



Board of Directors Meeting
September 23, 2021

Good morning.

The meeting will begin just after 9:00 a.m. For Public Comment, please use the chat function to communicate to the meeting secretary to indicate which agenda items you would like to speak to.

Please keep your device on mute until called upon to speak.

If using the Zoom dial-in option, use *6 to mute and un-mute your phone.

Please take notice that this public meeting of the 32nd District Agricultural Association, a California state institution, is being recorded using video recording equipment. Please also take notice that the 32nd District Agricultural Association will release video recordings of its public meetings where required under California law.

Please keep your device on mute

The Mission of OCFEC is...

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

(with results justifying resources expended)





5. Minutes

A. Board meeting held June 24, 2021

Action Item



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. 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.



8A. Update and Discussion on the Development of CAFE (California Authority of Fairgrounds and Expositions) Joint Powers Authority Initiative

INFORMATION ITEM:

At the request of the Governor's Office and with direction from CA Department of Food & Agriculture Secretary, Karen Ross, the framework is being developed for a Joint Exercise of Powers Agreement to establish the California Authority of Fairgrounds and Expositions (CAFE).

Some highlights of the proposed JPA include:

- The Authority would be governed by a Board, located in Sacramento, which would be comprised of thirteen (13) Directors: one from each of seven geographic areas representing the DAAs, one representing small fairs, one representing medium-sized fairs, one representing large fairs, one member appointed by the CDFA Secretary, one member appointed by the Director of the CA Department of Finance, and one member from the Rural County Representatives of California (RCRC).



8A. Update and Discussion on the Development of CAFE (California Authority of Fairgrounds and Expositions) Joint Powers Authority Initiative

INFORMATION ITEM:

Some highlights of the proposed JPA include (continued):

- The primary purpose of the Authority would be to develop and provide service programs and a central administration to further the common interests of the member fairs to manage and operate fairgrounds in California pursuant to California Law. Some of the services currently being contemplated include human resources, procurement, contracting and legal.
- California Food and Agriculture Code Section 4051 provides that a District Agricultural Association can enter into a joint powers agreement with the approval of the Secretary. The California Department of Food & Agriculture will be a member of the joint powers agreement and approves the participation of the DAAs.
- Each member fair could form a local nonprofit organization for the purpose of maintaining its fairgrounds and managing its programs including the annual fair.
- Members of the current DAA Board of Directors could serve on the local nonprofit Board.
- DAA employees could either maintain their status as CA State civil service employees or become employees of the local nonprofit.



8A. Update and Discussion on the Development of CAFE (California Authority of Fairgrounds and Expositions) Joint Powers Authority Initiative

INFORMATION ITEM:

This agenda item is meant to be a very brief introduction to the process currently being developed for the formation of the new JPA. There are many more questions to be asked and answered.

The Board will have the opportunity to have an initial discussion regarding the formation of this JPA and staff will continue to keep the Board apprised of further developments.



8B. Presentation on Hispanic Heritage Month

INFORMATION ITEM:

September 15th marks the beginning of Hispanic Heritage month.

Hispanic Heritage Week was established in 1968 by President Lyndon Johnson and was later expanded by President Ronald Reagan to be Hispanic Heritage Month. Hispanic Heritage Month runs from September 15 to October 15.

The Community Affairs Committee has worked with staff to develop a presentation celebrating the history of the Hispanic community's contributions to agriculture and the OC Fair & Event Center. Representing the committee, Director Robert Ruiz will make the presentation.





NATIONAL HISPANIC HERITAGE MONTH

September 15 to October 15

History of Hispanic Heritage Month



- Observed from September 15 to October 15, by celebrating the histories, cultures and contributions of American citizens whose ancestors came from Spain, Mexico, the Caribbean and Central and South America.
- Started in 1968 as Hispanic Heritage Week under President Lyndon Johnson and expanded by President Ronald Reagan in 1988 to cover a 30-day period.
- The month is significant:
 - Sept. 15 is the anniversary of independence for the Latin American countries of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua.
 - Sept. 16 is the day Mexico celebrates its independence
 - Sept. 18 is the day Chile celebrates its independence.
 - Oct. 12 is Dia de la Raza.

Hispanic Community Facts and Demographics

- Hispanic refers to a person who is from, or a descendant of someone who is from, a Spanish-speaking country.
- Latino/a or Latinx refers to a person who is from, or a descendant of someone who is from, a country in Latin America.
- Nationally, Hispanic population has grown from 50 million in 2010 to 62 million in 2020.
- In the past 10 years, the state's Hispanic population grew by 11%, and California has the highest Hispanic population of any state.
- Hispanics comprise 36% of Orange County's population (39% statewide) and are expected to comprise 43% by 2060.
- The high school graduation rate amongst OC Hispanics is 87.5%, up from 86% a year ago.
- 42% of California Hispanics own their own homes.
- The median household income for OC Hispanics is \$75,311.
- While 36% said their community was hit particularly hard, 60% of Hispanic entrepreneurs say they've volunteered to help their local community during the pandemic.





Hispanic History in OC

- The Yorba and Peralta families were some of the first to settle in Orange County from Mexico.
- World War II boosted the U.S. economy creating a demand for farm labor in particular. In response, the U.S. formed an agreement with the Mexican government in 1942 creating a guest worker program officially called the Emergency Farm Labor Agreement, commonly known as the Bracero Program.
- Between 1942-64 Bracero programs brought nearly 70,000 men from Mexico to work legally in agriculture in Orange County, many of whom became legal citizens in the late 1960s.
- In the early 1900s, California began segregating schools. This caused Gonzalo Mendez, and four other fathers, to file a civil rights lawsuit in federal court. The resulting 1947 appellate court decision in *Mendez v. Westminster* preceded the landmark 1954 U.S. Supreme Court decision in *Brown v. Board of Education* that ended school segregation by law in the United States once and for all.
- Today, Hispanics lead in every sector of the Orange County community including business, industry, education, government, the arts and nonprofit work.

Hispanic Elected Officials



Alex Padilla
U.S. Senate



Linda Sanchez
U.S. Congress



Lou Correa
U.S. Congress



Bob Archuleta
CA Senate



Sharon Quirk-Silva
CA Assembly

OC Hispanic Community Leaders



**Maricela Rios, CEO
Human Options**



**Reuben Franco, CEO
OC Hispanic Chamber**



**Richard Porras, VP
Public Affairs, AT&T**



**Gustavo Arellano, Journalist
Los Angeles Times**



**America Bracho, CEO
Latino Health Access**



**Al Mijares, Superintendent
OC Dept. of Education**



**Natalie Rubalcava-Garcia
Chair, OC FEC Board**



**Sandra Cervantes
Director, OC FEC Board**



**Robert Ruiz
Director, OC FEC Board**





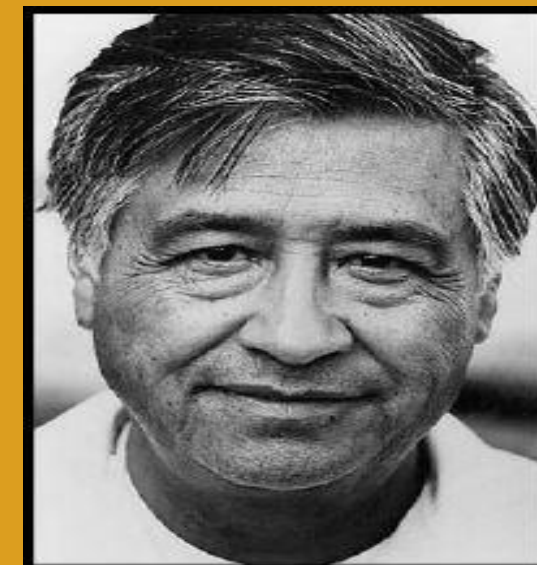
Hispanic Leaders in Agriculture



Michael Flores, Deputy Secretary
CA Dept. of Food & Agriculture



Mark Lopez, President
OC Farm Bureau Board



Cesar Chavez, Founder
American Farm Workers Assoc.

How Can You Celebrate Hispanic Heritage Month?

- Support an Hispanic or Latinx-owned business
- Make a special playlist of Hispanic artists
- Visit a museum highlighting Latinx or Hispanic culture
- Learn about Mexican Independence Day
- Read books by Hispanic and Latinx authors
- Hold your own Spanish language film fest
- Enjoy a classic Latin American dinner
- Attend an Hispanic Heritage Month celebration in your city



8C. 2021 OC Fair Wrap-Up Presentation

INFORMATION ITEM:

Staff will present highlights of the 2021 OC Fair.





***Time for Fun...
and Celebration!***

How Did We Fair?





What Were the Goals?

- Limit daily ticket sales to control capacity – 45,000 tickets per day
- Create an exceptional guest experience measured by survey results of 3.5 or higher
- Minimize the impact of the fair in surrounding neighborhoods measured by neighbor feedback
- Produce a 2021 OC Fair that is safe, healthy and profitable



2021 OC Fair • Time FOR Fun • July 16 - Aug 15



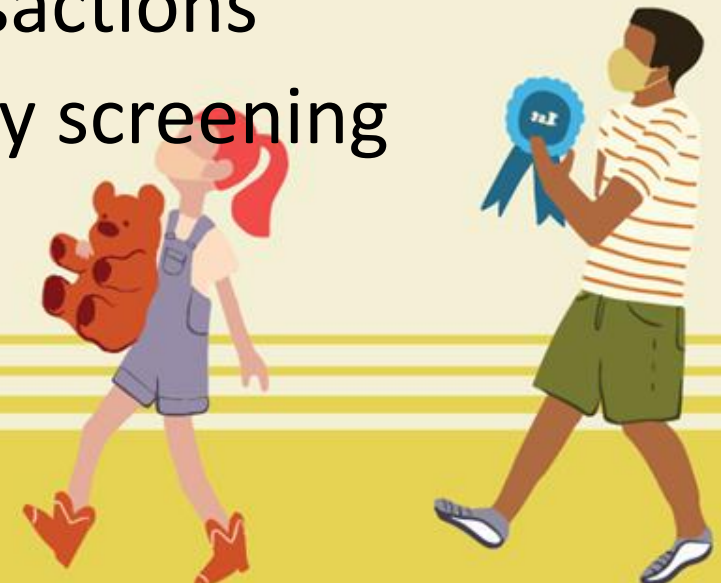
What was Different?

- Advanced online ticketing
- Reduced daily capacity
- More elbow room
- Programming changes
 - No Action Sports Arena shows
 - Extended Pacific Amphitheatre schedule
 - Virtual Jr. Livestock Auction

- Layout changes
 - Pig Races
 - Plaza Pacifica
 - Explorium
- Enhanced cleaning and sanitation procedures - GBAC certification
- Contactless transactions
- New gate security screening system



2021 OC Fair • Time FOR Fun • July 16 - Aug 15





What Did Our Guests Say?

- Daily guest survey sent to everyone that purchased tickets
 - Overall enjoyment: 4.20
 - Overall experience: 4.10
 - Overall value: 3.66
- 1,210,960 video views on our social media platforms
- 1,588,132 total engagements (23.2% increase over 2019)
- Database list grew by 73% adding 238,000 new contacts
- Guest comments overwhelmingly positive – “complaints” down 75%



2021 OC Fair • Time FOR Fun • July 16 - Aug 15



What Were the Numbers

- Attendance: 1,055,770
- OC Fair guest demographic closely matches the great OC demographic
- 16 out of 23 days sold out
- 9,901 competitive entries; over 4,500 ribbons and awards given out
- 74 “Best of Show” awards
- 2.5 million carnival rides enjoyed by guests
- 20 sold out shows in The Hangar; 9 sold out shows in Pacific Amphitheatre
- 338 community entertainment performers on 3 stages
- 155 small business merchants and concessionaires
- Recycling efforts were strong
 - Plastic – 6300 pounds
 - Glass – 600 pounds
 - Aluminum – 800 pounds
 - Cardboard – 66,270 pounds
 - Cooking oil – over 6000 gallons



2021 OC Fair • Time FOR Fun • July 16 - Aug 15



What Were the Results?

Preliminary Numbers

	2021 OC Fair	2019 OC Fair
Revenue	\$35,246,118	\$36,524,990
- Labor Expenses	- \$4,469,342	-\$7,201,200
- Non Labor Expenses	-\$8,739,592	-\$14,805,004
Net Proceeds	\$22,037,184	\$14,518,786



2021 OC Fair • Time FOR Fun • July 16 - Aug 15



What Did We Learn?

- Guests WILL purchase tickets ahead of time online.
- Limited capacity creates huge demand for the fair.
- A carefully produced fair with limited capacity can be more profitable than unlimited attendance.
- Increasingly more attendance every year is not a metric we want to chase.
- People LOVE the OC Fair!



2021 OC Fair • Time FOR Fun • July 16 - Aug 15

8D. Appointment of Chair and Vice Chair Nominating Committee

INFORMATION ITEM:

The Board Chair will appoint a two person task force to deliberate and make a recommendation for Officers of the Board for the upcoming year.

The Nominating Task Force will present their nominations at the October 28, 2021 meeting of the OCFEC Board of Directors.



8E. Discuss and Vote on Communication to the Governor's Office Regarding Economic Impact of SB 264 on OC Fair & Event Center

On January 27, 2021 California State Senator Dave Min introduced SB264 prohibiting gun shows on any state or county property. Since the bill was introduced it was amended to exclude county property from the bill and include only state property. On June 1, 2021, the bill passed the State Senate by a vote of 29-9 and was ordered to the State Assembly.

While in committee with the Assembly, the bill was further amended to only impact the OC Fair & Event Center. SB264 was approved by the Assembly appropriations committee. The full Assembly approved the bill as amended 43-17 on September 2 and the bill was referred back to the Senate for approval.



8E. Discuss and Vote on Communication to the Governor's Office Regarding Economic Impact of SB 264 on OC Fair & Event Center

The Senate passed the amended bill the following day on September 3 by a vote of 28-9. The bill is now on the Governor's desk for signature and he has until October 10 to sign. If he does not sign it or amend it by then, the bill will become California law and go into effect January 1, 2022.

The Board will discuss the status of SB264 and whether or not to send a letter to the Governor respectfully requesting he consider the economic impact of the bill on the OC Fair & Event Center in his decision about whether or not to sign the bill into law.

RECOMMENDATION:

At the Board of Directors' discretion



8F. Discuss and Vote on Whether or Not to Approve 2022 Rental Agreements with Crossroads of the West Gun Show to Exclude Sale of Firearm Precursor Parts

SB264, the bill banning gun shows at the OC Fair & Event Center, was passed by both the State Senate and Assembly and is now on the Governor's desk for signature.

An exemption in the bill excludes any rental agreements that are in place prior to the bill's effective date of January 1, 2021. The Crossroads of the West Gun Shows requested that OCFEC consider pre-approving its rental agreements for 2022 to allow transition time for the promoter to find a new location for the gun shows. The promoter also acknowledged prior conversations by the Board regarding firearm precursor parts used to make "ghost guns," and has offered to consider eliminating those exhibitors from its 2022 shows if approved.

RECOMMENDATION:

At the Board of Directors' discretion.



8G. 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. 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)



9. 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. (Govt. Code, § 11126, subd. (e).)
 - 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. (Govt. Code, § 11126, subd. (e).)
 - iii. To confer with counsel, discuss, and consider the following pending litigation to which the 32nd DAA is a party. 32nd District Agricultural Association v. Ovations Fanfare, L.P., et al., Orange County Superior Court, Case No. 30-2020-01161661-CU-CO-CJC
 - iv. To confer with counsel, discuss, and consider the following pending litigation to which the 32nd DAA is a party. Adam Carleton v. 32nd District Agricultural Association, et al., Orange County Superior Court, Case No. 30-2020-01174951-CU-OE-CJC
- B. Personnel:** The Board will meet in closed session to consider the evaluation of performance of the General Manager / CEO. [Govt. Code, § 11126, subd. (a).]



10. CEO's Operational Announcements & Updates



10. CEO's Operational Announcements & Updates



For the Eight Months Ended August 31, 2021

	Actual	Budget	Variance Favorable (Unfavorable)
YTD Revenue	\$44,956,990	\$22,506,748	\$22,450,242
YTD Expenses	<u>\$26,070,812</u>	<u>\$27,883,522</u>	<u>\$1,812,710</u>
YTD Net Proceeds (Deficit)	<u>\$18,886,178</u>	<u>\$(5,376,774)</u>	<u>\$24,262,952</u>

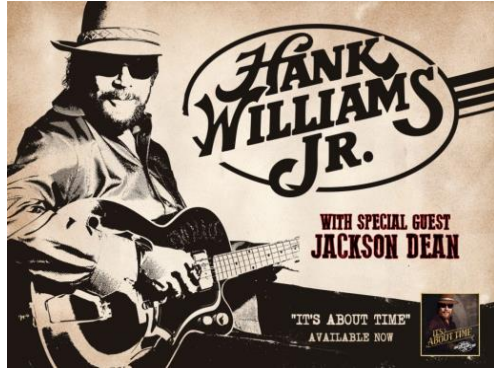


Cash and Cash Equivalents

	<u>August 31, 2021</u>	<u>August 31, 2020</u>
Cash on Hand	\$19,950,475	\$ 2,403,548
Investments	<u>\$42,935,089</u>	<u>\$43,699,293</u>
Total Cash and Cash Equivalents	<u>\$62,885,564</u>	<u>\$46,102,841</u>
Year over Year Increase	<u>\$16,782,723</u>	
Year over Year % Increase	36.4%	



EVENTS UPDATE



Sept. 23



Sept. 30



Sept. 23, Oct. 14,



Oct. 1-3, Oct. 8-10 &
Oct. 22-24



Oct. 8-10



Oct. 8-31



Oct. 15-17



Oct. 19



Oct. 29 & 30



EVENTS UPDATE



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



9 a.m.-3 p.m. daily



11 a.m.-5 p.m. Wed.-Sun.*
Oct. 1-12— Closed for exhibit installation



THROUGH THEIR EYES

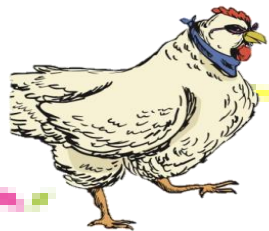
ARTWORK BY ACTIVE MILITARY AND VETERANS
HEROES HALL AT THE OC FAIRGROUNDS

October 13 – January, 20 2022



HAPPY BIRTHDAY!

DIRECTORS CERVANTES & RUIZ



11. Next Board Meeting

October 28, 2021

