

**MINUTES OF OCFEC BOARD OF DIRECTORS MEETING
HELD NOVEMBER 21, 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/2024/11/13141139/24_11_November_Transcript.pdf

1. CALL TO ORDER:

Vice Chair Bagneris, called the meeting to order at 9:38 a.m. (Due to Chair Kovacevich being on zoom and on vacation, Vice Chair Bagneris chaired the meeting).

2. MISSION STATEMENT

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

4. DIRECTORS PRESENT:

Chair Kovacevich (via Zoom), Vice Chair Bagneris, Director Pham (via Zoom), Director La Belle (via Zoom), Director Rubalcava-Garcia (arrived at 9:44 a.m.), Director Ruiz, Director Bilezikjian and Director Jackson.

DIRECTORS ABSENT/EXCUSED: None.

OTHERS PRESENT:

Michele Richards, OCFEC CEO; Ken Karns, OCFEC Chief Operating Officer; Melissa Au-Yeung, Chief Administrative Officer; Michele Capps, OCFEC Chief Business Development Officer; Jason Jacobsen, Director Planning & Production; Summer Angus, OCFEC Executive Assistant; Evelyn Nunez, OCFEC Communications Associate; OCFEC Ag programs staff; Josh Caplan, Office of the Attorney General; Reginald Joseph, transcriptionist; Gibran Stout; Reggie Mundekis;

5. MATTERS OF PUBLIC COMMENT

Gibran Stout stated part of the OCFEC mission statement emphasizing equitable community access. She asserted the Board has a cush volunteer job and the job is oversight and to be stewards of public property. Stout alleged the following: the channeling of information and misinformation to the Board; being refused the ability to participate; the limiting of public access misdemeanor; Board has abdicated its responsibility to oversight of the property. She shared her frustration with people being allowed to pursue their own personal biases. She shared her love for the property and hat she has offered free access to her programs at the fair, at Imaginology and Centennial Farm over the past ten years. She alleged harassment, retaliation and being denied the opportunity to negotiate a contract.

10. CLOSED SESSION (Closed to the Public)

The Board adjourned to closed session at 9:43 a.m. and resume at 10:42 a.m.

Items to report out of closed session: None.

6. MINUTES:

A. Board meeting held October 24, 2024

Action Item

ACTION: Director Rubalcava-Garcia motioned and Director Bilezikjian seconded to approve the Minutes from Board meeting held October 24, 2024. **MOTION CARRIED. AYES:** Chair Kovacevich, Vice Chair Bagneris, Director Pham, Director La Belle, Director Rubalcava-Garcia, Director Ruiz, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

7. CONSENT CALENDAR

A. Standard Agreements: SA-229-24YR; SA-005-25SP; SA-006-25FTYR; SA-007-25FTYR;

- i. **Standard Agreement Amendments:** SA-143-24YR (Amend #1)
- ii. **Standard Agreement Amendments (Exercise Option):** SA-005-21MB (Amend. #5); SA-107-23PS (Amend. #2); SA-108-23PL (Amend. #2); SA-109-23-HA (Amend. #2); SA-110-23-PA (Amend. #2)

B. Rental Agreements: R-007-24; R-134-24; R-139-24; R-140-24; R-141-24; R-144-24; R-146-24; R-006-25; R-018-25; R-028-25; R-030-25; R-042-25;

- i. **Rental Agreement Amendments:** R-141-24 (Amend. #1)
- ii. **The Ranch Move Out Extension Agreements:** Rayne Girvetz; Michael Hilterbrand; Cheval Training Stables; Sabo Eventing, LLC; Gretchen Sheppard

C. Active Joint Powers Authority Agreements (New): None.

D. Correspondence:

Communications to the Board from members of the 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 December 2024 agenda is December 6, 2024.

- i. 10/24/2024 – Carolyn Beaver: My full comments related to the RFP for this morning's meeting

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. None.

- End of Consent Calendar -

Vice Chair Bagneris announced staff is removing Rental Agreement R-140-24 from the consent calendar.

ACTION: Director La Belle motioned and Chair Kovacevich seconded to approve the consent calendar with R-140-24 removed. **MOTION CARRIED. AYES:** Chair Kovacevich, Vice Chair Bagneris, Director Pham, Director La Belle, Director Rubalcava-Garcia, Director Ruiz, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

9. GOVERNANCE PROCESS

A. Presentation of the 2025 Budget and Vote on Whether or Not to Approve

Action item

CEO Richards discussed the 2025 Budget Study Session which occurred November 13, 2024.

CEO Richards discussed the budget development process and economic factors affecting the 2025 budget.

Melissa Au-Yeung, OCFEC Chief Administrative Officer presented the 2025 Budget, items highlighted:

- 2025 budget assumptions
- Significant changes in labor expenses
- Specific department changes in revenue and expense changes (various departments highlighted)
- Year-round event rental and fair merchant rate increases
- 2025 capital, major and equipment expenditures
- 2025 out-of-state travel
- Budget does not include increases in admission or parking based on ticket sales capacity of 50K
- 2025 fair profit and loss and budget roll-up

Directors Pham and Bilezikjian, on behalf of the Financial Monitoring and Audit Committee, agreed it is a reasonable budget and they commended staff for their hard work. Director Bilezikjian shared she is glad that there is not in increase in admission or parking.

Gibran Stout asserted the budget does not outline anything for recreation, stating one of District's purposes is building and maintaining recreation facilities. She criticized the income listed for Department 25 (The Ranch) alleging the removal of all the trainers asserting essentially this will remove all the borders and questioned where the revenue will come from. She criticized the money in the budget for Department 25 under vision, alleging no budget, plan or timeline.

Director Rubalcava-Garcia motioned to approve the budget and made the following comments:

- Great job with the budget – clear and easy to understand
- Recreation is defined as anything you do for fun – almost everything at the OC FEC is for fun or entertainment
- Happy to see The Ranch in the budget for 2025 and looking forward for its growth and expansion

ACTION: Director Rubalcava-Garcia motioned and Director Bilezikjian seconded to approved the 2025 budget as presented. **MOTION CARRIED. AYES:** Chair Kovacevich, Vice Chair Bagneris, Director Pham, Director La Belle, Director Rubalcava-Garcia, Director Ruiz, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

C. Review of Recommended Amendment to Policy 3.01 (Board Composition and Officers) and Vote on Whether or Not to Approve
Action Item

Director La Belle, on behalf of the Governance Committee, shared their recommendation to clarify the language.

CEO Richards stated the following statement be added to Policy 3.01: “The Board, at its discretion, may re-elect the Board Chair and/or Vice Chair to serve additional terms.”

Reggie Mundekis spoke in support of the amendment.

ACTION: Director Rubalcava-Garcia motioned and Director Bilezikjian seconded to approved amending Board Governance Policy 3.01 adding the statement “The Board, at its discretion, may re-elect the Board Chair and/or Vice Chair to serve additional terms.” **MOTION CARRIED. AYES:** Chair Kovacevich, Vice Chair Bagneris, Director Pham, Director La Belle, Director Rubalcava-Garcia, Director Ruiz, Director Bilezikjian and Director Jackson. **NAYES:** None. **ABSTENTIONS:** None.

Director Ruiz left the meeting at 11:15 a.m. and Director Pham left the meeting at 11:20 a.m.

8. CEO’S OPERATIONAL ANNOUNCEMENTS AND UPDATES

CEO Richards reported the following:

- November 9 OC FEC hosted the annual Veterans Day Event at Heroes Hall
- The new entrance mural to The Ranch is underway
- RFP for horse stall, cleaning and arena maintenance is ongoing – proposal award will be posted Monday
- OC FEC’s CAO Melissa Au-Yeung and CBDO Michele Capps have been meeting with Newport Mesa Unified School District on several topics including

- with representatives of the education extension program – for adding schools to The Ranch after-school program and future school tours
- The MOU with the North Orange County Veterans Center is being finalized
- The Board participated in a strategic planning session last Friday and will continue at the December Board meeting

9. **GOVERNANCE PROCESS** (continued)

B. Announcement of Board Chair's Committee Assignments

Information Item

Chair Kovacevich announced the Board committees will remain the same.

D. 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 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)

Vice Chair Bagneris on behalf of the Leadership Committee, reported:

- Committee met on November 6 to plan the November agenda
- Next meeting is 12/4/2024

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

- Presented the October financial numbers
- Committee hosted the 2025 Budget Study Session last week

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

- The committee met for their monthly meeting and reviewed:
 - CapX projects - staff is trying to finish projects by end of 2024
 - 2025 Cap X budget (which just passed with the approval of the budget)
- Master Site Plan:
 - Phase one – Administration Building progress continues – one week behind schedule
- Phase Two Midway Restrooms and Showers design moving to 60%

COO Karns presented a few photos of the administration building progress.

Director Rubalcava-Garcia, on behalf of the Community Affairs Committee, reported the committee will work with CEO Richards to plan out the next year.

11. UPCOMING EVENTS PREVIEW

Michele Capps, OCFEC Chief Business Development Officer, gave an update on upcoming events at OCFEC.

12. BOARD OF DIRECTORS MATTERS OF INFORMATION

Board members made concluding comments:

- Happy Birthday wishes to Vice Chair Bagneris and Director Rubalcava-Garcia
- Happy Thanksgiving wishes to everyone
- Compliments to the Financial Monitoring and Audit Committee, CEO Richards, CAO Au-Yeung and staff for efforts on the 2025 Budget
- OCFEC's organizational financial planning is top tier
- Being thankful to be able to spend time with family
- Gratitude for serving on the Board
- Thankful for life – encouragement to pay it forward
- OCFEC brings joy to peoples' lives
- Gratitude for the Chair's leadership

13. NEXT BOARD MEETING: DECEMBER 19, 2024

14. ADJOURNMENT

The meeting adjourned at 11:38 a.m.

Nick Kovacevich, Chair

Michele Richards, Chief Executive Officer