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## *BOARD OF DIRECTORS COMMITTEE REPORT*

MEETING DATE: **APRIL 28, 2022** ITEM: **8G(vii)**

SUBJECT: **Governmental Relations Committee**

DATE: **April 25, 2022**

FROM: **Directors Aitken and Pham**

PRESENTATION BY: **Directors Aitken and Pham**

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***Purpose:***

*This committee evaluates opportunities for expanding programing with the county and cities in Orange County and monitors legislative matters.*

***Focus:***

- *Legislative monitoring*
- *Evaluate City and County programing opportunities*
- *Annual "State of the District" presentation*
- *Monitor the development of the Joint Powers Authority initiative*

***Special Projects:***

- *None at this time*

### **SUMMARY OF COMMITTEE MEETING**

The committee met on 4/06/2022 and discussed the following:

**CA Alliance for Fairs & Expositions (CAFE) JPA Update**

- Staff arranged for the committee to meet by Zoom with Michael Flores, Deputy Agriculture Secretary to Karen Ross, regarding the latest updates in the formation of the JPA. In addition to information already shared by staff with the Board and public about the JPA, Deputy Flores included the following:
  - Secretary Ross does not believe the State should be in the fair business, and the Governor's Office wants to see something different.
  - The JPA would be formed as a public benefit corporation.
  - The intent of the JPA would be to provide more local autonomy and reduce bureaucracy.
  - The fairgrounds property would remain with the State of California.
  - Joining the JPA is still optional although there may come a time when the State requires it.

- There are two fairs (Siskiyou and Madera) that are currently going through a “mock drill” to test the process.
- The fair Board would decide whether or not to join the JPA. If a DAA decides to join the JPA, the current fair Board would decide who would be on the new Board. The suggestion was the new Board would include three former DAA Board members.
- There are 10-12 fairs in the State which have indicated they would want to opt in right away.
- It’s believed that 95% of DAAs will elect to join the JPA within the first five years.
- Some of the concerns about forming the JPA include pension liability for State employees, audits and initial costs which the JPA panel is continuing to research and address.
- Michael Flores indicated that most fairs in the State do not share the 32<sup>nd</sup> DAA’s success and see the JPA as a path to be more effective. He shared that he believes the 32<sup>nd</sup> DAA serves as a model for how DAAs should operate.

#### **Follow-up**

- The next meeting of the Governmental Relations Committee is TBD.