

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING
HELD MARCH 23, 2023**

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/2023/03/06110947/23_03_March_Transcript.pdf

1. CALL TO ORDER:

Chair Pham, called the meeting to order at 9:30 a.m.

2. MISSION STATEMENT

- 3. PLEDGE OF ALLEGIANCE:** The Pledge of Allegiance was recited by Director Robert Ruiz. Roll call was taken by Summer Angus.

4. DIRECTORS PRESENT:

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

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; Josh Caplan, Office of the Attorney General; Noemi Sandoval, transcriptionist; Gibran Stout; Reggie Mundekis

5. MINUTES:

A. Board meeting held February 23, 2023

Action Item

ACTION: Director Cervantes motioned and Director Ruiz seconded to approve the minutes from Board meeting held February 23, 2023. **MOTION CARRIED.**

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

6. MATTERS OF PUBLIC COMMENT

None.

7. CONSENT CALENDAR:

A. Standard Agreements: SA-033-23AS; SA-040-23HB; SA-042-23GE; SA-044-23GE; SA-048-23GE; SA-049-23GE; SA-051-23HB; SA-052-23HB; SA-053-23GE; SA-054-23GE; SA-055-23IO; SA-056-23IO; SA-057-23IO; SA-058-23IO; SA-059-23IO; SA-060-23IO; SA-061-23IO; SA-062-23FT; SA-063-23GE; SA-064-23GE; SA-065-23SP; SA-066-23GE; SA-067-23GE; SA-068-23GE; SA-069-23GE; SA-070-23SP; SA-071-23SP; SA-

072-23GE; SA-073-23GE; SA-074-23GE; SA-075-23GE; SA-076-23GE; SA-077-23GE; SA-078-23SP; SA-079-23GE; SA-080-23GE; SA-084-23YR; SA-085-23SP; SA-086-23SP; SA-087-23IO; SA-088-23YR

i. **Standard Agreement Amendments:** SA-033-22SP (Amend. #1); SA-006-23YR (Amend. #1); SA-045-23FT (Amend. #1)

ii. **Standard Agreement Amendments** (Exercise Option): SA-118-19YR (Amend. #4); SA-008-21YR (Amend. #1)

B. Rental Agreements: R-005-23; R-014-23; R-017-23; R-038-23; R-064-23; R-065-23; R-070-23; R-071-23; R-072-23; R-073-23; R-074-23; 23 IO-FE 02; 23 IO-FE 03; 23 IO-FE 04; 23 IO-FE 05; 23 IO-FE 06; 23 IO-FE 07; 23 IO-FE 08; 23 IO-FE 09; 23 IO-FE 10; 23 IO-FE 11; 23 IO-FE 12; 23 IO-FE 13; 23 IO-FE 14; 23 IO-FE 15; 23 IO-FE 16; 23 IO-FE 17; 23 IO-FE 18; 23 IO-FE 19; 23 IO-FE 20; 23 IO-FE 21; 23 IO-FE 22; 23 IO-FE 23; 23 IO-FE 24; 23 IO-FE 25; 23 IO-FE 26; 23 IO-FE 28; 23 IO-FE 29; 23 IO-FE 30; 23 IO-FE 31; 23 IO-FE 32; 23 IO-FE 33; 23 IO-FE 34; 23 IO-FE 35; 23 IO-FE 36; RA-EQC-AleBoo-23; RA-EQC-AmyCur-23; RA-EQC-AnnAng-23; RA-EQC-AnnCla-23; RA-EQC-AnnRid-23; RA-EQC-AshDan-23; RA-EQC-BriCum-23; RA-EQC-CarBea-23; RA-EQC-CarBix-23; RA-EQC-CarFil-23; RA-EQC-CarGra-23; RA-EQC-CarTod-23; RA-EQC-CasHer-23; RA-EQC-ChaWar-23; RA-EQC-CinFox-23; RA-EQC-ClaTay-23; RA-EQC-DanSil-23; RA-EQC-Dealsa-23; RA-EQC-DebGra-23; RA-EQC-DenHau-23; RA-EQC-DenXag-23; RA-EQC-EdwSto-23; RA-EQC-GerDeO-23; RA-EQC-GibSto-23; RA-EQC-GreRie-23; RA-EQC-GreSte-23; RA-EQC-GunSwa-23; RA-EQC-JeaHul-23; RA-EQC-JenMcC-23; RA-EQC-JoaSch-23; RA-EQC-JonAth-23; RA-EQC-JoyPie-23; RA-EQC-KarCoo-23; RA-EQC-KatRil-23; RA-EQC-KimSen-23; RA-EQC-KriBan-23; RA-EQC-KriFlo-23; RA-EQC-KylKov-23; RA-EQC-LarMax-23; RA-EQC-LarWag-23; RA-EQC-LeaHer-23; RA-EQC-LeiKaz-23; RA-EQC-LinDan-23; RA-EQC-LisSab-23; RA-EQC-MacHam-23; RA-EQC-MadJab-23; RA-EQC-MaiTru-23; RA-EQC-MarBut-23; RA-EQC-MarGal-23; RA-EQC-MarSul-23; RA-EQC-MiaKes-23; RA-EQC-MicHil-23; RA-EQC-MicNic-23; RA-EQC-MolBro-23; RA-EQC-MorVen-23; RA-EQC-NicWea-23; RA-EQC-PamCar-23; RA-EQC-PatSto-23 RA-EQC-ReqWin-23; RA-EQC-SamSch-23; RA-EQC-SarKli-23; RA-EQC-SarZim-23; RA-EQC-ShaEly-23; RA-EQC-SheKus-23; RA-EQC-SigFun-23; RA-EQC-Suelrs-23; RA-EQC-SusBur-23; RA-EQC-SusGyu-23; RA-EQC-TeJBru-23; RA-EQC-TraHag-23; RA-EQC-VanEva-23

i. **Rental Agreement Amendments:** R-022-23 (Amend. #1)

C. Active Joint Powers Authority Agreements (New): 03223001

i. **Active Joint Powers Authority Agreement Amendments:** 03222005 (Amend #2); 03222114 (Amend. #1)

D. Commercial Rental Agreements: IMCOM-01-23; IMCOM-02-23; IMCOM-03-23; IMCOM-04-23; IMCOM-05-23; IMCOM-06-23

E. Concession Rental Agreements: IMFO-01-23; IMFO-02-23; IMFO-03-23; IMFO-04-23; IMFO-05-23; IMFO-06-23; IMFO-07-23; IMFO-08-23; IMFO-09-23; IMFO-10-23; IMFO-11-23; IMFO-12-23; 23500; 23501; 23502; 23503; 23504; 23505; 23506; 23507; 23508; 23509; 23510; 23511; 23512; 23513; 23514; 23515; 23516; 23517; 23518; 23519;

23520; 23521; 23522; 23523; 23524; 23525; 23526; 23527; 23528;
23529; 23530; 23531; 23532; 23533; 23534; 23535; 23536; 23537

F. Independent Amusement Agreements: IMIA-01-23

G. Judging Agreements: IO-040-23; IO-04-23

H. Platinum Rental Agreements: 23701; 23705; 23707; 23712; 23714;
23720; 23723; 23726

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 April 2023 agenda is April 14, 2023.

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. None.

- End of Consent Calendar -

CEO Richards pulled Concession Rental Agreements 23517 and 23523, stating the agreements are not ready for the Consent Calendar and will come back at a later date.

CEO Richards highlighted the Active Joint Powers Authority Agreement 03223001 and explained it is the Letter of Understanding (LOU) with the California Construction Authority (CCA) for phase one of the master site plan, for the expansion of the administration building.

Director La Belle expanded that the Facilities Committee will continue to meet and as the scope of work refined by CCA, and will bring items back to the Board if additional Board consideration and action is required. He affirmed the Committee will keep the Board informed of the progress along the way.

ACTION: Director Bagneris motioned and Director Cervantes seconded to approve the Consent Calendar with Concession Rental Agreements 23517 and 23523 removed. **MOTION CARRIED. AYES: Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Rubalcava-Garcia, Director Cervantes, Director Ruiz and Director Bagneris. NAYES: None. ABSTENTIONS: None.**

8. GOVERNANCE PROCESS

A. Review of and Vote on Whether or Not to Approve Write-Off of Past Due Amounts

Action Item

CEO Richard presented the staff report and confirmed the Finance Committee has reviewed the past due write-off items presented. She asserted staff has done more than an adequate job of trying to collect.

ACTION: Director Rubalcava-Garcia motioned and Director Bagneris seconded to approve the write-off of past due amounts as presented. **MOTION CARRIED. AYES: Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Rubalcava-Garcia, Director Cervantes, Director Ruiz and Director Bagneris. NAYES: None. ABSTENTIONS: None.**

B. Vote on Whether or Not to Enter Into an Agreement with Heroes Hall Veterans Foundation for a Serenity Walk Donation Program

Action Item

CEO Richards presented the staff report and recommended approval to move forward with drafting an agreement with the Heroes Hall Veterans Foundation (HHVF) to develop a donations program in support of the Serenity Walk at Heroes Hall.

CEO Richards clarified that staff would work with the HHVF to draft an agreement and bring back said draft to the Board for consideration and approval.

ACTION: Director Ruiz motioned and Director La Belle seconded to approve staff to work with the Heroes Hall Veterans Foundation to develop and draft an agreement for a donation program in support of the Serenity Walk at Heroes Hall. **MOTION CARRIED. AYES: Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Rubalcava-Garcia, Director Cervantes, Director Ruiz and Director Bagneris. NAYES: None. ABSTENTIONS: None.**

C. Vote on Whether or Not to Approve Recommendation to Move Pacific Amphitheatre Projects Up on the List of Master Site Plan Projects

Action Item

CEO Richards discussed the following:

- The agenda item was intended to discuss a recommendation made by Director La Belle to reorder the list of Master Site Plan projects in order to move the Pacific Amphitheatre (Pac Amp) phase soon in the priority
- The Board of Directors approved the current list of projects at the January 2023 Board meeting
- Currently, there are four other master site plan projects ahead of the Pacific Amphitheatre projects:
 1. Additional restrooms (Phase 2)
 2. New Century Barn at Centennial Farm (Phase 3A)
 3. New multipurpose education center to support Centennial Farm and Heroes Hall (Phase 3B)
 4. Exhibit building additions (Phase 4)
 - The priority order was based on an assessment conducted by staff which considered the following criteria:
 - Safety/security

- Net revenue potential/budget relieving
- Community support
- Brand enhancement
- Cost of project and cash flow

Board and staff discussion ensued regarding moving up the Pac Amp phase earlier in the priority, items discussed:

- Fourteen-thousand seat Live Nation venue to come to Irvine may impact the market for Pac Amp concerts
- Remaining competitive in the market
- Revenue generated from Pac Amp summer concert series and the annual OC Fair
- Improvements to Pac Amp will enhance guest experience and enhance revenue generating abilities
- Getting vendor and performer input during the 2023 fair
- Pac Amp back-of-house improvements planned in 2024 budget
- Proposal of moving Pac Amp phase ahead phase 3 - the new multipurpose education center
- Original order of projects was a unanimous vote by the Board
- Live Nation venue will be double the capacity of the Pac Amp – not a competitor
- Comments in opposition of reordering the priority of the projects
- 2023 concert series sales are breaking records – bringing in acts not is not a problem
- Current condition of the Pac Amp does not impact attracting talent
- Comments in opposition of moving the Pac Amp phase ahead of the educational facility

ACTION: Director Rubalcava-Garcia motioned and Director La Belle seconded to reaffirm the original order of projects previously approved by the Board of Directors. **MOTION CARRIED. AYES: Chair Pham, Vice Chair Kovacevich, Director Rubalcava-Garcia, Director Cervantes, Director Ruiz and Director Bagneris. NAYES: Director La Belle. ABSTENTIONS: None.**

D. Review Recommendation for Out-of-State Travel for Staff to Attend VenueConnect Event in Pennsylvania and Vote on Whether or Not to Approve

Action Item

CEO Richards presented the staff report and staffs' recommendation for the Board to approve out-of-state travel for Events Department staff to attend the VenueConnect event in Pittsburgh, PA.

ACTION: Director Bagneris motioned and Director Ruiz seconded to approve out-of-state travel for Events Department staff to attend the VenueConnect event in Pittsburgh, PA. **MOTION CARRIED. AYES: Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Rubalcava-Garcia, Director Cervantes, Director Ruiz and Director Bagneris. NAYES: None. ABSTENTIONS: None.**

E. Preview of Imaginology 2023

Information Item

Joan Hamill, Chief Business Development Officer presented the Imaginology preview.

F. 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 agendaized for a future Board meeting.

- i. **Leadership Committee** (Chair Pham, Committee Chair; Vice Chair Kovacevich)
- ii. **Financial Monitoring and Audit Committee** (Director Kovacevich, Committee Chair; Director Bagneris)
- iii. **Facilities Committee** (Director Ruiz, Committee Chair; Director La Belle)
- iv. **Governance Committee** (Director Cervantes, Committee Chair; Director Rubalcava-Garcia)
- v. **Community Affairs Committee** (Director Bagneris, Committee Chair; Chair Pham)
- vi. **Entertainment and Business Development Committee** (Director Rubalcava-Garcia, Committee Chair; Director Cervantes)

Chair Pham, on behalf of the Leadership Committee, reported:

- The Committee met on March 8 and discussed the plan for the March agenda
- The Board's annual Form 700 filing is due to staff on 3/24/23
- The Board Ethics Training for State Officials is due 4/3/23
- The pre-fair security meeting for the Board Chair and Vice Chair is scheduled for 6/28/23
- Next committee meeting is on 4/12/23

Director Kovacevich left the meeting 10:15 a.m.

CEO Richards, on behalf of the Financial monitoring and Audit Committee, reported:

- The Committee met on March 17 and reviewed and discussed the following:
 - The February financial reports (she presented the February financial reports to the Board)
 - The EQC February financial report (she presented the report to the Board)
 - Audit firm briefed the committee on the launch of the 2022 audit process
 - The Shuttered Venue Operators Grant audit was completed with one noted corrective action due to submitting the audit after the deadline.

- Past due amounts (Agenda Item 8A) were reviewed by the committee
- Citizens Business Bank confirmed the bank is stable (addressing questions or concerns regarding recent news of bank failures)
- Next committee meeting will be 4/21/23

Chair Pham also commented on banking issues as it relates to his banking job (part of Zion Bank).

Chair Pham, on behalf of the Community Affairs Committee, reported:

- Committee was updated by staff via email
- Staff is moving forward with launching a student competition for the Plaza Pacifica public art project
 - Targeted at students age 13-17 to design DEI focused art work
- Recognition of Women's History Month
- Recognition of Cesar Chavez Day

CEO Richards, on behalf of the Entertainment Committee, reported:

- Ticket sales remain strong - \$3.8M in sales with over 71,000 tickets
- Many sold out shows in the Pacific Amphitheatre and many more on target for sellout

9. **CLOSED SESSION** (Closed to the Public)

No closed session.

10. **CEO'S OPERATIONAL ANNOUNCEMENTS AND UPDATES**

CEO Richards reported the following:

- The passing of former Board Director, Gerardo Mouet
 - She highlighted Director Mouet's contribution on the OCFEC Board of Directors
- Pacific Amphitheatre's 40th anniversary is this year
- Heroes Hall Serenity Walk ribbon cutting ceremony is on target for July 20, 2023 during the fair
- OCTA ride program discussions continue for possible 2024 activation
- OCFEC's Creative Services team created art for two electrical boxes for the City of Costa Mesa's art program for electrical boxes

Director Cervantes shared the legacy and fond memories of Director Mouet.

There was a moment of silence in honor of Director Mouet.

Joan Hamill, Chief Business Development Officer, gave update on upcoming events at OCFEC.

11. **BOARD OF DIRECTORS MATTERS OF INFORMATION**

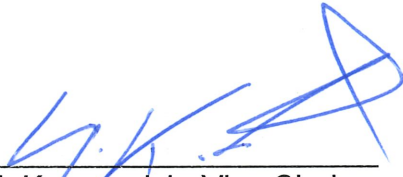
Board members made concluding comments:

- Centennial Farm Foundation Fundraiser in April
- Gratitude to staff for their work for preparing for Imaginology, Fair and the projects in the Master Site Plan
- Praise for a great meeting
- Happy Women's History Month
- Shared memories of Director Gerardo Mouet
- Happy birthday wishes to CEO Michele Richards

12. NEXT BOARD MEETING: APRIL 27, 2023

13. ADJOURNMENT

The meeting adjourned at 10:43 a.m.



Nick Kovacevich, Vice Chair
Per Delegated Authority by
Chair Pham



Michele Richards, Chief Executive Officer