

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING
HELD APRIL 25, 2024**

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/2024/04/17082222/24_04_April_Board_Transcript.pdf

1. CALL TO ORDER:

Chair Kovacevich, called the meeting to order at 9:33 a.m.

2. MISSION STATEMENT

3. PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was recited by Director Doug La Belle. Roll call was taken by meeting secretary, Summer Angus.

4. DIRECTORS PRESENT:

Chair Kovacevich, Vice Chair Bagneris, Director La Belle, Director Rubalcava-Garcia (arrival 9:38 a.m.), Director Bilezikjian and Director Jackson.

DIRECTORS ABSENT/EXCUSED: Directors Ruiz and Pham.

OTHERS PRESENT:

Michele Richards, OCFEC CEO; Ken Karns, OCFEC Chief Operating Officer; Melissa Au-Yeung, Chief Administrative Officer; Jason Jacobsen, Director Planning & Production; Summer Angus, OCFEC Executive Assistant; Thane Hollman, OCFEC Guest Experience Supervisor; Josh Caplan, Office of the Attorney General; Reginald Joseph, transcriptionist; Nahla Kayali; Teresa Steele; Carolyn Beaver; Aspasia Zouras; Laura Maxinoski; Lisa Sabo; Reggie Mundekis; Penny Ely-McGregor; Harper Hilterbrand; Claire Graves; Alex Swanson; Leigh-Ann Kazolas; Denise Xagorarakis; Sarah Klifa; Macki Hamblin; Gibran Stout; Carol Graves; Duncan McIntosh; Teresa Sears; Brian Cummings; Marce Evans; Kelly Babbs; Liz Radley; Wendy Leece; Nick Anas

5. MINUTES:

A. Board meeting held March 28, 2024

Action Item

Carolyn Beaver spoke in opposition of the March Minutes recording of a motion carried vote on the increase of equestrian center boarding rates, arguing the motion should have failed according to Board Policy 3.05.

ACTION: Director La Belle motioned and Vice Chair Bagneris seconded to approve the minutes from Board meeting held March 28, 2024. **MOTION CARRIED. AYES:** Chair Kovacevich, Vice Chair Bagneris, Director La Belle, Director Rubalcava-Garcia, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

9. GOVERNANCE PROCESS *(Item moved)*

A. Presentation of Arab American History Month Proclamation by Community Affairs Committee

Information Item

Directors Rubalcava-Garcia and Jackson, on behalf of the Community Affairs Committee presented the Arab American History Month proclamation to Nahla Kayali, founder and executive director of AccessCal for her work for with the Arab community and refugees.

Nahla Kayali spoke about her background and discussed her social service agency and work with refugees.

8. CEO UPDATES AND ANNOUNCEMENTS

CEO Richards reported the following:

- Thanked the City of Costa Mesa for allowing the meeting space while the OC FEC Administration building is under construction
- New exhibit opens at Heroes Hall - *The Vietnam War Through the Art and Photography of Ed Bowen*
- Medal of Honor courtyard at Heroes Hall gets refreshed
- Board members Bagneris, Bilezikjian, Rubalcava-Garcia and Kovacevich attended Imaginology 2024

CEO Richards gave an Equestrian Center (EQC) update:

- She clarified some misinformation regarding the EQC
- She stated staff was able to find cost savings of \$151 dollars to the increased boarding rate and are making other rate adjustments for the tack rooms and trailer parking
- She announced with the new community vision the Board and staff have for the new equine community center, it has been rebranded The Ranch
 - The Ranch will be an extension of the agriculture programs, where the community can come learn about horses

Director La Belle discussed how the Heroes Hall programing did not happen overnight (equating it to The Ranch programming timeline) and encouraged CEO Richards to interact with the Leadership Committee over the next twelve to eighteen months leading the Board through the process.

Chair Kovacevich discussed the elimination of the gift of public funds issue with the increase in boarding rental rates and commended staff for finding cost savings to reduce those rates. He spoke confidence with staff, leadership and the Facilities Committee with regard to the issue. He encouraged the Board to continue outreach with charities and groups and get them excited about having access to the new Ranch equine center. He shared he does not foresee putting the equestrian center back on the agenda until later in the year when looking toward future planning.

Director Rubalcava-Garcia discussed misinformation regarding the EQC. She discussed the OC FEC's mission and enhanced access and transparency. She spoke in support of The Ranch as an extension of OC FEC's agricultural roots and making the EQC more accessible to the community.

Vice Chair Bagneris echoed comments regarding the misinformation being disseminated and shared her hopes for understanding.

Chair Kovacevich asserted continued progress of the new vision will be under the leadership of staff and the Facilities Committee and the Board will be updated.

Gibran Stout discussed her organization's mission, to bring low cost or free programming to local urban youth. She asserted moving from the EQC is not an option for her. She argued statements made regarding the unprofitability of the EQC. She argued inaccurate facts and misleading information regarding capital improvements and the 2018 master site plan. She stated the Agriplex in the latest master site plan does not have equestrian facilities. She shared her confusion regarding the branding of The Ranch and the existing ranch program arguing the ranch program has not had horses in five years and asked a series of questions regarding the programming and where the horses will come from.

6. MATTERS OF PUBLIC COMMENT

Teresa Steel spoke in opposition of the boarding rental rates. She criticized the maintenance of the arenas. She criticized the rebranding name. She asserted there is concern for the footing in the arena.

Carolyn Beaver asserted the rental rate increase will affect people's ability to keep a horse at the facility and will affect the trainer's ability to continue their lesson programs. She criticized that during deliberations at the March Board meeting, the Board did not address comments made by the public. She shared her concerns for the price increase for the trainers. She criticized that there are no details about the new public programming and asked a series of questions related to horses, programming and budget.

Aspasia Zouras discussed profitability and asserted the EQC would be profitable at the current rates. She compared the EQC to a public golf course and asserted that it is not fair to pass maintenance costs on to boarders and trainers. She criticized the LWI contract.

Laura Maxinoski discussed the rich history of the EQC in its fifty-one years. She criticized the Lopez Works contract and the decline of the facility. She urged the Board to rescind the vote on the rate increase and cancel the current contract and go back out to bid.

Lisa Sabo spoke in appreciation for finding savings and reduction of the rate increase and for the meeting CEO Richards and Director Bilezikjian had with equestrians a couple weeks ago. She shared she is panicked due to the rate increase and has no place to go. She stated her students cannot afford for her to raise her rates. She criticized that the rate increase will make the EQC the most expensive equestrian center in Orange County. She urged the Board to agendaize for the following month to rescind the rate increase, cancel the Lopez contract and run another RFP for an equestrian center operator.

Reggie Mundekis discussed vegetarian and vegan food at the OC Fair. She discussed vegetarian chorizo, breakfast burritos and suggested an all-day breakfast concession at the fair. She shared she is troubled by the misinformation that has been perpetuated by persons at the EQC. She asserted the Board and staff have acted within their authority and that there was only one bidder for the EQC maintenance contract.

Penny Ely-McGregor presented copies of 1270 letters from equestrians to the Board. She stated the community is asking the Board to rescind the vote on the rental increase, cancel the Lopez Works contract, to issue an RFP for and equestrian center operator and to hire temporary staff while in the process of hiring a new operator.

Harper Hilterbrand discussed that the Lopez Works does not have equestrian operator listed on their website as a service they provide. She asserted the need to cut the cost of the operator, not to raise the rate on the boarders.

Alex Swanson, rider and trainer with Sabo Eventing, discussed growth and improvement of her students at the EQC. She stated she has fallen, asserting there is a problem with the footing in the arena and the need to find people can manage the footing correctly at a fair rate. She criticized the current rates for not being affordable.

Leigh-Ann Kazolas asserted the equestrian center users are a traumatized community. She argued and discussed, from her perspective, a series of actions since the District has taken over management of the EQC that contradict the Districts commitment to the community EQC. She asserted the increase rates will force boarders out.

Denise Xagorarakis, EQC boarder, thanked the Board members for having a meeting to listen to boarders concerns and discuss the vision of the facility. She asked about the public programing plans and if riding lessons will be part of the new programing, arguing she will not be able to afford her kids riding lessons with the new rate increase. She asserted not all boarders are affluent, that she struggles to make sure her horse has proper care.

Sarah Klifa, EQC trainer and Changing Strides co-founder, thanked Director Bilezikjian and CEO Richards for meeting with equestrians and encouraged the Board to continue dialogue. She criticized the maintenance of the arena footing and listed alleged contract problems with Lopez Works. She asserted rental price increases will force trainers out of business or out of the area and make it impossible for current community nonprofit programs that are in place to continue. She asserted equestrians that have community programs in place already do it because they love it.

Mackie Hamblin urged the Board to cancel the current contract with Lopez Works at the EQC and run a new RFP for an operator. She presented items found in the arena footing stating they could cause injuries. She also shared concerns that the rain has stripped away sand from the arena. She discussed safety for the horses and riders.

Gibran Stout criticized the level of detail reported for the plan for the public programming. She urged the Board for public workshops to ask and get questions answered. She alleged there has been no follow through from promises made in meetings.

Carolyn Graves, daughters have attended camps at the EQC, spoke in opposition of the Lopez Works contract. She alleged mismanagement of public funds. She asked the Board to agendaize the following for the next Board meeting: to cancel the Lopez Works contract, issue an RFP for an experienced operator, hire temporary staff until a new operator is found and vote to rescind the rental increase for boarders. She thanked Director Bilezikjian and CEO Richards for meeting with and talking to equestrian users.

Duncan McIntosh stated he is a professional alumni of the OCFEC EQC and shared his background. He asked a series of questions. He discussed his consulting firm advising equestrian operations and water issues and an advisory board he is a part of.

Theresa Sears discussed the public's role and gave examples of why that role mattered at the fairgrounds. She asserted the public intervening now is putting up a red flag saying the equestrian center is going to be gone if the current route continues.

Brian Cummings thanked CEO Richards and Director Bilezikjian for hosting a meeting with EQC users and asked for continued meetings. He expressed his gratitude for the cost saving but asserted the rate reduction is not enough. He criticized the use of "gift of public funds" and argued that the Board never voted on whether supporting the EQC is a gift of public funds. He criticized the notion that the EQC maintenance contract is not cancelable and urged the Board to cancel the Lopez contract and either release a new RFP or hire temporary staff until cheaper services can be procured. He also urged the Board to rescind the rental rate increase.

Marce Evans, OC Farm Bureau and alumni of the EQC, criticized the rebranding of the EQC to The Ranch. She urged the need vote to stop the rate increase. She argued that if the rate increase stands, there will not be any horses at the fairgrounds to do public programming and the fairgrounds will lose the recreational aspect for the public. She urged the Board to put the issue on the May agenda.

Kelly Babbs, EQC user, shared her concerns for the cost increase at the EQC and asserted the increase will destroy current equitable programs taking place through the trainers. She discussed low-cost lessons and programs that are already taking place through training courses. She alleged the increase will destroy women owned business. She shared she is not affluent, that she works three jobs to be able to take classes.

Liz Radley, Glendale Rancho Equine Advisory Committee, shared she is impressed by the dedication and knowledge of the current OCFEC EQC stakeholders. She asserted the rate increase hurts current stakeholders and local residents. She talked about the Los Angeles Equestrians Center and compared their lower rates to OCFEC EQC rate increase.

Wendy Leece, Costa Mesa resident and former city council member, discussed her efforts as a city council member to stop the fair sale in 2008. She asserted the need to get more bids for the maintenance contract and collaborate with equestrians on solutions. She talked about mental health issues and the benefits and healing of horses.

Nick Anas, on behalf of OC Supervisor Katrina Foley Office, employed the Board to consider pausing any rate increase to do a full analysis on potential savings. He stated the Board has an opportunity to market the EQC asset. He discussed a proposal being submitted to bring the 2028 equestrian Olympics to Orange County. He implored the Board again to pause the increase and work collaboratively.

7. CONSENT CALENDAR:

A. Standard Agreements: SA-022-24PA; SA-023-24PA; SA-030-24GE; SA-042-24GE; SA-052-24GE; SA-053-24GE; SA-054-24GE; SA-058-24GE; SA-059-24GE; SA-068-24HB; SA-069-24HB; SA-071-24FT; SA-072-24FT; SA-070-24GE; SA-074-24AS; SA-075-24AS; SA-080-24FT; SA-081-24YR; SA-085-24SP; SA-086-24SP; SA-087-24SP; SA-088-24SP; SA-089-24SP; SA-090-24SP; SA-091-24FT; SA-093-24FT

i. Standard Agreement Amendments: SA-115-19YR (Amend #4); SA-012-21YR (Amend #4)

ii. Interagency Agreements: SA-073-24IA

B. Rental Agreements: R-012-24; R-040-24; R-046-24; R-088-24; R-089-24; R-090-24; R-091-24; R-093-24

i. Rental Agreement Amendments: R-054-24 (Amend #1); R-064-24 (Amend #1); R-072-24 (Amend #1)

C. Concession Rental Agreements: 24500; 24508; 24509; 24510; 24511; 24513; 24514; 24515; 24516; 24517; 24518; 24519; 24521; 24522; 24523; 24524; 24525; 24527; 24528; 24529; 24530; 24531; 24532; 24533; 24534; 24535; 24536; 24537; 24538; 24539; 24540; 24541; 24542; 24543; 24544; 24545; 24546; 24547; 24548; 24549; 24550; 24551; 24554; 24555; 24556; 24557; 24560; 24561; 24562; 24563; 24564; 24565; 24566; 24567; 24568; 24569; 24570; 24571; 24572; 24573; 24574; 24575; 24576; 24578

D. Platinum Rental Agreements: 24701; 24732; 24703; 24704; 24705; 24709; 24711; 24716; 24718; 24724; 24725; 24726; 24731

E. Active Joint Powers Authority Agreements (New): 032-23-089; 032-24-560085

F. 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 May 2024 agenda is May 10, 2024.

i. None.

G. 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. 04/04/2024 F&E Letter D2024-03 Dymally-Allatore Bilingual Services Act Language Survey

- End of Consent Calendar –

Carolyn Beaver noted that she sent a correspondence on March 23 that should have been included on the agenda and requested that it be included in the following meeting.

CEO Richards clarified for correspondence to be included on the agenda the entire Board and the CEO need to be copied/included in the email

CEO Richards pulled Standard Agreements SA-080-24FT and SA-081-24YR for Orange County Sheriff, stating the agreements are not yet complete.

ACTION: Vice Chair Bagneris motioned and Director La Belle seconded to approve the Consent Calendar with Standard Agreements SA-080-24FT and SA-081-24YR removed. **MOTION CARRIED. AYES: Chair Kovacevich, Vice Chair Bagneris, Director La Belle, Director Rubalcava-Garcia, Director Bilezikjian and Director Jackson. NAYES: None. ABSTENTIONS: None.**

The meeting broke for a short recess at 11:23 a.m. and resumed at 11:31 a.m.

9. GOVERNANCE PROCESS (continued)

B. Annual Consideration and Vote on the Number of Discounted Fair Admission Tickets and Parking Passes to Allocate to Centennial Farm Foundation Board Members

Action Item

CEO Richards presented the staff report and recommendation to follow last year's ticket allocation.

ACTION: Vice Chair Bagneris motioned and Director La Belle seconded to approve to provide one F-Lot parking pass and one complimentary pass to each day of the annual OC Fair to each active Centennial Farm Foundation Board member, along with the ability to purchase up to ten (10) general admission fair passes at a cost of \$2 each, with the understanding that F-Lot will be impacted due to construction and vehicles may be diverted to E-Lot as necessary.

MOTION CARRIED. AYES: Chair Kovacevich, Vice Chair Bagneris, Director

La Belle, Director Rubalcava-Garcia, Director Bilezikjian and Director Jackson. NAYES: None. ABSTENTIONS: None.

C. Review of Draft Policy to Provide In-Kind Trade to Nonprofits for Event Rentals and Vote on Whether or Not to Approve
Action Item

No action taken. This item will be rescheduled to a future board meeting.

D. Staff Presentation of Layout and Operational Changes Planned for 2024 OC Fair
Information Item

Ken Karns, OC FEC Chief Operating Officer, presented the layout and operational changes planned for the 2024 OC Fair.

E. Staff Recap of Imaginology 2024 Event
Information Item

CEO Richard presented the recap of OC FEC's 2024 Imaginology Event. She announced the 2025 Imaginology dates as April 12-13, 2025.

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 agendaized for a future Board meeting.

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

Gibran Stout stated she would like to join in the new vision (of the EQC) and wants to join in expanding it. She stated she is happy to share and answer any questions. She shared she runs her volunteer non-profit program on fifty-thousand dollars a year. She shared she is happy to share any information. She asserted change is not hard, that being shut out is hard.

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

- Committee met on April 10 to plan for the April meeting
- Next meeting is May 8

Director Bilezikjian, on behalf of the Finance and Audit Committee, reported:

- Committee met last week and reviewed the March financial reports (reports presented)
- Next meeting is May 15

Carolyn Beaver discussed a letter she sent to the Finance Committee on April 16 asserting her opinion that the Lopez Works contract is a financially irresponsible contract and an outrageous cost to pass on to boarders. She asserted the Finance Committee should have the purview of evaluating contracts. She requested the Board to cancel the contract and put it back out for bid, alleging there must have been something wrong with the previous bid to only have one bidder.

Gibran Stout shared that in her analysis of the new rates, the labor costs are too high. She discussed CalHR job positions rates, questioning why there is an outside contractor for job positions that could be in-house.

Gibran Stout discussed transparency and the need for more of it from the Board. She asserted the need for public committee meetings.

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

- Cap X has on going 47 active projects and 3 complete projects
- Master Site Plan (MSP) Phase 1 Admin Building:
 - Update on status of the project
 - Protest period is over with no protests filed
 - Pre-construction meeting being scheduled
 - Ground breaking ceremony today after meeting
- MSP Phase 2 – Midway restroom update
 - RFP was developed and issued
 - Pre-meeting was held March 20, proposals were due April 11
- Pac Amp restroom update
 - Team continues to work on revised scope and budget
- EQC update
 - Emails received from EQC users requesting to be included in Facilities Committee meetings
 - CEO Richards and Director Bilezikjian met with EQC users two weeks ago
- Next meeting is May 1

Gibran Stout asked a series of question regarding broadening access to the community and budget. She shared her hopes for inclusion of onsite EQC users that are providing community outreach.

Director Rubalcava-Garcia, on behalf of the Community Affairs Committee, thanked the Board for their confidence in the committee to work with staff to identify individuals who will be receiving the proclamations. Director Jackson announced next month is Asian American Pacific Islander Heritage month.

10. CLOSED SESSION (Closed to the Public)

None.

11. UPCOMING EVENTS PREVIEW

CEO Richards gave an update on upcoming events at OC FEC.

12. BOARD OF DIRECTORS MATTERS OF INFORMATION

Board members made concluding comments:

- Great meeting – Chair is doing an outstanding job
- Thanks to CEO and staff for all the work
- Thanks to public for their passion
- Appreciation for the new people met through the Community Affairs Committee and their contributions
- Appreciation to Community Affairs committee for monthly proclamations
- Excitement and looking forward to the fair
- Appreciation for all the public comments received
- Comments on Board process: The Board Chair sets the agenda; Committees are advisory only; Full Board makes decisions at the monthly public board meetings
- Appreciation of Board discussion and learning about process
- Communication and availability
- Respect for fellow board members and the collective decision
- Counsel clarified the structure, role and authority of Board committees
- Committees getting work done and bring recommendations to the full Board
- Listening to public comment and appreciation from public insight

Chair Kovacevich summarized that the Board has made a decision for the new model for the EQC and has directed the details to be determined by staff, alongside the Facilities Committee and to move forward. He reiterated that he does not see a need to put this item back on the agenda any time soon.

13. NEXT BOARD MEETING: MAY 23, 2024

14. ADJOURNMENT

The meeting adjourned at 12:23 p.m.

Nick Kovacevich, Chair

Michele Richards, Chief Executive Officer