

Action item

Karns presented the agenda report.

Director La Belle complimented staff on the report and the success of the Pacific Amphitheatre revenues and stated he is comfortable with the current firm. He recommended the following for the RFP:

- That two Board members be involved in reviewing and scoring the RFP
- Language that indicates the firm actively be involved working with staff to enhance the entire site, not just the Pacific Amphitheatre (Pac Amp)
- Maximizing seating capacity
- Incorporate language requiring the successful bidder provide a conceptual plan for handling the marketing and booking activities, for the contract term, within 90 days of the contract commencing

Board and staff discussion ensued regarding the RFP:

- How the RFP will be marketed for maximum exposure; distributed on the OCFEC website and pushed out on an industry contractor list
- Extending the RFP timeline for bids and review
- Marketing component
- RFPs related to the Pac Amp (ticket service provider/marketing/booking) scheduled around the same time; for related services to occur in an uniform and a consistent manner
- Language about sound requirements
- Post and pre-fair Pac Amp shows and restricting/committing to 10 shows
- Stand-alone production are cost prohibitive; take advantage of production costs pre and post fair
- Knowledge and expertise needed in related areas when scoring RFPs
- Multi-year marketing plan would be a challenge; expertise of the contractor is to address the market in a world perpetually influx
- Programing post fair depends on the number of events that could be bundled; the greatest expense of incurred in the Pac Amp series is production
- Bookings scheduled far ahead; in an eighteen month cycle
- Having performances in late summer, early fall would be challenging; this would require securing talent that is willing to work in the current environment
- Having Board members actively involved in the process/scoring; responsibility to approve the contract (language does not need to be in the RFP)

Richards shared she would welcome and appreciate Board involvement in the process/scoring panel.

Staff and Josh Caplan, Deputy Attorney General, discussion regarding Board members scoring the RFP:

- The Board members participating in scoring the RFP would have to excuse themselves from voting on the resulting contract
- Some challenges for State agencies, where a member of the Board was on the scoring panel for an RFP, if there's some sort of resulting bid protest the losing bidder could claim the vote on the contract was biased
- Attorney General's Office generally recommends the Board members who sits on the scoring panel excuses themselves from deliberations and vote on the resulting contract

Richards reported other RFPs have had Board members on scoring panels as well and welcomes Board involvement.

Chair Cervantes stated she and Vice Chair Rubalcava-Garcia will be the members to sit on the scoring panel for the RFP.

Vincent Pollmeier stated the timeframe of the RFP seems rushed. He suggested some sort of language be included in the RFP about maybe having to go back to the bidder, before the contract is awarded, but after the initial round of proposals are in, to be able to go back to the people submitting proposals to get additional information. He reminded the Board that that every time over the last 25 years, there's been an attempt to greatly expand the number of events at the Pacific Amphitheater, it has ended up in front of a judge in OC Superior Court.

Director La Belle suggested language that articulates the fact that COVID-19 and the impact of that and mass gatherings, et cetera, may have an impact; additional information may be necessary as more clarity comes forward in the next 60-120 days. He spoke in support of Vice Chair Rubalcava-Garcia's comments related to extending the timeframe, adding three to four weeks to the reviewing process.

Richards stated staff will work with the Attorney General's Office for language related to COVID-19 for the RFP.

ACTION: Director La Belle motioned and Director Bagneris seconded to approve of the Entertainment Marketing and Booking Services Request for Proposal (RFP) with the suggested language and with clear intent that two Board members serve on the Review Committee when the RFP submittals are scored. **MOTION CARRIED. AYES: Chair Cervantes, Vice Chair Rubalcava-Garcia, Director Ruiz, Director Bagneris, Director Aitken, Director La Belle and Director Pham. NAYES: None. ABSTENTIONS: None.**

C. Consideration of and Vote on a Policy for the Use of e-Signatures Action Item

Richards presented the agenda report.

ACTION: Director Ruiz motioned and Director Aitken seconded to approve the digital signature policy as presented by staff. **MOTION CARRIED. AYES:** Chair Cervantes, Vice Chair Rubalcava-Garcia, Director Ruiz, Director Bagneris, Director Aitken, Director La Belle and Director Pham. **NAYES:** None. **ABSTENTIONS:** None.

D. Consideration of and Vote on Whether or Not to Approve the Letter of Understanding (LOU) and Rental Agreement with the City of Costa Mesa for Placement of Emergency Use Trailers at OC Fair & Event Center

Action Item

Richards presented the agenda report.

Director Aitken asked if there will be restrictions of use to residents of Costa Mesa or if the trailers can be used by other cities that have vulnerable/at-risk homeless.

Richards shared she does not have the information on if or when the trailers will be used. She explained that currently the most vulnerable population are being housed in hotels and the City is being reimbursed for the cost; if the hotel rooms become no longer available or the City is no longer getting reimbursed for them, at that time the City would use the trailers.

Discussion ensued regarding the draft of the LOU. Caplan highlighted some points of the LOU:

- Indemnification language
- Reimbursement to the District for any out-of-pocket expenses
- Repayment or replacement of property; facilities that are damaged or impacted from the City's use of the fairgrounds

ACTION: Director La Belle motioned and Vice Chair Rubalcava-Garcia seconded to approve the letter of understanding (LOU) and rental agreement with the City of Costa Mesa for placement of emergency use trailers at OC Fair & Event Center as presented. **MOTION CARRIED. AYES:** Chair Cervantes, Vice Chair Rubalcava-Garcia, Director Ruiz, Director Bagneris, Director Aitken, Director La Belle and Director Pham. **NAYES:** None. **ABSTENTIONS:** None.

E. Consideration of and Vote on the Operational Expenditure for Renting the Costa Mesa High School and Davis School Parking Lots for the 2020 or 2021 OC Fair

Action Item

Karns commented that depending on the Monday Board meeting outcome, the 2020 OC Fair may be a moot item. He asked the Board

to look at the agenda item conceptually, to approve the concept for staff to move forward. Karns presented the agenda item.

Reggie spoke in support of consolidating the parking lots under OC Fair management and to a comprehensive parking plan. She asserted these lots do not represent new parking for the fair just a change in management for efficiencies. She stated staff is going to look at off-site parking/shuttle service from Golden West College in Huntington.

Vincent Pollmeier spoke in support of coordinated parking with the nearby schools. He reiterated the parking at the schools is not new parking, it is not adding to the available parking. He asserted it will have a negative effect on traffic if there is a charge for parking at OCC and will drive people who do not want to pay for parking into the adjoining neighborhoods. He asserted the need to bring in the Costa Mesa Police and work with neighborhood communities to make sure there is a traffic enforcement mechanism in place; and to make sure the expansion/integration of the parking into the overall plan does not negatively affect the neighborhoods.

Director La Belle added that the plan has been reviewed by the committee.

ACTION: Director La Belle motioned and Director Ruiz seconded to approve in concept as presented by staff and for staff to move forward to develop a plan and enable agreements with the respective agency.
MOTION CARRIED. AYES: Chair Cervantes, Vice Chair Rubalcava-Garcia, Director Ruiz, Director Bagneris, Director Aitken, Director La Belle and Director Pham. NAYES: None. ABSTENTIONS: None.

F. Presentation on the Concept for the Expansion of the Green Gate Entry, Along with Operational and Capital Expenditures
Information Item

Karns presented the agenda report.

Richards reiterated the information item is the concept staff has been working on to improve guest amenities at Green Gate. She added staff would come back later with a proposal and will incorporate it into the capital budget for 2021.

Reggie Mundekis thanked staff for bringing the project forward in the conceptual stage and spoke in support of the project. She suggested, to keep the public safe through the health crisis, adding such things as hand washing stations or places to take people's temperatures before allowing people into the facility or other needed changes. She requested staff bring forward plans to place fire sprinkler/alarm systems for Baja Blues and Centennial Farm. She also requested staff

forward plans to improve the lighting and end the use of portable light by diesel generators.

Vincent thanked staff for bringing the project forward at the conceptual stage. He spoke in support of the whole process of bringing conceptual design forward to the Board and the public in advance of the budget. He cautioned that much of the design is moot, not knowing what the new normal will be regarding mass gatherings. He gave examples of types of things that may need to be considered if or when mass gatherings are allowed again and the protocols that may be required. He asserted no money should be spent until there is a better picture of the new normal.

Director La Belle echo the speaker's comments and cautioned not to get too far down the road until it is known what the new normal will be.

G. Consideration of and Vote on Communications Protocols With Attorney General's Office Staff

Action Item

Vice Chair Rubalcava-Garcia presented the agenda report. She added the purpose of the agenda item is to properly manage legal expenses and streamline communications with District staff and the Attorney General's Office (AG's Office). She proposed the Board review and sign timesheets/invoices received from the AG's Office so the Board is aware of how the services are being utilized. She also proposed limiting communication between the AG's Office and District staff to the CEO and Board of Directors only.

Chair Cervantes spoke in support of the proposed.

Director Aitken spoke in support of overseeing and tracking the legal work and legal expenses, ensuring efficiency.

Director La Belle spoke in support of communication being funneled through the CEO and added it is important that individual Board members also have direct communication with the AG's Office.

Vice Chair Rubalcava-Garcia reiterated communication will be limited to the CEO and the Board of Directors to the AG's Office.

Caplan (Counsel), regarding a policy, requested the Board provide some guidelines on what steps he will need to take in the event he is contacted by another member of District staff other than the CEO so he is acting in accordance with the Board's decision. He gave examples of how he interacts with other DAA's staff, which is usually on an executive level and keeping the Board in the loop.

Board, staff and Counsel discussion ensued, items discussed:

- Safeguards need to be in place
- Concern of increasing the workload of the CEO having all communication go through her
- Support in someone from the Board reviewing legal fees and expenses
- Support for parameters on how staff communicates with the AG's office
- Requiring that if staff does need to reach out to the AG's office that the CEO be made aware prior to contacting the AG's office; so the CEO can send an email authorizing a particular department head to contact the AG's office
- Support for CEO being the only staff to have access to the AG's office

Director La Belle motioned the recommendations outlined by Vice Chair Rubalcava-Garcia.

Chair Cervantes added, amending the motion, to send to the recommendation to the Governance Committee for a formal policy (motion amendment accepted).

Director Bagneris left the meeting at 11:30 a.m.

ACTION: Director La Belle motioned and Director Ruiz seconded to approve the Board Governance Committee creating a formal policy regarding communication with the 32nd DAA staff and the Board of Directors, limiting communication between the Attorney General's Office and the 32nd DAA staff to the CEO and Board of Directors only as well as requiring a member of the Board to review and sign timesheets/invoices received from the Attorney General's Office.
MOTION CARRIED. AYES: Chair Cervantes, Vice Chair Rubalcava-Garcia, Director Ruiz, Director Aitken, Director La Belle and Director Pham. NAYES: None. ABSTENTIONS: None.

12. BOARD OF DIRECTORS MATTERS OF INFORMATION

Vice Chair wished everyone well in isolation. She thanked staff for a great job and the CEO and COO for leading.

Director Ruiz thanked staff for working with the County Clerk-Recorder with regard to the ticket booths for marriages. He shared his hopes to see everyone again soon, when allowed, and wished everyone health and safety.

Director Aitken wished for everyone's family safety and hoping that everyone is doing the best they can under the current circumstances. She thanked staff for their hard work and flexibility.

Director La Belle thanked staff for their attendance to all the issues and keeping the board informed. He wished everyone to be safe and looks forward to seeing everyone again in the future.

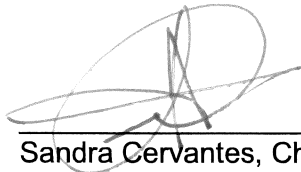
Director Pham shared his appreciation for staff and wished everyone to stay safe and healthy.

Chair Cervantes thanked public for their participation and support. She thanked CEO Richards and staff for their hard work. She wished everyone's family to stay safe during the pandemic.

13. NEXT BOARD MEETING: APRIL 27, 2020 & MAY 28, 2020

14. ADJOURNMENT MOTION TO ADJOURN

The meeting adjourned at 11:36 a.m.



Sandra Cervantes, Chair



Michele Richards, Chief Executive Officer