



Board of Directors Meeting

October 6, 2022

Good morning.

The meeting will begin just after 9:30 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

1. Call to Order

All matters noticed on this agenda, in any category, may be considered for action as listed. Any item not so noticed may not be considered. Items listed on this Agenda may be considered in any order, at the discretion of the chairperson.



The Mission of OCFEC is...

Creating equitable community access to
agriculture, entertainment, cultural and
educational experiences



3. Pledge of Allegiance



4. Roll Call

Board of Directors

Chair Doug La Belle

Vice Chair Newton Pham

Director Natalie Rubalcava-Garcia

Director Sandra Cervantes

Director Robert Ruiz

Director Barbara Bagneris

Director Ashleigh Aitken

Director Nick Kovacevich



5. Matters of Public Comment

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. Speakers are requested to sign in prior to the start of the meeting and are limited to three minutes.

Comments will be accepted on all other Agenda items at the time each item is listed on the Agenda. 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.



6A. Presentation of 2021 Audit by Financial Monitoring & Audit Committee and Vote on Whether or Not to Accept

The Financial Monitoring & Audit Committee has reviewed the 2021 audit report with representatives of Lance Soll & Lunghard.

The audit report indicates that the financial statements present fairly in all material respects and that there are no deficiencies in internal controls.

The committee presents the draft document for the Board's approval and filing with the California Department of Food & Agriculture. A copy was posted along with the Board meeting materials.



6A. Presentation of 2021 Audit by Financial Monitoring & Audit Committee and Vote on Whether or Not to Accept

RECOMMENDATION:

The Financial Monitoring & Audit Committee and staff recommend acceptance of the 2021 audit report and filing with CDFA. The Board, committee and staff thank Lance, Soll & Lunghard for their work.

At the September 22 Board of Directors meeting, Chair La Belle and Directors Rubalcava-Garcia, Ruiz and Aitken reviewed, discussed and made a recommendation that the full Board approve at the next Board meeting.



6B. Consideration and Vote on Staff and Facilities Committee Recommendation to Use Carnival Capital Reserve to Additionally Fund Lot G Utilities Project

As part of the 2022 Capital Expenditures/Major Projects Budget, the Board approved \$675,000 for the Lot G utilities project.

Earlier in the year, staff worked with CCA to bid out the project. As previously reported, the lowest qualified bid came in significantly over budget at \$972,471, a shortfall of \$297,471.

In reviewing the project with the District's carnival provider (a proposed user of the Lot G utilities during the annual OC Fair), it was mutually agreed by staff and the carnival provider to allocate \$300,000 from the District's carnival capital reserve account to additionally fund the Lot G utilities project. Once funded, the project would have a new budget of \$975,000 which would be enough to rebid the project.



6B. Consideration and Vote on Staff and Facilities Committee Recommendation to Use Carnival Capital Reserve to Additionally Fund Lot G Utilities Project

The District's carnival reserve fund has a current balance of \$604,460. If the \$300,000 from this fund were to be approved to additionally fund the Lot G utilities project, this would leave \$304,460 for future projects. By contract, the carnival provider would contribute \$100,000 per year in 2023-2026 to the reserve fund. Future funds from this reserve account could also be used as part of the Master Site Plan to build midway restrooms.

If approved, staff would work with CCA to bid the project and complete it prior to the 2023 OC Fair. On CCA's recommendation, staff would procure materials for the project separately in order to address supply price volatility, and CCA would bid out for the work. If bids still don't come in on budget, we will return to the Committee and Board for further direction.



6B. Consideration and Vote on Staff and Facilities Committee Recommendation to Use Carnival Capital Reserve to Additionally Fund Lot G Utilities Project

RECOMMENDATION:

The Facilities Committee and staff recommend approval of using OCFEC's carnival capital reserve to additionally fund the Lot G utilities project.

At the September 22 Board of Directors meeting, Chair La Belle and Directors Rubalcava-Garcia, Ruiz and Aitken reviewed, discussed and made a recommendation that the full Board approve at the next Board meeting.



6C. Review of the State Public Safety Power Shutoff (PSPS) Mitigation Project Grant and Vote on Whether or Not to Provide Fully Reimbursable Funds for the Project

The California Budget Act of 2021 included a one-time general fund allocation for the CDFA to support the development and enhancement of community resilience centers. This funding was made available to improve both local fairgrounds and other community facilities to enhance the State's emergency preparedness capabilities, particularly in response to climate change. As part of this effort, CDFA has awarded the 32nd DAA a project grant for the mitigation of PSPS events from the resilience centers allocation.

The purpose of the PSPS allocation is to equip the OC Fair & Event Center with necessary backup power resources – or PSPS equipment – should the fairgrounds be used as an emergency/evacuation site or a PSPS event. This project would involve the design, development and construction of automatic transfer switches (ATS) and docking stations for the Costa Mesa Building, Huntington Beach Building and Santa Ana Pavilion. This will provide the infrastructure needed to quickly and easily connect power generators from an emergency services provider in case of a PSPS event.



6C. Review of the State Public Safety Power Shutoff (PSPS) Mitigation Project Grant and Vote on Whether or Not to Provide Fully Reimbursable Funds for the Project

The project will be managed by CCA. While the grant from CDFA will provide funding for the estimated project cost of \$351,661.16, it also requires the 32nd DAA to provide the funding upfront. The District would then invoice CDFA after each phase of the project with reimbursement from CDFA expected within 90 days of receipt of each invoice. The project is expected to be completed by the end of June, 2023.

RECOMMENDATION:

Although reimbursable, the \$351,661.16 cost of this project is above the CEO's approval authority and requires Board approval. Staff and the Facilities Committee recommend approval of the estimated \$351,661.16 for the upfront cost of the PSPS Mitigation Project, which will be reimbursed by CDFA.

At the September 22 Board of Directors meeting, Chair La Belle and Directors Rubalcava-Garcia, Ruiz and Aitken reviewed, discussed and made a recommendation that the full Board approve at the next Board meeting.



7. 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. Adam Carleton v. 32nd District Agricultural Association, et al., Orange County Superior Court, Case No. 30-2020-01174951-CU-OE-CJC
- iv. To confer with counsel, discuss, and consider the following pending litigation to which the 32nd DAA is a party. Talley Amusements, Inc. v. 32nd District Agricultural Association, Orange County Superior Court, Case No. 30-2022-01264282-CU-MC-CJC
- v. To confer with counsel, discuss, and consider the following pending litigation to which the 32nd DAA is a party. B&L Productions, Inc., et al., v. Gavin Newsom, et al., U.S. District Court for the Central District of California, Case No. 8:22-cv-01518 (JDEx)



8. Board of Directors Matters of Information

Next Board Meeting

October 27, 2022

