

## **MINUTES OF OCFEC BOARD OF DIRECTORS MEETING HELD SEPTEMBER 28, 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](http://ocfair.com) website.

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### **1. CALL TO ORDER:**

Chair Pham, called the meeting to order at 9:37 a.m.

Chair Pham welcomed and introduced new Board members Bilezikjian and Jackson.

### **2. MISSION STATEMENT**

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

### **4. DIRECTORS PRESENT:**

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

**DIRECTORS ABSENT/EXCUSED:** None.

### **OTHERS PRESENT:**

Michele Richards, OCFEC CEO; Ken Karns, OCFEC Chief Operating Officer; Joan Hamill, OCFEC Chief Business Development Officer; Melissa Au-Yeung, Chief Administrative Officer; Summer Angus, OCFEC Executive Assistant; Josh Caplan, Office of the Attorney General; Neomi Sandoval, transcriptionist; Erik Weigand; Reggie Mundekis; Lisa Sabo; Carolyn Beaver; Brian Cummings; Gibran Stout; Dave Edgar; Sonya Jahn; Leigh-Ann Kazolas; Theresa Sears

### **5. MINUTES:**

#### **A. Board meeting held June 22, 2023**

Action Item

**ACTION:** Director La Belle motioned and Director Bagneris seconded to approve the minutes from Board meeting held June 22, 2023. **MOTION CARRIED.** **AYES:** Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Rubalcava-Garcia, Director Ruiz and Director Bagneris. **NAYES:** None. **ABSTENTIONS:** Director Bilezikjian and Director Jackson.

### **6. MATTERS OF PUBLIC COMMENT**

Eric Wygan, Newport Beach resident and OC Fair Every Day Passport holder, discussed his history enjoying the fair and entering collection and flower competitions at the fair. He voiced concerns with where the bike racks are located at Green Gate in close proximity to the freedom of speech/protesting area. He asserted that the protesters are loud and instigating to a point where his family became very upset. He asked if the bike racks could be relocated. He also asked

for the Board to consider adjourning the meeting in honor of past Board Director Emily Sanford that had recently passed away.

## **7. CONSENT CALENDAR:**

- A. Standard Agreements:** SA-133-23PA; SA-172-23PA; SA-173-23PA; SA-174-23PA; SA-175-23PA; SA-176-23PA; SA-177-23PA; SA-178-23PA; SA-179-23PA; SA-180-23PA; SA-181-23PA; SA-182-23PA; SA-183-23PA; SA-184-23PA; SA-185-23PA; SA-186-23GE; SA-187-23PA; SA-188-23PA; SA-189-23PA; SA-190-23PA; SA-191-23PA; SA-192-23PA; SA-193-23PA; SA-194-23PA; SA-195-23PA; SA-196-23PA; SA-197-23PA; SA-198-23PA; SA-199-23PA; SA-200-23PA; SA-201-23PA; SA-202-23PA; SA-203-23PA; SA-205-23SP; SA-207-23YR; SA-208-23SP; SA-209-23SP; SA-211-23SP; SA-212-23FT; SA-214-23FT; SA-215-23LS; SA-216-23CT; SA-217-23YR; SA-218-23FT; SA-219-23PA; SA-220-23YR; SA-222-23FT
  - i. Standard Agreement Amendments:** SA-046-22FT (Amend. #3); SA-085-22FTYR (Amend. #1); SA-044-23GE (Amend. #1); SA-045-23FT (Amend. #2); SA-071-23SP (Amend. #1)
  - ii. Standard Agreement Amendments (Exercise Option):** SA-004-22YR (Amend. #1); SA-006-22FT (Amend. #2); SA-049-22FT (Amend. #1)
- B. Rental Agreements:** R-001-24; R-008-24; R-022-24; R-009-23; R-015-23; R-019-23; R-026-23; R-034-23; R-067-23; R-095-23; R-096-23; R-105-23; R-107-23; R-108-23; R-109-23; R-110-23; R-111-23; R-112-23; R-113-23; R-114-23; R-116-23; R-117-23; R-119-23; R-120-23; R-121-23; R-123-23; R-124-23; R-126-23; R-133-23; R-134-23; R-136-23; R-137-23; R-138-23; R-139-23; RA-EQCDonPat-23; RA-EQCAndMun-23; RA-EQC-KenSot-23; RA-EQC-TiaTer-23; RA-EQC-JodGho-23
- C. Active Joint Powers Authority Agreements (New):** None.
  - i. Active Joint Powers Authority Agreement Amendments:** 03222114 (Amend. #2); 03222114 (Amend. #3)
- D. Commercial Rental Agreements:** 23024; 23037; 23098; 23133; 23175; 23175-B; 23176; 23177; 23178; 23179; 23180; 23181; 23182; 23183; 23184
- E. Concession Rental Agreements:** 23517; 23581
- F. Independent Amusement Rental Agreements:** 23647
- G. Platinum Rental Agreements:** 23734
- H. 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 October 2023 agenda is October 13, 2023.

- i. None.

**I. 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. 06/30/2323 CDFA D2023-01 Bagley-Keene Exemptions Sunset
- ii. 08/18/23 Circular Letter D2023-03 Banned States Update
- iii. 08/23/23 CDFA D2023-04 Leave Balance Usage Circular

- End of Consent Calendar -

CEO Richards pulled Standard Agreement SA-219-23PA, the item will be addressed under agenda item 8D. *(The agreement number pulled was incorrect, SA-219-23PA will be on the consent calendar at the October Board of Directors meeting for approval)*

**ACTION:** Director Bagneris motioned and Director Ruiz seconded to approve the Consent Calendar with Standard Agreement SA-219-23PA pulled. **MOTION CARRIED.** **AYES:** Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Rubalcava-Garcia, Director Ruiz, Director Bagneris, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

**8. GOVERNANCE PROCESS**

**A. 2023 OC Fair Wrap-Up Presentation**

Information Item

CEO Richards presented the wrap-up of the 2023 OC Fair.

Board members praised and congratulated staff for another amazing fair.

CEO Richards stated the 2023 OC Fair was one of the smoothest operating fairs ever.

Director Rubalcava-Garcia stated the 2023 fair was one of the most positive fairs post-covid and spoke in support of maintaining capacity limits as it adds to guest quality experience.

**B. Presentation of 30% Design Concepts and Initial Estimate for Administration Building Addition and Vote on Whether or Not to Approve**

Action Item

CEO Richards introduced the agenda item and the team working on the project: Sean Slay, California Construction Authority (CCA); Jerry Eldridge, OCFEC Facilities Director; Ken Karns, OCFEC Chief Operating Officer (along with herself).

She presented the conceptual design (at thirty percent) that architecture and engineering consulting firm LPA put together; items presented:

- Administration addition will be a “Sister Building” to the existing admin building
- Existing building will have upgrades to eliminate staff from the “haves and have nots”
- Plans are at the 30% point
- Project milestones:
  - September 2023 – 30% design complete
  - October/November 2023 – 60% design complete
  - December 2023 – 90% design complete
  - December 2023/January 2024 – advertise construction bidding
  - January/February 2024 – construction notice to proceed
  - January/February 2025 – construction complete
  - February/March 2025 – project close-out and turn over
- Additional cost recommendation to include improvements to existing building:

New Administration Building Expansion	16,600 SF	\$17,602,308	
Soft cost allowance (A&E fees, permits, inspections, FF&E, Tech, CCA costs/fees, commissioning, insurance, owner contingency		\$6,741,045	\$24,343,353
Existing Building Improvements	14,153 SF	\$4,377,000	
Rent to relocate employees during construction		\$600,000	
Moving costs		\$50,000	
Added FF&E for existing building		\$400,000	
			\$5,427,000
<b>Total Probable Costs:</b>			<b>\$29,770,353</b>

CEO Richards presented the recommendation on behalf of staff and the Facilities Committee, to approve the additional \$5 million needed to move forward, and approval of the 30% conceptual designs as presented.

The Facilities committee discussed the following:

- Construction costs go up over time
- Support for the additional funds for the existing building
- Committee’s commitment to keep the full Board in the loop
- Praised the project team and LPA for their efforts

Board members spoke in support of the upgrades to the existing building with regard to the haves and the have nots scenario.

**ACTION:** Director Bagneris motioned and Director Rubalcava-Garcia seconded to approve the 30% conceptual design along with the additional \$5 million for the building upgrades. **MOTION CARRIED.** **AYES:** Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Rubalcava-Garcia, Director Ruiz, Director Bagneris, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

#### C. Presentation of Updated Financial Projections for Self-Management Model of Equestrian Center and Vote on Next Steps

## Action Item

CEO Richards presented the staff report.

She presented the following two refined options from the original Scenario #3 from which the Board agreed upon at the last meeting:

- Scenario #3 assumes (refined):
  - maximum capacity for all stalls, offices, lockers and trailers at existing rates
  - one-time initial set-up costs for needed equipment
  - all expenses (labor and non-labor) are calculated based on current costs
    - At full capacity and not factoring in the one-time cost for equipment, Scenario #3 would result in a net loss of \$227,805. To at least break even, current rental rates would have to be increased by 16% without covering one-time costs, or 20.2% covering one-time costs amortized over a five-year period.
- Scenario #4 assumes:
  - current occupancy for all stalls, offices, lockers and trailers at existing rates (about 63% occupancy)
  - One-time initial set-up costs for needed equipment
  - All expenses (labor and non-labor) calculated based on current costs
    - At current occupancy and not factoring in the one-time cost for equipment, Scenario #4 would result in a net loss of \$632,648. To at least break even, current rental rates would have to be increased by 71.6% without covering one-time costs, or 78.3% covering one-time costs amortized over a five-year period.

CEO Richards noted neither scenario addresses much needed capital improvements. She asked the Board to discuss and also provide direction on the 2024 Equestrian Center (EQC) budget.

Reggie Mundekis stated the California constitution prohibits the gifts of public funds for individuals or businesses. She asserted that running the EQC at a deficit we are making a gift of public funds to individuals and businesses at that facility. She discussed the model by which businesses pay a certain percentage of their revenues to do business on fair property, like concessionaires and merchants. She stated there are individuals at the EQC who make money on their horses there. She urged the Board to think of different ways to make revenue to bring the EQC operations to a breakeven situation so not to continue to subsidize individuals and businesses.

Lisa Sabo, EQC trainer since 2007, shared she and her husband have extensive experience in the equestrian field. She stated they have been in and also coached for the Olympics, she also runs a US Pony Club and a non-profit called Changing Strides where at risk youth come for riding lessons. She asserted horses have an impact on people. She asserted that they make an impact at the EQC on a daily basis and invited the new Board members to come see.

Carolyn Beaver, CPA for over 40 years and someone who sits on boards and non-profits, asserted as a director it is important to ask the right questions to ensure operations are managed responsibly which support the organization's mission. She discussed her thoughts after reviewing the EQC budget; items discussed:

- Prior operator returned over one hundred-thousand dollars to the District and had a waiting list for boarding
- Current boarding rates are competitive, asserting a cost problem, not a revenue problem
- Alleging labor costs high due to number of staff proposed and state staff has high benefits costs
- There are more efficient process of watering and dragging the arenas
- Understanding the fixed costs versus a variable cost to operate
- Suggestion using a hybrid model with labor outsourced with equestrian center experience and proper requirements to garner multiple bids

Brian Cummings, faculty member at UC Irvine, asserted the need to garner outside input with regard to the EQC. He urged the Board to meet with the EQC renters and trainers and people who have run successful equestrian businesses. He also requested a technical review committee be formed, with at least one representative from the EQC, to help the new bid. He discussed the items the new bid should have: post-hoc established bidding system guidelines per California Code; required comparison of other facilities in Orange County with regard to their staffing numbers. He argued other public goods like tennis courts, parks, ball fields, etc. do not run at a profit. He echoed the suggestion to subcontract out janitorial staff and not use state employees.

Gibran Stout, real estate agent/broker, former 4H leader and non-profit founder, discussed watching urban sprawl in Orange County and her passion to preserve agriculture opportunities for youth. She argued that tax payers and user fees are collected to cover expenses of public offerings such as public parks, libraries sports facilities, etc.; whereas public equestrian centers are unique in that all fees related to the cost of horse care are paid for by the customer. She asked the following questions: why the new business model is forcing customers to subsidize equipment; when will marketing of this new business be on social media or other advertising outlets; when will programming and events commence as outlined in the strategic plan.

Dave Edgar, family EQC business owner, stated his EQC has always been profitable and discussed his revenues and revenue increases for the current year. He discussed his business model and his review of the proposed scenario #3 and criticized the numbers. He stated he did his own work on the EQC numbers and was able to save money from what is proposed. He urged the Board/staff to consult with EQC owners/managers in Orange County.

Sonja John, manager of Lakewood EQC, stated she has increased stall occupancy, community events, clinics and horse shows at her EQC. She discussed how similar the Lakewood EQC is to OCFEC's EQC in regards to occupancy and being on public land. She asserted finding a balance to facilitate community programs and private boarders alike is one-hundred

percent doable. She alleged the original bid was flawed as well as the new proposed bid. She asked what plan is in place to fill the vacant stalls.

Leigh-Ann Kazolas stated learning a new business isn't easy and the startup phase is expensive. She criticized the last contract for being too expensive. She urged the Board/staff to seek help from the equestrians that have spoken during public comment. She asserted a differently constructed contract could be a viable solution. She suggested to possibly go back to the previous model, rewording the contract and have better supervision of the contract. She asserted there are many ways for cost savings like, better staffing or job sharing and shared equipment with other departments. She urged the Board to direct staff to explore all possible models, work with experts to cut costs and trim the budget as well as have public workshops/study sessions.

Theresa Sears, Orange County resident and horse owner, briefly discussed her and many other's efforts to stop the sale of the fairgrounds years ago. She spoke in support of the limited attendance model at the annual OC Fair. She asserted the EQC is a public facility and is valuable to keep in the chain of facilities on the property. She asserted the need to make OCFEC's EQC model an example of what it should look in the state.

CEO Richards stated the EQC issue has been studied for several years. She discussed the following:

- Board engaged Doug Lofstrom, former CEO and horse person, to complete an EQC study and look at different operating models and other options
- The Board Facilities Committee recommended to the Board that OCFEC staff take over management of the facility to understand what the true operating costs are
- OCFEC took over management of the EQC on Jan 1, 2023
  - Initial budget was completed with best available information at the time
  - RFP went out for the contract for stall cleaning and feeding and watering horses
  - Costs have been monitored
  - Per Board direction at the June meeting, the Board looked at several financial models – it was decided the best model was to bring all services in-house, using only OCFEC staff
  - Staff refined the numbers decreasing the initial net loss from \$477,00 to \$227,000
  - Staff held two meetings with EQC users

Board and staff discussion ensued; items discussed:

- Community public facilities like parks, libraries, etc. don't usually have private business operating on them
  - The inability to access a horse at the EQC like a person would using a playground or tennis court
- Horses are a part of the agriculture and history of the fairgrounds
- Business decision to make – facility has been losing money since the prior operator

- Importance of prevailing wage and paying people properly; public agencies having more requirements related to wage and employment
  - Number of employees needed for each scenario
    - No going back once state employees are hired
- Contract with LWI has a 30-day cancellation clause in it
- EQC is a boarding and training facility, not a riding facility
  - One third of the horses are boarded by trainers who are running a business

Board and staff discussion continued related to an at least breakeven scenario; items discussed:

- Development of a business model where trainers pay their fair share of rent for the use of the facility
  - Look at having a 20% of gross profits revenue sharing with the trainers who are doing business at the facility
- Private enterprise versus public
- Maintenance of the facility is a big issue – the infrastructure audit from 2018 clearly indicated the facility's useful life was gone
  - A significant capital investment would be needed in the current facility to then be able to roll into a model that may or may not be profitable
  - Moving forward with the Agriplex or something with the site that can be monetized in different ways and other avenues for public use
  - Facility already past its useful life
    - No model profitable enough to justify the large capital investment that is needed at the facility
- Operating in the red is a gift of public funds
  - May have to close the facility if operations cannot at least breakeven

Board and staff discussion continued; items discussed:

- The order of the Master Site Plan (MSP) with the Agriplex being phase 8
- Any future plans need to include CapX and startup costs
- Neither model is sustainable
- OCFEC gave running the facility a shot to gauge the profitability and true costs when taking over management of the facility
- Proposal to go back to the outside operator model but to encompass requirements and tight documentation concerning the contract with what is required to operate the facility safely and in compliance with regulations – with some level of profit or breakeven encompassing CapX that's required
  - Rebid the operations management of the EQC
- The urgency to get to breakeven as to not to make a gift of public funds
- The time it will take to issue an RFP
- Try to see if there is an operator that can make the facility profitable
- Increasing rates or cease to operate to stop the bleeding

Director La Belle motioned to direct staff to negotiate with the trainers an appropriate fee for use of the property, at the same time look at adjusting rates

for the current tenants; if the bottom line cannot get to zero before the end of the year the Board would move forward with alternative plans for the Equestrian Center.

Board and staff discussion ensued regarding the motion; items discussed:

- Concerns over the time it would take to issue an RFP while still losing money
- Concerns over greatly increasing rates to breakeven

**ACTION:** Director La Belle motioned and Director Bagneris seconded to direct staff to negotiate with the trainers an appropriate fee for use of the property at the same time look at adjusting rates for the current tenants; if the bottom line cannot get to zero before the end of the year the Board would move forward with alternative plans for the Equestrian Center. **MOTION FAILED.** **AYES:** Director La Belle, Director Rubalcava-Garcia, Director Ruiz and Director Bagneris. **NAYES:** Chair Pham and Vice Chair Kovacevich. **ABSTENTIONS:** Director Bilezikian and Director Jackson.

Board discussion ensued expanding on the previous motion.

Vice Chair Kovacevich motioned to work with the trainers to try to get a profitable model knowing there is a thirty-day cancellation; to concurrently line up an RFP to see if anyone would take over management of the EQC; if neither path work then to shut the facility.

Board discussion ensued regarding the motion; items discussed:

- New operator to take one hundred percent of cost burdens
- If there's a model that will be profitable
- Shutting the facility down if not profitable or if an operator cannot be found
  - Maximizing opportunity to find a viable model before making the decision to shut down
- Concerns (at this point) going to the trainers and boarders to increase their rates or paying the District a percentage of profits
- Time an RFP will take
- The model of bringing everything inhouse requires hiring civil service staff – don't want to take on new civil service staff as an experiment
- Concerns over sharing the burden of costs with the boarders
- Giving boarders time for relocation if the facility cannot breakeven

Vice Chair Kovacevich amended his original motion to exclude working with the trainer portion.

CEO Richards repeated the motion for clarity and for the record as: to issue an RFP for outsourcing operation and management of the equestrian center to include CapX and all expenses. If the results of the RFP are not successful in identifying an operator, the Board would move to shut down the facility by the end of March, 2024.

**ACTION:** Vice Chair Kovacevich motioned and Chair Pham seconded to issue an RFP for outsourcing operation and management of the equestrian center to

include CapX and all expenses. If the results of the RFP are not successful in identifying an operator, the Board would move to shut down the facility by the end of March, 2024. **MOTION CARRIED. AYES: Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Rubalcava-Garcia, Director Ruiz and Director Bagneris. NAYES: None. ABSTENTIONS: Director Bilezikjian and Director Jackson.**

The meeting adjourned for a recess at 12:01 p.m. and reconvened at 12:16 p.m.

Chair Pham and Director Rubalcava-Garcia left the meeting.

#### **D. Review of Legislative Representative Bid Proposals and Vote on Whether or Not to Approve Proposed Award**

Action Item

CEO Richards presented the following:

In July 2023, the District released an Invitation for Bid (IFB) to a robust list of registered legislative firms. The District received three (3) bids from the following firms: Todd Priest & Associates; Joe A. Gonsalves & Son; California Advocacy LLC. All three (3) firms met the minimum qualifications in the IFB. Two firms bid the maximum amount of \$2,500 per month and one firm bid \$2,000 per month. Per California State contracting rules, the lowest bidder was selected and a Notice of Proposed Award was issued on August 25, 2023. The winning bidder is California Advocacy LLC.

CEO Richard presented the recommendation to either approve the proposed award of contract with California Advocacy, LLC or vote not to award the contract.

Director La Belle motion to not approve the contract and revisit the District's legislative priorities during the upcoming budget season. He discussed how one of the firms exceeds the other two in qualifications in terms of background and experience.

Board and staff discussion ensued; items discussed:

- Concern over a bidder winning through the normal process and the Board not awarding the contract
- If the bid is redone, do a request for qualifications
- Support of Gonsalves firm for their over fifty years of experience and their representation of the District during the stop of the fair sale
- Save the expense for now and determine what the legislative priorities of the District are or if the District needs its own legislative representation
- Go with the most qualified bidder not the lowest bidder
- Do a RFP instead of an IFB
- Using the lobbyist provided through CFA [trade association] (the lobbyist used by California Fairs Alliance represents the network of California fairs that the District pays dues to and that lobbyist is focused on all seventy-four fairs in the state of California)
- Support for the lobbyist used by CFA
- Support for the motion and for obtaining the most qualified firm

- Other services provided by the lobbyist - aiding connections in Sacramento

CEO Richards stated she will add a discussion the October Board meeting agenda to outline what the District's legislative priorities are.

**ACTION:** Director La Belle motioned and Director Ruiz seconded to not award the contract with California Advocacy LLC; and for the Board to re-evaluate the District's legislative priorities during the budget process. **MOTION CARRIED.**  
**AYES:** Vice Chair Kovacevich, Director La Belle, Director Ruiz, Director Bagneris, Director Bilezikjian and Director Jackson. **NAYES:** None.  
**ABSTENTIONS:** None.

**E. Vote on Whether or Not to Approve Agreement with National Naval Aviation Museum for the A-4M Skyhawk**  
Action Item

CEO Richards presented the staff report and the recommendation to approve the agreement with the National Naval Aviation Museum for the A-4M Skyhawk.

**ACTION:** Director La Belle motioned and Director Bagneris seconded to approve the agreement with the National Naval Aviation Museum for the A-4M Skyhawk. **MOTION CARRIED.** **AYES:** Vice Chair Kovacevich, Director La Belle, Director Ruiz, Director Bagneris, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

**F. Consideration and Vote on Whether or Not to Approve Staff Recommendation to Increase CEO Authority to Execute Talent Guarantees to \$600,000**  
Action Item

CEO Richards presented the staff report and the Governance Committee and staff's recommendation to amend the Board governance policy 4.05.02 to increase the CEO's contract signature authority to execute talent guarantees to \$600,000 or less.

There was Board and staff discussion on if the increased amount is enough. CEO Richards confirmed the current model is successful and the amount is enough.

**ACTION:** Director Bagneris motioned and Director Ruiz seconded to approve amending policy 4.05.02 to increase the CEO's contract signature authority to execute talent guarantees to \$600,000 or less. **MOTION CARRIED.** **AYES:** Vice Chair Kovacevich, Director La Belle, Director Ruiz, Director Bagneris, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

**G. Appointment of Chair and Vice Chair Nominating Committee**  
Information Item

Vice Chair Kovacevich, on behalf of Chair Pham, announced the appointment of the Chair and Vice Chair Nominating Committee to be Directors La Belle and Rubalcava-Garcia.

## **H. Committee / Ad Hoc Committee / Liaison Report**

Information Item

To assure compliance with the Bagley-Keene Open Meeting 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 Pham, Committee Chair; Vice Chair Kovacevich)
- ii. **Financial Monitoring and Audit Committee** (Vice Chair Kovacevich, Committee Chair; Director Bagneris)
- iii. **Facilities Committee** (Director Ruiz, Committee Chair; Director La Belle)
- iv. **Governance Committee** (Director Rubalcava-Garcia Committee Chair)
- v. **Community Affairs Committee** (Director Bagneris, Committee Chair; Chair Pham)
- vi. **Entertainment and Business Development Committee** (Director Rubalcava-Garcia, Committee Chair)

Vice Chair Kovacevich on behalf of the Leadership Committee, reported the following:

- Committee met 8/4/23 via Zoom for the mid-fair security briefing by the OC Sheriff's Department
- Committee met 9/13/23 and discussed the financial models for the EQC and the September Board agenda
- Next meeting will be 10/11/23

Vice Chair Kovacevich on behalf of the Financial Monitoring and Audit Committee, reported the following:

- Committee met on 9/15/23 and reviewed and discussed the following:
  - August 2023 financial reports (he presented the reports to the Board)
  - The EQC August financial report (he presented the report to the Board)
  - The P&L for the 2023 OC Fair
  - Staff provided an overview of the 2024 budget process
    - Budget Study Session to be November 7, 2023
  - Draft for the 2022 Audit to be reviewed with the committee at the October meeting
  - Committee reviewed two cyber insurance policies (staff was directed to move forward with combining coverage)
  - Next meeting scheduled for 10/20/2023

Director Bagneris on behalf of the Community Engagement Committee, reported the following:

- Committee and staff discussed the mural project competition that was kicked off during fair
  - Deadline for artwork is 12/31/23
- Continuing discussion on how the artwork will be displayed at Plaza Pacifica (on canvas or digitally)
- September is Hispanic Heritage Month (video shown)

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

No Closed Session.

## 10. **CEO'S OPERATIONALOUNCEMENTS AND UPDATES**

CEO Richards reported the following:

- Staff and Board members attended the annual banquet of the Black Chamber of Commerce
- Past Fair Board Director Emily Sanford passed away
- Centennial Farm docent Ramsey Deguirre passed away
- Etix won the contract for the ticketing services RFP
- The ability for DAA Board meetings to be teleconferenced/remote has been extended to December 31<sup>st</sup> by the Governor, with pending legislation to make permanent

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

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

Board members made concluding comments:

- Board welcomes new Board members
- Suggestion of more chilled water stands (at fairtime)
- Request for staff to look into protester location and bike stand location
- Adjourn the meeting in honor of past director Emily Sanford
- New Board members' gratitude of warm welcome and expressed they are excited and honored to serve
- Recognition and thanks to Director Cervantes for her services on the OC Fair Board (no longer on the Board)

## 12. **NEXT BOARD MEETING: OCTOBER 26, 2023**

## 13. **ADJOURNMENT**

The meeting adjourned at 1:02 p.m.

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Newton Pham, Chair

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Michele Richards, Chief Executive Officer