

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING
HELD OCTOBER 27, 2022**

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/2022/10/10125245/22_10_October_27_Board_Transcript.pdf

1. CALL TO ORDER:

Chair La Belle, called the meeting to order at 9:34 a.m.

2. MISSION STATEMENT

3. PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was recited by Director Nick Kovacevich. Roll call was taken by Summer Angus.

4. DIRECTORS PRESENT:

Chair La Belle, Vice Chair Pham, Director Rubalcava-Garcia, Director Cervantes, Director Ruiz (via Zoom), Director Bagneris (via Zoom), Director Aitken and Director Kovacevich.

Director Cervantes joined the meeting at 9:38 a.m. and Director Bagneris joined the meeting at 9:43 a.m.

DIRECTORS ABSENT/EXCUSED: None.

OTHERS PRESENT:

Michele Richards, OCFEC CEO; Ken Karns, OCFEC Chief Operating Officer; Joan Hamill, OCFEC Chief Business Development Officer; Summer Angus, OCFEC Executive Assistant; Jason Jacobsen, OCFEC Director of Planning & Production; Josh Caplan, Office of the Attorney General; Charissa De La Torre, transcriptionist; Leigh-Ann Kazolas; Gibran Stout; Lisa Sabo

5. MINUTES:

A. Board meeting held June 23, 2022

Action Item

B. Board meeting held September 22, 2022

Action Item

C. Board meeting held October 6, 2022

Action Item

ACTION: Director Ruiz motioned and Director Aitken seconded to approve the minutes from Board meeting held June 23, 2022. **MOTION CARRIED. AYES:** Chair La Belle, Director Rubalcava-Garcia, Director Ruiz, Director Aitken and Director Kovacevich. **NAYES:** None. **ABSTENTIONS:** Vice Chair Pham.

ACTION: Director Aitken motioned and Director Cervantes seconded to approve the minutes from Board meeting held September 22, 2022. **MOTION CARRIED. AYES:** Chair La Belle, Director Rubalcava-Garcia, Director Cervantes,

Director Ruiz and Director Aitken. NAYES: None. ABSTENTIONS: Vice Chair Pham and Director Kovacevich.

ACTION: Director Aitken motioned and Director Cervantes seconded to approve the minutes from Board meeting held October 6, 2022. **MOTION CARRIED.**
AYES: Chair La Belle, Director Rubalcava-Garcia, Director Cervantes, Director Ruiz, Director Aitken and Director Kovacevich. NAYES: None. ABSTENTIONS: Vice Chair Pham.

6. MATTERS OF PUBLIC COMMENT

Leigh-Ann Kazolas, Equestrian Center (EQC) user, spoke in opposition of the IFB (Invitation For Bid, "bid") awarded to Lopez Works, Inc. for the horse feeding, box cleaning, and arena maintenance of the EQC, sharing her concerns with the lack of experience. She urged the Board to direct staff to put out the bid again in which experience and qualifications are taken consideration.

Gibran Stout echoed the sentiments of the previous speaker. She stated the equestrians want to collaborate. She asserted the company needs to have equine specific experience and discussed the risks of colic to horses if improperly taken care of. She urged the Board to scrap the bid and issue an RFP requiring equine experience.

Lisa Sabo spoke in opposition of the bid and asserted the need to relook at the bid, arguing lack of experience and qualifications. She shared that horses are like children to their owners and discussed the importance of footings and feed. She urged the Board to reconsider the bid.

7. CONSENT CALENDAR:

A. Standard Agreements: (September) SA-045-22SP; SA-081-22AS; SA-132-22PA; SA-158-22SP; SA-159-22PA; SA-160-22PA; SA-161-22PA; SA-162-22PA; SA-163-22PA; SA-164-22PA; SA-165-22PA; SA-166-22PA; SA-167-22PA; SA-168-22PA; SA-169-22PA; SA-170-22PA; SA-171-22PA; SA-172-22PA; SA-173-22PA; SA-174-22PA; SA-175-22PA; SA-176-22PA; SA-177-22PA; SA-178-22PA; SA-179-22PA; SA-180-22PA; SA-181-22PA; SA-182-22PA; SA-183-22PA; SA-185-22SP; SA-186-22YR; SA-187-22GE; SA-188-22SP; SA-189-22SP; SA-191-22SP; SA-192-22SP; SA-193-22FT; SA-193-22SP; SA-195-22SP; SA-196-22CF; SA-197-22PA; SA-198-22SP; SA-199-22FT; SA-200-22SP; SA-201-22SP; (October) SA-202-22GE; SA-001-23SP

i. Standard Agreement Amendments: (September) SA-015-22PA (Amend. #1); SA-046-22FT (Amend. #1); SA-092-22PA (Amend. #1); SA-098-22SP (Amend. #1); SA-160-22PA (Amend. #1); SA-185-22SP (Amend. #1); SA-185-22SP (Amend. #2); SA-188-22SP (Amend. #1); SA-199-22FT (Amend. #1); (October) SA-281-18YR (Amend. #3); SA-034-22PA (Amend. #1)

ii. Standard Agreement Amendments (Exercise Option): SA-005-21HB (Amend. #2)

B. Rental Agreements: (September) 1; R-123-22; R-124-22; R-125-22; R-126-22; R-127-22; R-128-22; R-129-22; R-130-22; R-131-22; R-132-22;

R-133-22; R- 134-22; R-135-22; R-136-22; R-137-22; R-138-22; R-139-22; R-140-22; R-141-22; R-142-22; R-143-22; R-145-22; R-147-22; R-152-22; R-153-22; (October) R-146-22; R-148-22; R-149-22; R-154-22; R-156-22; R-157-22; R-158-22; R-160-22; R-162-22; R-168-22; R-161-22

i. **Rental Agreement Amendments:** (September) R-107-22 (Amend. #1); R-114- 22 (Amend. #1); (October) R-145-22 (Amend #1)

C. **Active Joint Powers Authority Agreements:** 03222005; 03222089

D. **Commercial Rental Agreements:** (September) 22035; 22048; 22125; 22149; 22150; 22157; 22161; 22184; 22185; 22186; 22187; 22188; 22189; 22190; 22191; 22193; 22194; 22195; 22196; 22198; 22199; 22200; 22201

E. **Concession Rental Agreements:** (September) 22564; 22596

F. **Independent Rental Agreements:** (September) 22645

G. **Platinum Rental Agreements:** (September) 22739; 22740; 22742

H. **Supplier Rental Agreements:** (September) 22661; 22662; 22663; 22664; 22665; 22666

I. **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 September agenda is September 9, 2022.

i. None.

J. **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. 7/07/22 - Circular Letter D2022-02 Bagley-Keene Update

ii. 7/19/22 - Circular Letter D2022-03 Travel to Banned States Update

iii. 8/11/22 - Circular Letter D2022-04 Prohibition of Sale of Firearms on State Property

iv. 8/29/22 – F&E Correspondence – California Poultry Exhibition Caution – Avian Influenza Updates

v. 9/06/22 – Circular Letter F2022-06 State Rules Meeting Notice

K. **Adoption of Resolution to Designate August as Chicano Heritage Month**

- End of Consent Calendar -

ACTION: Director Rubalcava-Garcia motioned and Director Aitken seconded to approve the Consent Calendar. **MOTION CARRIED. AYES: Chair La Belle,**

Vice Chair Pham, Director Rubalcava-Garcia, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken and Director Kovacevich. NAYES: None. ABSTENTIONS: None.

8. GOVERNANCE PROCESS

A. Discussion Regarding Heroes Hall Veterans Foundation and Centennial Farm Foundation MOUs, By-Laws and Relationship with District, and Vote to Provide Direction to Staff on Next Steps

Action Item

CEO Richards presented the staff report related to the Centennial Farm Foundation (CFF).

Glen Johnson, CFF President, addressed the Board detailing activities and fundraising efforts the foundation does to support Centennial Farm. He requested the Board consider renewing its Memorandum of Understanding (MOU) with the District which includes a minimum contribution of \$25,000 per year.

CEO Richards presented the staff report related to the Heroes Hall Veterans Foundation (HHVF). She read a letter from HHVF President, Nick Berardino requesting the Board allow the MOU with the District expire allowing the foundation to operate independently of the District, while still providing financial support to Heroes Hall. She highlighted the HHVF was formed by OC FEC Board action, wherein the bylaws require two OC FEC Board members to serve on the foundation Board and that the foundation meetings are required to abide by Bagley-Keene open meeting laws. She added that if the Board allows the MOU to expire, the foundation's bylaws would need to be amended to remove the required OC FEC Board positions serving on the foundation Board, thus eliminating the Bagley-Keene requirement.

Josh Caplan, Deputy Attorney General (Counsel), added that if there are changes to the HHFV bylaws (removing the requirement of OC FEC Board members serving on the foundation Board), the foundation would need to first approve the changes, then the amended bylaws would need to also come before the OC FEC Board for consideration and action approving those changes since the foundation was created by OC FEC Board action.

Reggie Mundekis thanked the CFF for their work over the years teaching students about agriculture and the renewed focus on fundraising. Regarding the HHVF, she shared that she is of the opinion that if some wants to breakup, you breakup. She added she will be sad to see them sever ties with the District and thanked them for their work over the years.

Nick Berardino, HHVF President, thanked the Board and staff for all that they have done to make the vision of Heroes Hall come true. He shared the foundation's appreciation to staff for the building and the programming of Heroes Hall, stating that it surpassed expectations. He detailed reasons why the foundation would like to separate from the District, some reasons being:

- Moving into the next phase for the foundation

- Big lasting projects to add to Heroes Hall with the funds they have left
- Changes in OCEA support resources that provide support to the foundation
- Administrative support difficulties due to the Bagley-Keene requirement
- Prepare for the future and to be able to continue to provide services and financing that they can
 - Losing some key volunteers
- To continue to be productive
- The want to be an independent body from the District

Berardino urged the Board to allow the MOU to expire and the bylaws be amended allowing the HHFV to operate independently.

Board, staff and Counsel discussion ensued; items discussed:

- Support for allowing the HHFV operate independently
- Language in the amended bylaws eliminating the requirement of OC FEC Board approval on any future changes to the bylaws, to fully separate the foundation from the District
- Clarifying intellectual property rights/relationship
- Staff currently attends foundation board meetings as OC FEC representatives/observers
- Bring back amended bylaws for Board consideration and approval at a later meeting
- Current MOU is valid through December 31st
- OC FEC Board directors should not serve on the HHVF Board
- Allowing the MOU to expire

ACTION: Director Bagneris motioned and Director Cervantes seconded to approve the renewal of the Centennial Farm Foundation Memorandum of Understanding which includes a minimum contribution of \$25,000 per year.

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

ABSTENTIONS: None

HHVF: ACTION: Director Rubalcava-Garcia motioned and Director Bagneris seconded to; direct staff to move forward with Counsel to recommend draft amended language to the Heroes Hall Veterans Foundation bylaws to allow the foundation to operate independently from the District; for the HHVF Board to then consider and take action on the recommended amendments to the bylaws and, if approved by the HHVF Board; for the OC FEC Board to then consider and take action on the approved amended bylaws at a later meeting.

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

ABSTENTIONS: None.

B. Vote on Whether or Not to Pre-Approve Out of State Travel for Staff to Attend the 2023 WFA Convention in Reno, Nevada
Action Item

CEO Richards presented the staff report.

ACTION: Director Ruiz motioned and Director Cervantes seconded to approve out-of-state travel for staff to attend the 2023 Western Fairs Association convention, January 15-18, 2023 in Reno, Nevada. **MOTION CARRIED. AYES: Chair La Belle, Vice Chair Pham, Director Rubalcava-Garcia, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken and Director Kovacevich. NAYES: None. ABSTENTIONS: None.**

C. Presentation of Proposed 2023 Board Meeting Schedule and Vote on Whether or Not to Approve
Action Item

CEO Richards presented the Board meeting dates and times for 2023.

Director Cervantes asked to move the Board meetings to 9am.

ACTION: Director Aitken motioned and Directors Bagneris and Ruiz simultaneously seconded to approve the 2023 Board meeting schedule as follows: January 26, 2023 at 9:30am, February 23, 2023 at 9:30am, March 23, 2023 at 9:30am, April 27, 2023 at 9:30am, May 25, 2023 at 9:30am, June 22, 2023 at 9:30am, no meeting in July 2023, no meeting in August 2023, September 28, 2023 at 9:30am, October 26, 2023 at 9:30am, November 16, 2023 at 9:30am, December 14, 2023 at 9:30am. **MOTION CARRIED. AYES: Chair La Belle, Vice Chair Pham, Director Rubalcava-Garcia, Director Cervantes, Director Ruiz, Director Bagneris, Director Aitken and Director Kovacevich. NAYES: None. ABSTENTIONS: None.**

D. Consideration of and Vote on the Board of Directors Nominating Task Force Recommendation and Election of Board Officers
Action item

Director Rubalcava-Garcia, on behalf of the Nominating Task Force, presented the Task Force's recommendation of Director Pham as Chair and Director Kovacevich as Vice Chair of the Board of Directors for the 2022-2023 term.

Director Cervantes shared her concerns with Director Pham's attendance in regards to the recommendation for the Chair position.

Further Board discussion ensued; items discussed:

- Directors shared their support in the Task Force's recommendation
- Whether or not to inform Governor's office of attendance issues
- Understanding of employment issues (focus to maintain employment)
 - OC FEC Board positions are voluntary positions
- Directors Pham and Kovacevich can support each other within Board Leadership

Vice Chair Pham shared his understanding of the concerns expressed about his attendance and discussed his potential employment obstacles but vowed his best effort to attend meetings.

ACTION: Director Ruiz motioned and Director Bagneris seconded to approve Director Pham as Board Chair and Director Kovacevich as Vice Chair of the Board of Directors for the 2022-2023 term. **MOTION CARRIED. AYES: Chair La Belle, Vice Chair Pham, Director Rubalcava-Garcia, Director Ruiz, Director Bagneris, Director Aitken and Director Kovacevich. NAYES: Director Cervantes. ABSTENTIONS: None.**

On behalf of the Board and staff, CEO Richards presented a plaque of recognition to Chair La Belle for his term as Board Chair and shared her appreciation for his leadership.

Chair La Belle shared his appreciation to the Board, staff and Counsel related to his time as Board Chair.

E. 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; Chair La Belle)
- 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 Ruiz)
- ix. **Heroes Hall Veterans Foundation Liaison** (Director Cervantes, Chair La Belle)

Director Rubalcava-Garcia left the meeting at 11am.

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

- The Committee met on October 26 and reviewed the September financials and reviewed the upcoming budget study session preparations

He reported the September financial numbers from the committee report.

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

- Completed items for 2022

- Lot G utilities project to carryover to 2023

CEO Richards reported the Serenity Walk project is a few weeks behind schedule. She announced that the groundbreaking ceremony will take place on Saturday, November 12 during the Veterans Day celebration.

Director Ruiz reported that staff gave the committee a preview of the Master Site Plan PowerPoint presentation.

9. CLOSED SESSION (Closed to the Public)

The Board adjourned to closed session at 11:08 a.m. and resumed at 11:23 a.m.

Items to report out of closed session: NONE.

10. CEO'S OPERATIONAL ANNOUNCEMENTS AND UPDATES

CEO Richards reported the following:

- OC FEC was once again awarded the Best of Orange County People's Choice Award for best Fair/Festival in Orange County
- Pacific Amphitheatre berm has been hydroseeded
- 2023 Budget presentation to take place November 9
- Master Site Plan presentation to take place at the November 17 Board meeting

CEO Richards presented the September financial statements.

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

11. BOARD OF DIRECTORS MATTERS OF INFORMATION

Board members made concluding comments:

- Board members thanked Chair La Belle for his leadership and congratulated Directors Pham and Kovacevich on their new positions as chair and vice chair
- Congratulations to Director Kovacevich and family on the new baby
- Reminder to all to vote on November 8th
- California surpassed Germany as the 4th largest economy in the world
- Appreciation for the vote of confidence for the new Chair and Vice Chair positions
- Gratitude to staff

12. NEXT BOARD MEETING: NOVEMBER 17, 2022

13. ADJOURNMENT

The meeting adjourned at 11:40 a.m.

Doug La Belle, Chair

Michele Richards, Chief Executive Office