

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING
HELD December 16, 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](https://s3.us-west-1.amazonaws.com/ocfair.com/wp-content/uploads/2021/12/03091253/21_12_December_Transcript.pdf) website.

https://s3.us-west-1.amazonaws.com/ocfair.com/wp-content/uploads/2021/12/03091253/21_12_December_Transcript.pdf

1. CALL TO ORDER:

Chair La Belle called the meeting to order at 9:32 a.m.

2. MISSION STATEMENT

3. PLEDGE OF ALLEGIANCE:

The Pledge of Allegiance was recited by Director Barbara Bagneris. Roll call was taken by Summer Angus.

4. DIRECTORS PRESENT (via Zoom):

Chair La Belle, Vice Chair Pham, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken and Director Rafiei.

DIRECTORS ABSENT/EXCUSED: Director Rubalcava-Garcia and Director Kovacevich.

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; Summer Angus, OCFEC Executive Assistant; Josh Caplan, Office of the Attorney General; Kathy Swank, transcriptionist; Roy Englebrecht, Fight Club OC; Nick Berardino, Heroes Hall Veterans Foundation; Marc Van Eden, Centennial Farm Foundation; Reggie Mundekis

5. MINUTES:

A. Board meeting held November 18, 2021

Action Item

ACTION: Director Cervantes motioned and Director Ruiz seconded to approve the minutes from the Board meeting held November 18, 2021.

MOTION CARRIED. AYES: Chair La Belle, Vice Chair Pham, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken and Director Rafiei. **NAYES:** None. **ABSTENTIONS:** None.

6. MATTERS OF PUBLIC COMMENT

Roy Englebrecht, Fight Club OC promoter, talked about sold out shows and thanked and praised staff for a wonderful relationship. He asked the Board to agendaize a discussion to allow event-specific cannabis advertising in 2022.

7. CONSENT CALENDAR: (Policy 4.3.4)

A. Standard Agreements (New): SA-006-22FT

- i. **Standard Agreement Amendments:** None.

B. Rental Agreements: R-056-21; R-087-21; R-088-21; R-089-21; R-090-21; R-093-21; R-094-21; R-095-21; R-096-21; R-003-22

- i. **Rental Agreement Amendments:** R-024-21 (Amend. #3); R-001-22 (Amend. #1)

C. Active Joint Powers Authority Agreements (New): None.

D. Correspondence:

Communications to the Board from members of public related to OC FEC business are identified below and included with the Board materials (available on the OC FEC 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 January agenda is January 14, 2022.*

- i. 11/15/2021: Reggie Mundekis - Nov 2021 Board Meeting Agenda Item 8A EQC Draft Operating Agreement

E. 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-

ACTION: Director Ruiz motioned and Director Cervantes seconded to approve the Consent Calendar. **MOTION CARRIED. AYES:** Chair La Belle, Vice Chair Pham, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken and Director Rafiei. **NAYES:** None. **ABSTENTIONS:** None.

8. GOVERNANCE PROCESS

- A. Request by Centennial Farm Foundation for Amendment to MOU to Decrease the Annual Donation and Vote on Whether or Not to Approve**
Action Item

Marc Van Eden, Centennial Farm Foundation President, formally requested the OCFEC Board to consider amending the MOU, reducing the Foundation's required \$45,000 annual contribution to OCFEC, to a two-year \$25,000 contribution because of fundraising difficulties due to the pandemic. He also discussed that a consultant firm will be handling grant writing, website revisions, social media and marketing/fundraising. He asked the Board to consider donating a fair basket for the Foundation's fundraiser in April 2022. Van Eden also welcomed the two new OCFEC Board members to join the Foundation Board, Directors Kovacevich and Rafiei.

Director Cervantes sympathized with the fundraising struggles due to the pandemic and spoke in support of the reduction to \$25,000 for one year like the Board approved for the Heroes Hall Veterans Foundation. Approve one year \$25k for one year

ACTION: Director Cervantes motioned and Director Rafiei seconded to approve to amend the Centennial Farm Foundation MOU reducing the annual contribution to \$25,000 for one year. **MOTION CARRIED.** **AYES:** Chair La Belle, Vice Chair Pham, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken and Director Rafiei. **NAYES:** None. **ABSTENTIONS:** None.

B. Presentation of 2020 Audit and Vote on Whether or Not to Approve and File with CA Department of Food & Agriculture
Action Item

CEO Richards reported the Financial Monitoring and Audit Committee, staff and the audit firm Lance, Soll & Lunghard, met and reviewed the 2020 audit.

Director Bagneris spoke in support of the audit and stated that there were no findings.

ACTION: Director Cervantes motioned and Director Rafiei seconded to approve and file the 2020 Audit with CA Department of Food & Agriculture. **MOTION CARRIED.** **AYES:** Chair La Belle, Vice Chair Pham, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken and Director Rafiei. **NAYES:** None. **ABSTENTIONS:** None.

C. Presentation of CEO's 2022 Budget Summary Letter
Information Item

Chair La Belle spoke in support of the budget summary letter and thanked staff on behalf of the Board for their efforts on the budget.

D. Presentation of Heroes Hall Veterans Foundation Financial Pledge

to Veterans Serenity Walk Project and Vote on Whether or Not to Move the Project to 2022 Capital List

Action Item

CEO Richards explained the Veterans Serenity Walk Project is on the capital expenditures list for 2024 and that the Chair is recommending scheduling the project for 2022. She also stated the Heroes Hall Veterans Foundation has pledged to contribute \$100,000 of the approximate \$300,000 cost for the project.

Chair La Belle added the serenity walk will provide opportunities to honor veterans and a place for people to reflect on the sacrifices that have been made on the behalf of all.

Reggie Mundekis spoke in support of the project and equated it to the restoration of Memorial Gardens which was moved to make Heroes Hall. She suggested the Board develop language regarding what happens to various memorial plaques and other objects when and if they are dismantled to make way for change.

Nick Berardino, Heroes Hall Veterans Foundation President, thanked the Board and staff for what they have done for Heroes Hall and what it has done for the veterans community. He stated the serenity walk will make a big difference in the veterans community, giving veterans the opportunity to sit and reflect and try to find peace and calm. He urged the Board to approve the project and recommendation.

Vice Chair Pham questioned the urgency to move the project up to 2022 from 2024 and if there were any synergies or operational efficiencies by moving the project up.

Director Aitken spoke in support of the project and suggested to move the project to the Facilities Committee for further exploration. She reflected on discussions from the last strategic planning meeting regarding bringing more involvement in this project, bringing more community and visibility to the facilities. She discussed the possibility of an adopt-a-bench program and being able to buy bricks for loved ones/veterans that served and/or were lost. She added the committee could explore how to make this a community project, bringing in supporters of veterans, the OC Fair, Heroes Hall and build connectivity, as discussed in the strategic planning session.

Director Bagneris talked about discussions from the budget meeting regarding not moving the project forward because of the Board being in the middle of their strategic planning process. She spoke in support of sending the project to the Facilities Committee for further exploration.

Director Ruiz spoke in support of Directors Aitken and Bagneris'

comments and to move the project to the committee. He spoke in support of the brick idea, adding it could be a good source of revenue.

Director Aitken motioned to move the serenity walk project to the Facilities Committee to explore whether to schedule it for 2022. She also added that for a deadline, the committee could report back to the Board before the fair, in May or June.

Chair La Belle stated the strategic planning process should be concluded by February and asked to amend the motion to have the Facilities come back to the Board with a recommendation in February.

Director Aitken stated as a matter of practicality the Facilities Committee would report back monthly.

ACTION: Director Aitken motioned and Director Ruiz seconded to move the serenity walk project to the Facilities Committee to explore whether to schedule the project for 2022. **MOTION CARRIED. AYES: Chair La Belle, Vice Chair Pham, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken and Director Rafiei. NAYES: None. ABSTENTIONS: None.**

E. Vote on Whether or Not to Use of a Legislative Lobbyist

Action Item

CEO Richards explained the last usage of a lobbyist firm (\$5,000/month retainer). She also explained that OCFEC use of the lobbyist firm ended in December 2020 due to the need to cut costs going into the 2021 budget, and the decreased need for representation.

Director Aitken reported the Governmental Relations Committee met and discussed the issue and decided to have a discussion with the full Board about taking a more fiscally conservative approach. She discussed the following legislative issues that the committee would like to explore:

- The proposed CAFE JPA coming down from the state
- Local non-profits and public officials to use the property at no cost or at a discounted rate (not currently allowable under California law)

She discussed first trying to work with legislators that are currently in office before hiring a lobbyist.

Director Rafiei spoke in support of Director Aitken's comments adding many on the Board have political relationships that could accomplish what needs to be done. She added the service retainer money could go to other projects.

Directors Bagneris and Cervantes spoke in support of the previous comments.

Chair La Belle shared his concerns regarding the JPA concept and being able to be responsive and having the resources to articulate the Board's position on it. He suggested exploring setting a cap for the monthly retainer in an RFP (for legislative lobbyist). The Chair stated he is comfortable putting the issue off for now as it can be brought back at any time.

No action taken.

F. Presentation of 2022 OC Fair Theme

Information Item

Joan Hamill, Chief Business Development, presented the 2022 OC Fair theme "Feel the Sunshine," July 15 through August 14, 2022.

Board members expressed their support and excitement.

Hamill confirmed that super passes will not be available in 2022.

G. 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 La Belle, Committee Chair; Vice Chair Pham)
- ii. Financial Monitoring and Audit Committee (Director Kovacevich, Committee Chair; Director Bagneris)
- iii. Facilities Committee (Director Ruiz, Committee Chair; Director Aitken)
- iv. Governance Committee (Director Cervantes, Committee Chair; Director Rubalcava-Garcia)
- v. Community Affairs Committee (Director Bagneris, Committee Chair; Director Rafiei)
- vi. Entertainment and Business Development Committee (Director Rubalcava-Garcia, Committee Chair; Director Cervantes)
- vii. Governmental Relations Committee (Director Aitken, Committee Chair; Director Pham)

- viii. Centennial Farm Foundation Liaison (Director Kovacevich, Director Rafiei)
- ix. Heroes Hall Veterans Foundation Liaison (Director Cervantes, Chair La Belle)

Chair La Belle, on behalf of the Leadership Committee, reported the committee established a regular monthly meeting date to meet with CEO Richards and staff.

Director Bagneris, on behalf of the Financial Monitoring and Audit Committee, reported:

- The committee met with staff last week and reviewed the monthly financials, budget and audit
 - Financials look great
 - Praised staff
 - Carnival RFP proposals were due the previous Friday, with one submittal received

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

- Committee was updated via email (report posted on the website)
- Equestrian Center Operations agreement is signed and goes into effect January 1, 2022
- Some capital projects going out for bid

CEO Richards reported the agreement with OC Animal Care is finalized and she is waiting to receive the signed MOU.

Director Cervantes, on behalf of the Governance Committee, reported:

- Committee met on December 9th
 - The committee discussed initiating a process to review and recommend updates on current Board policies
 - After review the committee will present its recommendations to the Board for consideration
 - The committee also discussed the current cannabis policy
 - Any amendments should include thoughtful development as there were many factors involved in developing the current policy including emerging city guidelines, OCFEC's close proximity to schools and parks, and the sentiments of the surrounding residents

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

- The committee will continue to celebrate heritage/awareness months

CEO Richards made a presentation recognizing International Day of Persons with Disabilities.

Director Rafiei shared she employs a person in a wheelchair and it has taught her how to approach community members with a disabilities and how they are integral to the success as a community.

Director Cervantes, on behalf of the Entertainment and Business Development Committee, reported:

- Committee met on December 9th and discussed the following:
 - Developing a policy for how the Board will work with staff on entertainment and business development opportunities
 - Working with OC cities on Orange County-wide events
 - Developing self-produced cultural events and festivals
 - Expanding the offerings at the annual OC Fair to include more variety and diversity of entertainment options
 - Expanding entertainment opportunities year-round

Chair La Belle, on behalf of the Heroes Hall Veterans Foundation, reported:

- The foundation will continue fundraising efforts

9. CLOSED SESSION (Closed to the Public)

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., United States District Court, Central District of California, Case No. 8:20-cv-02049-CJC-JDE.
- 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. [Gov. Code, § 11126, subd. (a.)]

The meeting adjourned to closed session at 10:53 a.m. and reconvened at 11:19 a.m.

Matters to report out of closed session: None.

10. CEO'S OPERATIONAL ANNOUNCEMENTS AND UPDATES

CEO Richards reported the following:

- OCFEC received \$285K from the State (from fund for fairs)
- OCFEC winner of several International Association of Fairs and Exhibitions awards
- She attended The Original OC Swap Meet – Small Business Saturday ribbon cutting with Joan Hamill
- California Farm Bureau's Young Farms and Ranchers Group toured Centennial Farm
- Students from Coastline's Culinary ROP toured Centennial Farm

CEO Richards presented the November financial statements.

Joan Hamill, Chief Business Development Officer, provided an overview of upcoming events at OCFEC.

11. BOARD OF DIRECTORS MATTERS OF INFORMATION

Board members expressed gratitude for the fair themed boxes they received.

Board members wished everyone happy holidays, happy new year and to stay healthy and safe.

CEO Richards thanked the Board for their constant support and happy holidays.

Chair La Belle encouraged everyone to wear a mask and to stay safe. He thanked his colleagues on the Board for the efforts.

12. NEXT BOARD MEETING: JANUARY 27, 2022

13. ADJOURNMENT

The meeting adjourned at 11:33 a.m.



Doug La Belle, Chair



Michele Richards, Chief Executive Officer