

MINUTES OF OCFEC BOARD OF DIRECTORS MEETING HELD OCTOBER 26, 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.

[Web link pending](#)

1. CALL TO ORDER:

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

2. MISSION STATEMENT

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

4. DIRECTORS PRESENT:

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

DIRECTORS ABSENT/EXCUSED: Director Rubalcava-Garcia.

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; Reginald Joseph, transcriptionist; Adam Odom, Lance, Soll & Lunghard; Heather Cleary; Carol Graves; Denise Xagorarakis; Lisa Sabo; Carolyn Beaver; Macki Hamldin; Gibran Stout; Reggie Mundekis.

5. MINUTES:

A. Board meeting held September 28, 2023

Action Item

ACTION: Director La Belle motioned and Director Bagneris seconded to approve the minutes from Board meeting held September 28, 2023. **MOTION CARRIED.** **AYES:** Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Ruiz, Director Bagneris, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

6. MATTERS OF PUBLIC COMMENT

Heather Cleary, College COR Coordinator for Vanguard University, presented a certificate of appreciation to Centennial Farm, on behalf of the university and students for their partnership in their grant work program at Centennial Farm for their students.

Carol Graves, horse boarder, expressed her thanks to the Board for voting to look for another operator for the Equestrian Center (EQC). She discussed her family and their meaningful learning experiences at the EQC including her special needs daughter with horse therapy. She shared she'd like to see the EQC promoted more. She shared she is grateful for the facility.

Denise Xagorarakis, EQC boarder, shared her appreciation to the Board for putting out a new RFP for operation of the EQC. She shared how her child has benefitted from equine therapy. She stated kids learn how to ride and they grow and mature with interaction with horses. She asserted the EQC needs more exposure and marketing.

Lisa Sabo thanked the Board for voting for a new RFP. She announced the coming Saturday is the EQC's annual Halloween parade and invited everyone out to come and see. She also announced County Supervisor Katrina Foley will be a judge for the costume contest. She discussed Foley's and her own involvement in the OC Preservation Society and the fight to stop the sale of the fairgrounds in 2009.

Carolyn Beaver thanked the Board for the RFP process and referenced a letter she wrote to the Board with recommendations to consider for the RFP. She asserted horses are important, that they change lives and there are very few public equine facilities left in Orange County. She suggested to the Board that as they get responses to the RFP, they should ask questions and make sure there is a good competitive bid process. She asserted there is a lot of interest out there; to make sure it is a good RFP that includes provisions allowing someone to come in and have the kind of operation that can continue OCFEC's legacy of providing this resource to the community.

Macki Hamldin, rider at the EQC, expressed her gratitude for the new RFP that will be released. She criticized staff's handling of potential boarders. She asserted the EQC has been steadily losing horses since the change in management. She alleged no drive to attract or bring in new horses, with not accepting new horses for two months at the beginning of the year, and no advertising or social media presence to fill open stalls. She discussed that acquaintances of hers had an off-putting experience with the OC EQC and ended up choosing another facility.

Gibran Stout also shared the EQC's annual Horsy Halloween is being held on Saturday and encouraged everyone to come out to see the costume contest and tour the facility. She shared that her non-profit is seeking organizations to donate equine experiences to and asked for collaboration to reach those organizations in the community.

7. CONSENT CALENDAR:

- A. Standard Agreements:** SA-219-23PA; SA-224-23YR; SA-223-23YR
- B. Rental Agreements:** R-010-23; R-011-23; R-118-23; R-020-23; R-021-23; R-024-24; R-092-23; R-127-23; R-128-23; R-130-23; R-135-23; R-140-23; R-142-23
 - i. Rental Agreement Amendments:** R-109-23 (Amend. #1); R-135-23 (Amend. #1); R-140-23 (Amend. #1); R-142-23 (Amend. #1); R-022-24 (Amend. #1)
- C. Active Joint Powers Authority Agreements (New):** None.
 - i. Active Joint Powers Authority Agreement Amendments:** None.

D. 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 November 2023 agenda is November 3, 2023.

- i. 10/05/23 Leigh-Ann Kazolas Letter from EQC Task Force
- ii. 10/13/23 Gibran Stout Stewards of a Great Resource
- iii. 10/16/23 Carolyn Beaver Letter to OCFEC Board of Directors

E. 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. 10/10/23 D2023-05 SB 447 (Atkins) Circular Repeal Travel Ban

- End of Consent Calendar -

CEO Richards clarified Standard Agreement SA-219-23PA, stating that the number was mistakenly pulled at the last months meeting.

ACTION: Director Bagneris motioned and Director La Belle seconded to approve the Consent Calendar. **MOTION CARRIED.** **AYES:** Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Ruiz, Director Bagneris, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

8. GOVERNANCE PROCESS

A. Presentation of 2022 Audit by Financial Monitoring & Audit Committee and Vote on Whether or Not to Accept

Action Item

Vice Chair Kovacevich presented the staff report and recommendation, on behalf of the Financial Monitoring & Audit Committee, to accept the 2022 audit report and filing with CDFA. He thanked and introduced Adam Odom of audit firm Lance, Soll & Lunghard for their work.

ACTION: Director Ruiz motioned and Chair Pham seconded to accept the 2022 audit report and filing with CDFA. **MOTION CARRIED.** **AYES:** Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Ruiz, Director Bagneris, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

B. Discussion Regarding District's Legislative Priorities for Inclusion in 2024 Budget

Action Item

CEO Richards presented the staff report and staff's recommendation for the Board to consider utilizing legislative representation services on a special projects basis, only as needed versus retaining one.

Director La Belle spoke in support of the recommendation. He discussed specific legislation that the District may want to pursue (the ability to self-produce/operate a swap meet and the ability to have special discount/waive rental fees for non-profits). He discussed a previous swap meet promoter was able to get legislation to preclude OCFEC from operating swap meet.

Reggie Mundekis spoke in support of retaining a lobbyist. She argued that OCFEC is very different from most of the small fairs in California and has different needs, where the representation from CFA, while good, may not be enough. She outlined many of those differences referencing data from the CDFA STOP report of 2018. She spoke in support of retaining a lobbyist to maintain the self-interest of OCFEC.

Board and staff discussion ensued; items discussed:

- Legislation specifically affecting OCFEC versus legislation affecting fairs as a whole
 - Specific items affecting OCFEC are/have been the inability to operate a swap meet or have gun shows on the property
 - Current legislation affecting fairs as a whole is the inability to offer special/discount or waived rental rates to non-profits (CFA already addressing issue)
- Budgeting \$10K for as needed items if Board approves the recommendation
 - Flexibility to use any lobbyist if under \$10K and not have to go to RFP
- Board comments supporting the recommendation
- CEO to would bring legislative issues back to the Board

ACTION: Director Bagneris motioned and Chair Pham seconded approve the recommendation to utilizing legislative representation services on a special projects basis. **MOTION CARRIED.** **AYES:** Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Ruiz, Director Bagneris, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

C. Vote on Whether or Not to Approve Staff Request for Out of State Travel to Attend the 2023 IAFE Convention November 26-29 in Salt Lake City, UT
Action Item

CEO Richards presented the staff report and staff's recommendation to approve out-of-state travel for CEO Richards and COO Karns to attend the 2023 IAFE Convention, November 26-29 in Salt Lake City, UT

Director La Belle suggested staff look into attending the ICMA (International City/County Management Association) Annual Conference.

ACTION: Director Bagneris motioned and Director Ruiz seconded to approve out-of-state travel for CEO Richards and COO Karns to attend the 2023 IAFE

Convention November 26-29, 2023 in Salt Lake City, UT. **MOTION CARRIED.**

AYES: Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Ruiz, Director Bagneris, Director Bilezikjian and Director Jackson.

NAYES: None. **ABSTENTIONS:** None.

D. Presentation of Proposed 2024 Board Meeting Schedule and Vote on Whether or Not to Approve

Action Item

CEO Richards presented the staff report and recommendation to approve the 2024 schedule as follows:

- January 25, 2024 at 9:30am
- February 22, 2024 at 9:30am
- March 28, 2024 at 9:30am
- April 25, 2024 at 9:30am
- May 23, 2024 at 9:30am
- June 27, 2024 at 9:30am
- NO MEETING IN JULY
- NO MEETING IN AUGUST
- September 26, 2024 at 9:30am
- October 24, 2024 at 9:30am
- November 21, 2024 at 9:30am
- December 19, 2024 at 9:30am

ACTION: Vice Chair Kovacevich motioned and Director Jackson seconded the 2024 Board of Directors meeting schedule as presented. **MOTION CARRIED.**

AYES: Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Ruiz, Director Bagneris, Director Bilezikjian and Director Jackson.

NAYES: None. **ABSTENTIONS:** None.

E. Consideration of and Vote on the Board of Directors Nominating Task Force Recommendation and Election of Board Officers

Action Item

Director La Belle, on behalf of the Nominating Task Force, recommend Vice Chair Kovacevich as Chair and Director Bagneris as Vice Chair of the Board of Directors for the 2023-2024 term.

ACTION: Director La Belle motioned and Director Jackson seconded to approve Vice Chair Nick Kovacevich as Chair and Director Bagneris as Vice Chair of the Board of Directors for the 2023-2024 term. **MOTION CARRIED.**

AYES: Chair Pham, Vice Chair Kovacevich, Director La Belle, Director Ruiz, Director Bagneris, Director Bilezikjian and Director Jackson.

NAYES: None. **ABSTENTIONS:** None.

A plaque was presented to Chair Pham in appreciation of his service as Chair of the Board for the 2022-2023 term.

F. 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)

Gibran Stout thanked the Board for the RFP and encourage them to look at what is working at other facilities in the county. She expressed that she is excited and anxious from learning from mistakes in the past. She encouraged the Board to ask questions trust their instincts. She asserted the Board has made a commitment to the community to preserve the agricultural asset of the EQC.

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

- Committee met with staff and discussed the October agenda
- Next meeting is November 8

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

- Committee met with staff and audit firm LSL and reviewed 2022 Audit
 - No deficiencies found in the audit
- Reviewed September financial reports (he presented report to the Board)
- Reviewed Dept. 25 EQC September Financials (he presented report to the Board)
- Budget Study Session to be held November 7 at 3p.m.
- Next meeting is November 10

Gibran Stout expressed her curiosity, asking why build now (expansion of the administration building) when building prices are high and there is an abundance of office building inventory nearby and/or have people work remotely. She asserted the need to look at different options instead of spending millions of dollars on the administration building and look at leasing space.

Director Bagneris praised CAO Au-Yeung and Finance Director Tang for their work and detail they provide in the financial reports to the Finance Committee.

Director Ruiz left the meeting.

Director La Belle on behalf of the Facilities Committee, reported the following:

- COO Karns and CCA have done an excellent job moving CapX projects forward and getting them completed

- Live Nation venue not going into Irvine at the Great Park
- Possibility of accelerating Pacific Amphitheatre master site plan projects
 - Suggestion to the Board to revisit priorities as they go through the budget process

CEO Richards, on behalf of Community Affairs Committee, recognized Filipino American Month and National Disability Employment Awareness Month.

9. CLOSED SESSION (Closed to the Public)

No Closed Session.

10. CEO'S OPERATIONALOUNCEMENTS AND UPDATES

CEO Richards reported the following:

- RFP for an independent operator for the EQC is expected to release in early December
- 60% conceptional design of the Administration Building is nearing completion – a presentation is planned for next month's Board meeting
- 2024 budget process is being prepared – budget study session set for November 7
- Staff and the Financial Monitoring Committee attended OCBC's Economic Forecast Conference on 10/19/23
- 2023 OC Fair was awarded the number one fair/festival for the OC Register Best of OC Award
- Chilled water stations used during the 2023 OC Fair eliminated an estimated 26,145 plastic bottles from the environment

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:

- New Board Leadership thanked the Board for their confidence and support in their new role
- Members thanked the public for their engagement and kind words
- Gratitude and thanks for Chair Pham's leadership over his term
- Congratulations to the new Board Leadership
- Sustainability and resiliency important initiatives/values

12. NEXT BOARD MEETING: NOVEMBER 16, 2023

13. ADJOURNMENT

The meeting adjourned at 10:48 a.m.

Newton Pham, Chair

Michele Richards, Chief Executive Officer