

## **MINUTES OF OCFEC BOARD OF DIRECTORS MEETING**

**HELD June 24, 2021**

*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 website.*

[https://s3.us-west-1.amazonaws.com/ocfair.com/wp-content/uploads/2021/06/13155502/21\\_06\\_June\\_Board\\_Meeting\\_Transcript.pdf](https://s3.us-west-1.amazonaws.com/ocfair.com/wp-content/uploads/2021/06/13155502/21_06_June_Board_Meeting_Transcript.pdf)

**1. CALL TO ORDER:**

Chair Rubalcava-Garcia called the meeting to order at 9:01 a.m.

**2. MISSION STATEMENT**

**3. PLEDGE OF ALLEGIANCE:**

The Pledge of Allegiance was recited by Vice Chair Doug La Belle. Roll call was taken by Summer Angus.

**4. DIRECTORS PRESENT (via Zoom):**

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

**DIRECTORS ABSENT/EXCUSED:** Director Ruiz.

**OTHERS PRESENT:**

(Via Zoom): Michele Richards, OCFEC CEO; Ken Karns, OCFEC Chief Operating Officer; Joan Hamill, OCFEC Chief Business Development Officer; Jason Jacobsen, OCFEC Director of Planning & Presentation; Terry Moore, OCFEC Director of Communications; Summer Angus, OCFEC Executive Assistant; Josh Caplan, Office of the Attorney General; Patricia Garrido, transcriptionist; Roy Englebrecht; Reggie Mundekis; Lisa Sabo; Gibran Stout

**5. CLOSED SESSION:**

The meeting adjourned to closed session at 9:04 a.m. and reconvened at 9:55 a.m.

Matters to report out of closed session: None.

Director Bagneris joined during closed session.

**6. MINUTES:**

**A. Board meeting held May 27, 2021**

Action Item

**ACTION:** Director Cervantes motioned and Director Aitken seconded to approve the minutes from the Board meeting held May 27, 2021.

**MOTION CARRIED. AYES:** Chair Rubalcava-Garcia, Vice Chair La Belle, Director Cervantes, Director Bagneris, Director Aitken, Director Pham. **NAYES:** None. **ABSTENTIONS:** Director Kovacevich.

## 7. MATTERS OF PUBLIC COMMENT

Roy Engelbrecht, Fight Club OC promoter, requested the Board agendize a discussion and vote to allow cannabis-related signage and cannabis-related non-selling exhibitors and booths at event-specific shows.

Reggie Mundekis discussed an email she recently sent to the Board regarding a fake state fair being held at Santa Anita Park in Arcadia. She discussed how previous OC Fair concessionaire Juicy's has become the event promoter competing with the OC Fair. She encouraged the giving of space, previously occupied by Juicy's at the OC Fair, to Orange County business/restaurants.

## 8. CONSENT CALENDAR: (Policy 4.3.4)

- A. Standard Agreements (New):** SA-037-21YR; SA-004-21YR; SA-034-21GE; SA-043-21HB; SA-044-21HB; SA-045-21HB; SA-047-21HB; SA-048-21HB; SA-049-21HB; SA-051-21HB; SA-053-21HB; SA-054-21HB; SA-055-21HB; SA-056-21HB; SA-057-21PA; SA-058-21GE; SA-059-21HB; SA-060-21HB; SA-061-21HB; SA-062-21HB; SA-063-21GE; SA-064-21GE; SA-065-21GE; SA-066-21LS; SA-067-21LS; SA-068-21LS; SA-069-21LS; SA-070-21LS; SA-071-21LS; SA-072-21LS; SA-073-21LS; SA-074-21LS; SA-075-21LS; SA-076-21CF; SA-077-21CF; SA-078-21CF; SA-079-21CF; SA-080-21HB; SA-082-21HB; SA-083-21FT; SA-084-21YR; SA-085-21YR; SA-086-21FT; SA-087-21YR; SA-089-21PA; SA-090-21PA; SA-091-21HB; SA-092-21SP; SA-093-21SP; SA-094-21SP; SA-095-21HB; SA-097-21PA; SA-098-21PA; SA-099-21PA
- i. Standard Agreement Amendments:** SA-012-21YR (Amend. #1); SA-118-19YR (Amend. #2)

- B. Rental Agreements:** OCC-2107; R-005-21; R-015-21; R-035-21; R-028-21; R-044-21; R-045-21

- i. Rental Agreement Amendments:** R-009-21 (Amend. #2B)

- C. Active Joint Powers Authority Agreements (New):** 03221019; 03220085

- D. Judging Agreements:** LS-001-A-21; LS-002-21; LS-003-21; LS-009-21; LS-010-21; LS-015-21; LS-016-21; LS-017-21; LS-018-21; LS-019-21; LS-020-21; LS-021-21; LS-022-21; LS-023-21; LS-024-21; LS-025-21; LS-026-21; LS-027-21; GF-01-21; GF-02-21; GF-03-21; GF-04-21; GF-05-21; HA-001-21; HA-002-21; HA-003-21; HA-004-21; HA-005-21; HA-006-21; HA-007-21; HA-008-21; HA-009-21; HA-010-21; HA-011-21; HA-012-21; HA-013-21; HA-014-21; HA-015-21; HA-016-21; HA-017-21

**E. Concession Rental Agreements:** 21500; 21503; 21504; 21505; 21511; 21512; 21513; 21514; 21515; 21516; 21517; 21522; 21523; 21524; 21525; 21526; 21527; 21528; 21530; 21531; 21532; 21533; 21534; 21535; 21536; 21537; 21538; 21539; 21540; 21541; 21542; 21543; 21544; 21547; 21548; 21549; 21550; 21551; 21552; 21554; 21555; 21556; 21557; 21558; 21559; 21560; 21561; 21562; 21564; 21565; 21566; 21567; 21568; 21569; 21570; 21571; 21572; 21573; 21574; 21575; 21576; 21578; 21579; 21580; 21581; 21582; 21584; 21585; 21586

**F. Platinum Rental Agreements:** 21700; 21701; 21728; 21702; 21704; 21705; 21706; 21708; 21709; 21711; 21714; 21715; 21717; 21720; 21722; 21725; 21727

**G. Commercial Rental Agreements :** 21001; 21002; 21003; 21005; 21006; 21007; 21008; 21010; 21011; 21012; 21013; 21014; 21015; 21016; 21017; 21018; 21019; 21020; 21021; 21022; 21023; 21025; 21026; 21027; 21028; 21030; 21031; 21063; 21032; 21033; 21034; 21036; 21037; 21038; 21039; 21040; 21050; 21044; 21042; 21043; 21044; 21045; 21046; 21048; 21049; 21051; 21052; 21053; 21054; 21055; 21057; 21058; 21059; 21061; 21062; 21064; 21065; 21066; 21067; 21070; 21071; 21072; 21073; 21074; 21076; 21077; 21078; 21079; 21080; 21081; 21082; 21083; 21084; 21085; 21086; 21087; 21088; 21089; 21090; 21091; 21092; 21093; 21094; 21095; 21096; 21097; 21098; 21099; 21100; 21101; 21102; 21103; 21104; 21105; 21106; 21107; 21108; 21109; 21151; 21113; 21114; 21115; 21116; 21117; 21118; 21119; 21120; 21121; 21122; 21123; 21124; 21125; 21126; 21127; 21128; 21129; 21130; 21131; 21132; 21133; 21135; 21136; 21137; 21138; 21139; 21140; 21142; 21143; 21144; 21145; 21148; 21149; 21150

**H. 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 August agenda is August 9, 2021.*

i. None

**I. 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. 5/27/2021 D2016-06 Procurement of Insurance for DAAs

*-End of Consent Calendar-*

CEO Richards pulled the following agreements from the Consent Calendar:

- Standard Agreement SA-037-21YR (sound monitoring) – still under protest - no decision from DGS yet
- Standard Agreement SA-069-21LS (Golden West Game Breeders) - the contractor cancelled
- Rental Agreement R-028-21 (B&L Productions/Gun Show) - there was an error in posting the agreement to the agenda; the Board approved this agreement in April and added an amendment will be brought back at next Board meeting. CEO Richards also pulled Agreements
- Concession agreements: 21571; 21572; 21573; 21574; 21575; 21576; 21578; 21579; 21580; 21581 and Commercial Rental Agreements: 21019; 21025; 21038; 21041; 21054; 21083; 21103; 21118; 21119 – contracts cancelled for various reasons

**ACTION:** Director Aitken motioned and Director Cervantes seconded to review and approve the Consent Calendar with the following agreements pulled SA-037-21YR; SA-069-21LS; R-028-21; 21571; 21572; 21573; 21574; 21575; 21576; 21578; 21579; 21580; 21581; 21019; 21025; 21038; 21041; 21054; 21083; 21103; 21118; 21119.

**MOTION CARRIED. AYES:** Chair Rubalcava-Garcia, Vice Chair La Belle, Director Cervantes, Director Bagneris, Director Aitken, Director Pham and Director Kovacevich. **NAYES:** None.

**ABSTENTIONS:** None.

## 9. GOVERNANCE PROCESS

### A. Review of Current Contract for the Operation of the Equestrian Center and Vote on Direction to Staff

Action Item

Chair Rubalcava-Garcia requested the Board review the Equestrian Center (EQC) contract and have a discussion on renewing the contract or sending it out for RFP. She added the Board is already looking at the EQC study as part of the strategic planning process. She shared her concerns with the some contract terms (managing improvements) that are not being fulfilled by operator.

Reggie Mundekis asserted the need for a new contract that is done through an RFP process. She suggested using a three year term with three one-year renewal options. She discussed other terms that the operator would be responsible for: feeding, cleaning, arena maintenance; having a person in charge on site when the EQC is open; leasing space which is approved by the District, the District having the right to use some of the facilities for District use and emergencies; operator to reimburse the District for utilities and other reimbursable expenses; operator to have a 24-hour emergency contact

with a response time frame. She continued to discuss other contract term suggestions, some terms discussed: the District can seek sponsorships and retain revenue from the EQC; annual minimum rent; contract to operate, not lease.

Lisa Sabo discussed camps that her non-profit Changing Strides has conducted. She encouraged the Board to extend the contract with Equestrian Services Inc. (current EQC operator) and then put out an RFP next year. She suggested putting a study session together with equestrians who would like to be involved in the process.

Gibran Stout asserted the current EQC contract is outdated, adding that there are weak and strong areas. She stated that there were errors and omissions in the EQC Study Report. She urged the Board to continue the contract for twelve months to give time to determine the best model for the EQC. She formally requested a study session with EQC users prior to any new RFP, contract, operator or model.

Director Aitken reiterated support for the equestrian center, recognizing it as an important part of the property. She encouraged staff to provide a plan that provides stability. She stated before any RFP goes out that Board members (possibly a Board committee) and staff meet with the equestrians and gather useful information to tailor the RFP for the needs of the EQC. She spoke in support of a new RFP for the EQC.

Director Bagneris thanked the Chair for putting the item on the agenda. She shared her concerns with the current month to month status of the contract and the operator not fulfilling some of the contract terms. She asserted the Board's need to have a discussion and make some decisions regarding the EQC. She suggested the Facilities Committee review and make recommendations for a new contract. She asserted the need to make sure the contract is rectified sooner rather than later.

Vice Chair La Belle stated that before the Board determines what the operation model for the EQC should be, the Board needs to determine what it is the Board wants to do in terms of the equestrian facility. He spoke in favor of staying with the current month to month agreement. He recommended deferring any further actions until the full Board has the opportunity to review the operation in context with the strategic plan session in August.

Chair Rubalcava-Garcia recommended the Facilities Committee develop an RFP to bring back to the full Board in August or September to discuss moving forward. She asserted the EQC will remain part of the fairgrounds and it is in OCFEC's best interest to move forward to get a new contract in place.

Board discussion ensued regarding the recommendation. The recommendation was amended.

**ACTION:** Director Cervantes motioned and Director Bagneris seconded to refer the current contract for operation of the Equestrian Center (EQC) to the Facilities Committee to review and bring back recommendations, including a potential RFP, to the full Board in September or once the Board has discussed the EQC as part of strategic planning. **MOTION CARRIED.** **AYES:** Chair Rubalcava-Garcia, Vice Chair La Belle, Director Cervantes, Director Bagneris, Director Aitken and Director Kovacevich. **NAYES:** None. **ABSTENTIONS:** None.

Director Bagneris left the meeting.

**B. Review of and Vote on Whether or Not to Approve Amendment to Spectra Master Concessionaire Agreement Clarifying the “Cantina” as Part of District’s Facilities**

Action Item

CEO Richards explained that the Cantina facility in the former OC Market Place footprint was operated by Spectra as part of the swap meet operation. An amendment to the Spectra food service management agreement is necessary to clarify that the Cantina now becomes part of the “District’s Facilities” as defined in the agreement, and may be operated by Spectra for the sale of food and beverage items during the annual OC Fair and other events. She continued adding the amendment further clarifies that Spectra shall pay the District a commission on gross sales generated by Spectra at the Cantina.

**ACTION:** Vice Chair La Belle motioned and Director Cervantes seconded to approve the amendment to the Spectra master concessionaire agreement as presented by staff. **MOTION CARRIED.** **AYES:** Chair Rubalcava-Garcia, Vice Chair La Belle, Director Cervantes, Director Aitken and Director Kovacevich. **NAYES:** None. **ABSTENTIONS:** None.

**C. Vote on Whether or Not to Use the August Board Meeting Date and Time for Strategic Planning**

Action Item

Reggie Mundekis spoke in support of using the August Board meeting for strategic planning.

**ACTION:** Director Cervantes motioned and Vice Chair La Belle seconded to approve to utilize the August Board meeting time for strategic planning session. **MOTION CARRIED.** **AYES:** Chair Rubalcava-Garcia, Vice Chair La Belle, Director Cervantes, Director Aitken and Director Kovacevich. **NAYES:** None. **ABSTENTIONS:** None.

**D. Presentation of Proposed Changes to Heroes Hall Veterans Foundation MOU and Vote on Whether or Not to Approve**  
Action item

CEO Richards explained the current MOU includes a minimum forty-five thousand dollar contribution by the foundation to the District to offset operational expenses for Heroes Hall.

Nick Berardino, Heroes Hall Veterans Foundation President (HHVF), discussed fundraising difficulties due to the pandemic. He requested the Board consider reducing the minimum contribution to twenty-five thousand dollars over the next three years.

Board discussion ensued in support of helping HHVF starting in 2021. Director Cervantes motioned to approve the request by the HHVF.

Reggie Mundekis spoke in support of the request.

Director Kovacevich spoke in support of the request but asked the Board to consider approving one year (2021) and revisiting the item next year.

The motion was amended to amend the MOU to reflect the minimum contribution of twenty-five thousand dollars for 2021.

**ACTION:** Director Cervantes motioned and Director Kovacevich seconded to amend the Heroes Hall Veterans Foundation MOU requirement for the minimum forty-five thousand dollar contribution by the foundation to the District to twenty-five thousand dollars for 2021.

**MOTION CARRIED. AYES:** Chair Rubalcava-Garcia, Vice Chair La Belle, Director Cervantes, Director Aitken and Director Kovacevich. **NAYES:** None. **ABSTENTIONS:** None.

**E. Presentation of the 2021 OC Fair and Vote on Final Direction to Staff**  
Action Item

CEO Richards and Joan Hamill, Chief Business Development Officer made the 2021 OC Fair presentation.

Vice Chair La Belle shared his hope to encourage unvaccinated people to wear a mask at all times.

Chair Rubalcava-Garcia highlighted that OCFEC was a super pod vaccination site. She thanked all the partners that helped execute that vaccination site.

No Board action taken on this item.

## **F. Committee / Ad Hoc Committee / Liaison Report**

### 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. Leadership Committee (Chair Rubalcava-Garcia, Committee Chair; Vice Chair La Belle)
- ii. Financial Monitoring and Audit Committee (Director Pham, Committee Chair; Director Bagneris)
- iii. Facilities Committee (Director Aitken, Committee Chair; Director Ruiz)
- iv. Governance Committee (Director Cervantes, Committee Chair; Chair Rubalcava-Garcia)
- v. Community Affairs Committee (Director Kovacevich, Committee Chair; Director Ruiz)
- vi. Centennial Farm Foundation Liaison (Director Cervantes)
- vii. Heroes Hall Veterans Foundation Liaison (Vice Chair La Belle, Director Cervantes)

CEO Richards, on behalf of the Financial Monitoring and Audit Committee, presented the May Financials. She also reported:

- The committee met on June 18<sup>th</sup>
- The committee was introduced to the Carnival RFP by staff
  - RFP to be reviewed by the full Board at the October Board meeting
- The next committee meeting date has not been set yet due to the fair
  - August or September the committee will be briefed on the fair financials

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

- The focus is getting the property up and ready for fair
  - Cap X project technology and electrical work happening
  - Blue Gate revisions projected to be done by fair

Chair Rubalcava-Garcia, on behalf of the Governance Committee, reported staff updated the committee on the following:

- Committee continuing to watch SB-264, the bill Senator Dave Min introduced that could potentially affect gun shows on state property. The senate approved the bill, now it will go to the assembly
  - California Fairs Alliance has taken an opposed position on the bill
- A proposed new State Fire Marshal regulation (requiring the use of state fire marshals instead of local fire authority) that would

have had a negative impact on the fair and year-round events, has been taken off table

Director Kovacevich, on behalf of the Community Affairs Committee reported:

- The committee discussed with staff the possibility of surveying guests at the fair to gather input for a potential public art piece celebrating community diversity
- June is Pride month, the committee and staff prepared a presentation regarding the history of Pride month and how the OCFEC recognizes the LGBTQ community year-round

CEO Richards presented the LGBTQ Pride presentation.

Joan Hamill, on behalf of the Centennial Farm Foundation, reported:

- The committee discussed opportunities for fundraising and looking to do something by the end of the year

## **10. CEO'S OPERATIONAL UPDATE**

Michele Richards, OCFEC CEO, reported the following:

- 22 days until the opening day of the OC Fair
- OC Animal Care agreement is under final review
- Dr. Clayton Chau sent OCFEC an endorsement letter in support of the reopening of the OC Fair
- Staff worked with the Board to identify non-profits to give fair admission tickets to needy families and kids that they serve
- Staff in conjunction with the City of Costa Mesa conducted neighborhood meetings regarding the fair

CEO Richards presented the May 2021 financial statements.

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

Director Kovacevich shared his appreciation of everyone's hard work and efforts and is excited for the fair.

Director Aitken thanked the Board members for support of the community ticket program.

Vice Chair La Belle echoed comments complimenting staff for putting the fair together. He reported the Chair and himself attended a security briefing and was very pleased with the efforts staff has done to make sure the fair is a fun and safe event.

Chair Rubalcava-Garcia thanked staff and everyone who attended the Board meeting and her fellow Board members for their dedication and commitment. She shared her excitement for the fair and encouraged her fellow Board members to attend the opening day of the fair.

**12. NEXT BOARD MEETING: AUGUST 26, 2021**

**13. ADJOURNMENT MOTION TO ADJOURN**

The meeting adjourned at 11:28 a.m.



Natalie Rubalcava-Garcia, Chair



Michele Richards, Chief Executive Officer