

OCFEC Board Meeting Dec 19, 2024

Nick Kovacevich Welcome to December 19, board meeting, all matters, notice on this agenda in any category may be considered for action as listed any item not so notice may not be considered items listed on this agenda may be considered in any order at the discretion of the chairperson. The mission of the OCFEC is creating equitable community, access to agriculture, entertainment, cultural and educational experiences. Now you can stand and if we have a volunteer, alright, Vice Chair.

Barbara Bagneris Hand over your heart.

Everyone I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

Barbara Bagneris Thank you.

Nick Kovacevich All right, we'll move to roll call, Summer.

Summer Angus Chair Kovacevich?

Nick Kovacevich Here.

Summer Angus Vice Chair Bagneris?

Barbara Bagneris Here.

Summer Angus Director Pham?

Newton Pham Here.

Summer Angus Director La Belle?

Doug La Belle Here.

Summer Angus Director Rubalcava-Garcia?

Natalie Rubalcava-Garcia Here.

Summer Angus Director Ruiz?

Robert Ruiz Here.

Summer Angus Director Bilezikjian?

Tanya Bilezikjian Here.

Dimetria Jackson	Here
Summer Angus	Thank You.
Nick Kovacevich	Thank you. Next, we'll move to the minutes we have board meeting, minutes from November 21 2024, to review, moved to approve the minutes?
Barbara Bagneris	Second.
Nick Kovacevich	A motion and second to approve. Summer.
Summer Angus	Chair Kovacevich?
Nick Kovacevich	Yes.
Summer Angus	Vice Chair Bagneris?
Barbara Bagneris	Yes.
Summer Angus	Director Pham?
Newton Pham	Yes.
Summer Angus	Director La Belle.
Doug La Belle	Yes.
Summer Angus	Director Rubalcava-Garcia?
Natalie Rubalcava-Garcia	Yes.
Summer Angus	Director Bilezikjian?
Tanya Bilezikjian	Yes.
Summer Angus	And Director Jackson?
Dimetria Jackson	Yes
Summer Angus	Thank You.
Nick Kovacevich	Okay, great. Now move to matters of public comment. Public comment is allowed on issues not on the current agenda. However, no debate on such public comments and our action will be taken on such public comment items at this time as law requires formal public notice prior to the action on an agenda item, speakers are requested to make a comment card meeting Secretary prior to start a meeting in three minutes.

Comments will be accepted on all other agenda items at the time. Each item's listed on the agenda. Speakers wishing to address the board on these items on the agenda requested to fill out and submit a comment card meeting Secretary prior to the start of the meeting, identify the agenda items on which you desire to address the board. Again, speakers will be limited to three minutes. I do not think we have any general public comments. Okay, so we will quickly move to the consent calendar. All matters listed under the consent calendar, operational matters about which the board has governing policies, implementation of which is delegated to the CEO, they will be enacted in one motion. There will be no discussion of these items prior to the time the Board of Directors votes on the motion, unless members of the board, staff or public request specific items to be discussed separately and or removed from this section. Any member of the public who wishes to discuss Consent Calendar items should notify the chair of the board at the time requested and be recognized by invitation sure to address the board. Do we have any items that need to be pulled?

Michele Richards We do staff needs to pull under standard agreement amendments for exercising option. It's actually not full. Sorry, just to highlight SA 006, 23 YR. That is an exercise of an option year with Lopez Works for the horse stall cleaning, feeding and arena maintenance. The that contract went out to RFP. There were two bidders for that contract. LWI was scored as the highest scoring proposal and the lowest of financial bid. However, a protest was filed by the other bidder, so that's being reviewed by DGS. In the meantime, we, of course, is to take care of so we're exercising that option here to make sure that we have continuity of service until the matter is decided by DGS.

Nick Kovacevich And the exercise is, is we can cancel on a month to month basis?

Michele Richards We can, yes yes.

Barbara Bagneris Director, I move the consent calendar.

Doug La Belle Second.

Nick Kovacevich Motion and a second, Summer.

Summer Angus Chair Kovacevich?

Nick Kovacevich Yes.

Summer Angus Vice Chair Bagneris?

Barbara Bagneris Yes.

Summer Angus	Director Pham?
Newton Pham	Yes.
Summer Angus	Director La Belle?
Doug La Belle	Yes.
Summer Angus	Director Rubalcava- Garcia?
Natalie Rubalcava-Garcia	Yes.
Summer Angus	Director Ruiz?
Robert Ruiz	Yes.
Summer Angus	Director Bilezikjian?
Tanya Bilezikjian	Yes.
Summer Angus	And Director Jackson.
Dimetria Jackson	Yes.
Summer Angus	Thank you.
Nick Kovacevich	Okay, great. Since we've been sitting so long, let's take a break to closes session. We'll give everybody a little exercise. We'll clear the room and be back as soon as possible.
Nick Kovacevich	Alright everyone, we're back considered legal advice on closed session agenda items and surprisingly have nothing to report. All right, moving forward, we will go to CEO operational announcements and updates, and I'll turn this over to CEO Richards.
Michele Richards	Member and current president of the Heroes Hall Veterans Foundation, Nick Berardino, on his induction into the Orange County Hall of Fame. That's Nick with his wife, Kathleen. That picture last week. CEO Ken Karnes and I attended the retirement party for Doug Bennett, from Orange Coast College. That's Doug in the middle. After 40 years at Orange Coast College. Doug is retiring and moving to Texas to be with his new grandchild. He is a wonderful neighbor at OCC, and a partner to the OC Fair and Event Center. He helped coordinate numerous joint projects with us, like shared parking between the college and the fairgrounds and CO marketing campaigns, and Doug sat on the very first advisories committee who helped envision Heroes Hall. So we wish him

a great happiness in his retirement. The city of Santa Ana honored another former board member, which some of you may remember Gerado, last week as a new park dedicated in his memory was opened CBDO Michelle Capps and Ken Karns join Director Robert Ruiz at the dedication ceremony.

Michele Richards We lost Gerardo after a long battle with cancer, and many will remember him as a devoted community advocate and a consensus builder on the OC fair and Event Center board of directors. And speaking of community, I have some fun updates for The Ranch. The very first ranch after school class of this school year graduated last week. The kids love their new home at the ranch. We will be welcoming two groups of kids from two schools in the Newport Mesa School District right after the first of the year for another session of The Ranch after school program signed an MOU with the North Orange County Veteran Center, who will be partnering with Walk Into It, one of our current voters at the ranch to offer licensed equine assisted therapy to veterans and their families. And as soon as that MOU is fully executed, we will be distributing a press release to make this very welcomed announcement. The entrance mural will be completed in another few weeks, if you haven't seen it yet, drive by gate eight, off of Arlington and take a peak, It's really beautiful. And we're already getting calls from borders who are interested in renting stalls on the east side of the ranch, which, as you know, will remain available for private horse owners. Okay for more announcements. Earlier this month, the executive team attended the annual International Association affairs and expositions, or IAFI convention in Phoenix, where we attended lots of educational sessions, partner meetings, industry updates. A highlight with seeing our own Ken Karns announced as I have these incoming Board Chair for the 2025 year.

Michele Richards Last week, I traveled to Sacramento for a collaborative meeting of Fairgrounds CEOs from throughout the state. I love those meetings because it's an opportunity to gather with my colleagues. We received updates from CDFA, legal, CalHR, the California Office of Emergency Services, and California Construction Authority. And I had a chance to catch up with California Secretary of Food and Agriculture, Karen Ross. That's Karen in the picture, who remains a big fan of the OC fair and Event Center. Okay, you remember this summer's \$5 taste of fair food, and what a hit it was? Just a bite, a smaller taste of their favorite fair food every day for just \$5. Well, I shared with you just how successful that promotion was right, but now we have some detailed data, adding all \$5 case sales activity from all concessionaires. 136,833 separate orders were reported for the 23-day run. That means more than 12% of our attendees said yes to that \$5 taste. So any guess which concessionaire reported the most sales as part of that promotion?

Doug La Belle Chicken trolleys.

Michele Richards No...

Doug La Belle No?

Michele Richards Something a little sweet.

Dimetria Jackson Cinnamon?

Michele Richards Yes. Them. JPS cinnamon rolls reported 6475 orders as part of the \$5 taste of fair. We're bringing it back again this year for sure. Yep. We hope that everyone will be happy with this news that we will once again be partnering with OCTA to bring people to the 2025 OC Fair. And this year, OCTA will be expanding to include more locations, which will bring people directly to the OC Fair at an incredibly low price. Last year, it was \$2 we'll see what they raise it this year, but still a rock and field. So stay tuned for more information as we begin to roll out those details after our meetings with OCTA and I'm going to turn it over to Ken for a little bit more of an update.

Ken Karns Thank you, Michelle, you announced operational updates this month. We'll start. I'll distract you with some fun photos of again, my talk about we are at 30 weeks of physical construction. I think the last time we reported that we had slipped about five seven days to schedule, not too bad this month, although not rainy, very windy, and we're trying to fly steel and decking. It has given us some challenges. So a few more days. So at 30 weeks, we're about two weeks tracking, and if we track to the end of the construction, that would put us about a month behind if everything continued. So not too too bad. However, we are working with LPA, Barnheart Reese and CCA as we come out of the holiday break to see what we can do to catch up a little bit. So not overly concerned today, but I will repeat that our outlier red flag is State Fire Marshall. If that gets to a tipping point, we will definitely be communicating to the Facilities Committee on what plans will be if we have to stay put in Lego village and other things. But will cross that bridge when we get to it, if larger issues come up. Right now, it's looking pretty, pretty nice taking shape the town square. You can really see it. And that photo from the inside out is really cool. It gives you a real sense of the past. So anyway, we're tracking and driving on all right, before we get to this slide, a couple of quick things.

Ken Karns David Grindle, the new CEO of the International Association of Affairs and Expeditions, his very first official visit and tour was right here to the OC fair and Event Center just yesterday which was Wednesday, December 18. David, of course, was tremendously, tremendously impressed with our property and, of course, Centennial farm and heroes

Hall. So we were his first visit. Happy to share that with the assistance of OVG, we have ordered and will be constructing in advance of the 2025 annual fair, two more water carts that we will strategically place. We are also reviewing the spout dispensing technology, and anticipate making improvements. And we will also upgrade the current four carts with the 12 spouts, and look to make an improvement there. Jerry has found some technology that should improve that dispensing.

Ken Karns

And lastly, this last update, I am just tremendously, personally, very proud of working closely with Claudia Johner, our Health and Safety Security Supervisor. We have completed the final draft of our multi workplace joint health and safety committee terms of Reference. The committee's first job will be to ratify this fifteen-page document as our guidebook for our joint health and safety committee. And I believe that our first meeting is happening today, so that starting in 2025, we will have a fully functioning joint Health and Safety Committee. Now I will share that a joint health and safety made by not health and safety police, but a mechanism of communication for the entire staff and property. Communication and recommendations on improving health and safety, procedures and training will flow properly all the way up and down the chain, from staff to supervisors, management and the executive team, the role of a joint health and safety committee is crucial as we strive to ensure everyone is cared for and goes home safe each and every day. And I want to lift up the importance of this, so I am going to read these slides. This is this is critical to us. "Our purpose. The purpose the joint health and safety committee is committed to promoting and maintaining a safe and healthy work environment for all employees, contractors, vendors, volunteers and visitors of the OCFEC. The joint health and safety committee shall provide a means by which workplace safety is improved as a result of workers and management communicating to one another what the hazards are in the workplace and working together to help eliminate these hazards. Committee members are obliged to work together to identify and help solve a health and safety concerns. Our scope. The scope of the joint health and safety committee is to monitor, assist and support the health and safety program of the OCFEC. This is best accomplished when the joint health and safety committee fulfills its essential role of identifying hazards and recommending solutions that enable all workplace parties to understand, accept and carry out their individual and collective responsibilities for workplace health and safety and the responsibility. All members of the Joint Health and Safety Committee are responsible to identify health and safety or unsafe situations in the workplace, recommend collective actions and ensure health and safety education programs are established and maintained in the workplace." This was a live effort of a lot of time that we're seeing finally come to fruition. This is amazing for our staff association.

Michele Richards Just briefly to talk about the makeup of the committee.

Ken Karns The term "multi workplace." Why? So we have more than one department or one business unit. We have many departments, and many business units operating all over this property. So health and safety that works for administration staff is a unique set of concerns versus someone working in the farm. So we have representation from every division that we have on this property, part of the makeup and the rules of the terms of references that you have to have more work e representation than you have management representation. It is for them to ensure health and safety for all. So that's the makeup. When this is, goes from the final draft to fully complete, happy to share it with anyone that wants it. But this went through the purpose of this Terms of Reference go through all the departments, 16 that are represented the roles and responsibilities, processing committee recommendations, dispute resolution, confidentiality, workplace locations, primary nature of work and so on. So it's a guide for the future of everyone that works here to continue ensuring that health and safety is our top priority

Nick Kovacevich Okay, great. Thank you. Any comments from the board before we take public comments?

Barbara Bagneris Congratulations, good job.

Nick Kovacevich Okay, well, we have one public comment on item, Gibran Stout.

Gibran Stout Good morning. Congratulations on your first class graduating. There were 12 kids. They spent two hours working with working with horses. That's a palm tree number, considering it was hundreds of 1000's of kids. Hundreds daily. New boarders. I know that the three boarders that are left, 3, 1 2 3. Haven't received any new contracts, and I don't see any on here, so I'm not sure what's that's all about. But anyway, yeah, no contracts. And your collaboration Walk Intuit it is not certified for any equine therapy at all. They have two horses, one of which is very lame, and the North Orange County Veterans have no horses. They have no equine program. So again, it's very confusing. I don't understand why we're reinventing the wheel. You are paying them \$150 an hour for something that OC Vaulting provide for you for over 10 years and that that math, it was well over \$300,000 worth of free programming that we gave. Tirelessly, year after year for many, many years. I don't understand, Walk Intuit has no riding, no lessons, no instruction. They're a mental health organization. They make over \$848,000 in 2023. Five, percent of that was equine therapy, which is not licensed certified. So don't take my word for it., ask to see it, because it doesn't exist. Everyone will be thrilled to se this \$50,000 mural that's going up. You might be interested to know that that \$50,000 is the annual operating budget for OC Vaulting and we reached hundreds of thousands of kids. And we have collaborated with you for many many many years and it is shameful, shameful the way you treated all of us. All we asked for was to be included. All we asked for you make good on your promise to meet and include us. Instead you evicted and physically and illegally removed every trainer. There's no

trainers left. It's like having a pool without a lifeguard, unrealistic. The Ranch program had a lot of possibility but having kids in a classroom which is really a stall, coloring after being in a classroom all day is not what The Ranch should be about. Should be about hands on should be about learning every single day. And Natalie, recreation it's not anything that's fun it's an activity.

Nick Kovacevich Thank you Gibran, thank you. That concludes our public comment on this matter, and we'll move to governance process. We have under item a presentation of the 2025 budget submittal letter. And again, I'll turn this over CEO Richards to go over this information.

Michele Richards So thank you. This the concept of a budget submittal letter was introduced to us several years ago by director La Belle, and it's something that cities and the county do all the time. And there's no better person to introduce our budget submit a letter to this board than our own Chief Admin Officer, Melissa, who is has lots of experience with it, so I'll turn it over to her to go over the letter.

Melissa Au-Young Okay, thank you. So I just have a very brief presentation related to this agenda item. So this agenda item represents the final piece of the budget development process, which began in September. Budget Submittal Letter itself can be found included as an attachment in the staff report, and provides a summary of the 2025 adopted budget, as well as highlights and items of note for this years budget. For 2025, we're projecting revenues totaling 65 million, and that represents a 9.2% increase over revenues from 2024 and this will support 59 point 8 million in expenditures. Labor expenses will remain relatively flat throughout 2025, all be it through a temporary one time rate for pre and the district's pension contributions, and these will reset in the 2026 budget development process. All in net proceeds for 2025 are anticipated to come in at 5.2 million. The 2025 budget also includes a 4.3 million capital expenditure projects program. It's a scene of 51 total projects broken out into 72 capital projects, 12 labor expenditures and 22 equipment purchases. And so as this is an informational item only. There's no board vote required, however, I can answer any questions before we move on.

Doug La Belle And this is available online, right?

Melissa Au-Young It is available online.

Doug La Belle Good job, very good.

Barbara Bagneris I particularly like the graphic that shows the revenue, to look at. Thank you. I love graphs.

Doug La Belle Pictures work best for me.

Michele Richards All right, thank you. That actually wraps up our 2025, budget season. So we have an approved budget, and the budget submittal letter now delivered so it's onward and upward...

Nick Kovacevich Time to focus on over delivery. Anything else on this?

Michele Richards No.

Nick Kovacevich Okay, great. So no public comment on this item either. We'll move to sub item B, which is the continuation of our five year strategic planning workshop for 2025, through 2029, and before we start out, I'll take the public comments on this one. So we do have two. First would be Reggie Mundeckis.

Reggie Mundeckis Hi, I'm Reggie Mundeckis. I just have two comments on our strategic planning process. One is, as we go through this look at ways to use technology to our advantage. One example of that is parking and storage and potential problems for us and the corner by the billboard, that's the corner no one wants to park in, and that ends up being used for storage. So when we have the money, build a high tech, automated parking garage that has a storage facility in it, that way, it's a cheaper one. If you do it automated, you can just give the credit card enter an exit. The amount of labor needed is minimized. And we can also decorate the outside with LED screens and other screening so it can be used as billboard space. We can also make it look like a barn or a fruit crate, because for agriculture, that way, it's easy to tell people when you turn at big barn or you turn at the big orange crate. And that's the advance. And the other thing is, as we go through this, this has come up with other boards. It's something comes up cyclically, the idea of, Oh, why don't we, like, break off a corner and put in a gas station, a fast food restaurant, a card room, a hotel at this point, but as we finish up going through several years of dealing with issues swap meet and the equestrian center that came out of having outside operators have control of part of our property, and the board can't take over that until that contracts ended. I really strongly caution you against that move, because we'll be back to those problems we had before. If you go into South County and Mission Viejo, South Orange County Community College District actually owns quite a bit of property, but Right now, we they can't use much of it because it's on long term leases to car dealers. Yes, they do make a lot of money off those leases, but as the campus community has grown and they need bigger and better facilities, they're landlocked, and there's no way to really get those car dealers off their property unless you wait them out and it's a long time you pay a lot of money, which isn't going to happen. So just think about those as we move forward. Thank you.

Nick Kovacevich Thank you. Next we have Carolyn Beaver.

Carolyn Beaver Good morning. So I'm Carolyn Beaver, and as I think most of you know, I was a boarder here for over 11 years, and certainly enjoyed my time boarding my horses here, but recently did move my horses to Huntington Central Park equestrian center. There are over 400 horses at that location, and have a waiting list. The reason I moved is because, unfortunately, my trainer was no longer welcome to stay here, and you're all aware of that contractual situation. But as a boarder, trainers are extremely important

to boarders and I am in keeping this in the strategic planning discussion, because as you think about what you want to do with the facility, I think it's very important that you work to attract trainers and seek to have more trainers. Trainers will help those stalls. They will help attract borders. They help improve the safety of the facility, and safety is one of your key values. They improve safety by training the horses, by training the riders, by teaching people horsemanship. And you know, when you think of all the kids you've got in The Ranch program, you would make sure that you got good instruction for those kids, so that they're taught how to handle horses safely. Some of the pictures that I've seen kids were not necessarily in safe positions, handling the horses, and they need to make sure that they're keeping their face out of the way the horse, the horse to stand, fly away, or something you don't want your kid with their face. So that's very important. You talked about the public programs, you envisioned having children and adults be able to come and ride and I know for many of you, that's something that you spoke about. And so in the strategic planning process, it's really important. If you think about how is that going to happen? Your insurance doesn't allow you to provide those services directly. You need trainers to provide those services because the trainers have a liability insurance and so you're, I believe, under your state insurance program were not allowed to do that directly. You need trainers, good trainers, to provide those we talked about riding programs, as we've heard for years on many, many, many meetings about the value of riding and all the benefits that the public has had, and now all of that's gone. And so please think about how. We're going to replace those programs and provide those benefits to community. I have grandchildren, and I would like my grandchildren to be able to ride here, but now they can't. And I will say that the little one did manage to get on a horse before we moved. So was happy to see that, but I think it's just very important that you have knowledgeable experts to guide you in services. Thank you.

Nick Kovacevich

Thank you. We have Gibran Stout for final public comment on this matter.

Gibran Stout

Just one quick thing to add. Reggie's, correct storage has been an issue for a long, long time. If any of you walked around the property, you know, there's a ton of crap everywhere. I think before you really assess what you need for storage, you go through and you get rid of things you don't need. You don't lose that. You're constantly moving around. Basically clean up and purge a spring clean, if you will. Additionally, currently, there are millions of square feet of empty office spaces and

buildings. I think you might want to consider looking at purchasing something you have the budget for sure, you could increase your portfolio, your assets, and your net worth. At the same time, you would increase space outside. That's it.

Nick Kovacevich Thank you. Okay, that concludes public comment on this matter. So let's jump back into the workshop. I'll turn this back over to CEO Richards to get us Yeah, was that the you the right? Michelle.

Michele Richards Okay, so let me do a quick review of where we started and where we're going to head today. So today, when we held our first strategic planning session, we did an introductory exercise. We reviewed the mission statement, the vision statement and our list of values, we developed four organizational pillars, which you see in the poster behind us, very well taped poster behind us. We decided not to take a break, and we went straight to a SWOT analysis. And then, because we were losing a few board members, we decided to write at that point and continue. So the items that you see in red is what we're going to cover today. We're going to do a gap analysis to determine where we are now and where we want to be relative to the pillars, and then you're going to spend some time working together to develop strategic direction with regard to each of those pillars, and then staff will will go off and add the detailed goals and measurements for that okay? And as a quick reminder, the last strategic plan, which was a three year plan. We intentionally did that. The board's direction was because we were just coming out of COVID, and so much was still very uncertain. We we took a shorter view. So this, this is a five year plan that we're working on. We had some fun with 2035 Pine Council. 10 years from now, you all answered these questions. If I could only one kind of Fair Food next summer, it would be whatever. In 10 years, I pictured the OC fair and Event Center as... and my advice to the staff of 2035 is, blank. Now Director Bilezikjian couldn't join us for that strategic planning session, but she and I met afterwards. Do you want to share your answers? At least they were. How about your Yeah, your favorite food? If you can only eat one.

Tanya Bilezikjian Corndogs.

Michele Richards Corndogs, exactly. So we also spent a little time on the mission statement, and the board landed on making a slight change to the but an important change to the mission statement, that instead of creating equitable community Access, it would be to continue to enhance equitable community access to agriculture, entertainment, cultural and educational experiences. We looked at the vision statement and determined it's still good. It's still very good, and there were no changes that were recommended for that. We looked over our list of

organizational values. Safety, people, integrity, stewardship, compliance, diversity and inclusion, excellence, community and neighborliness. And in our follow up meeting, Director Bill Ezekiel recommended we have fun. So that might be something that we we consider in the final plan to add to that that value.

Michele Richards So as we kind of build our strategic plan for the 32nd DAA OC Fair and Event Center, we started with the foundation, the mission, vision and values. Next for the organizational pillars. What provides strength and support for our organization? What defines us? Why do we exist? And what makes us successful? And then finally, here's where our work is going to happen. Today is the strategic direction. Where are we now, and where do we want to be? Okay with regard to those organizational pillars, you might remember that we broke down into pairs, and you all brainstormed, what, what are we all about? Why do we exist? What is our purpose? And we all you also looked at input that staff did on those organizational pillars. This, these were some of the the ideas that we came up with. But in the end, this is what the board decided. We are built on, innovation, stewardship, operational excellence, in the visitor experience, those are the important pillars of our organization. And so now we turn to strategic direction. So we had the opportunity to finish the first session with a strategic or, sorry, a SWOT analysis where we identified strengths, weaknesses, opportunities and threats. What you see not highlighted is what the staff brought forward from an exercise we did a couple of months ago. The board added what is in highlighted in yellow. So under strengths, we added our year round weather, the local economy and that our property is in high demand. Weaknesses, talked about the size of the Pacific amphitheater and promotion of shows by artists, although there was kind of a footnote that we don't necessarily have control over these right now, unless we decide to expand the Pacific amphitheater opportunities, some other Outside opportunities that were noted was the United States 250th anniversary coming up in 2026 and how we might seize that opportunity for programming, or, you know, other community events, and then certainly the Olympics and the World Cup coming this other relationship. Under threats, we added government tariffs that that might, you know, have an impact on business. We certainly saw the stock market react yesterday, right? The Care Act, if that doesn't pass, that could have a profound effect on the ability for our carnivals to get and other workers at the fair to get enough employees to staff, although I know that that is proceeding in a positive direction, and then the decline of alcohol consumption may be an outside red as well, but could present some opportunities. So let's start off part two with another time capsule. So individually complete these sentences, if I could only see one performance at the Pacific amphitheater over and over again, it would be what, in five years, I hope to be fill in the blank. And my advice to the community in 2029 is what take a second to write

your answers down, and then we'll keep it future focus.

Doug La Belle

Can you repeat two and three again?

Michele Richards

Yes, in five years, I hope to be fill in the blank and then my Advice to the committee in 2029 is what? Anybody want to go first? Barbara?

Barbara Bagneris

Set the packet over and over and over and um, and five years I hope to be retired from my job. And my advice to the community of 29' is, don't miss the OC fair, the annual OC Fair

Michele Richards

Robert. And how about you?

Robert Ruiz

Yeah, I grew up in the 80s, and the big 80s fan so echoing the Bucha and two again in five years, hope to retire. Yes, and then the other one, my bicycle community is just to stay involved and be a part of the growth.

Michele Richards

Nick, how about you?

Nick Kovacevich

Um, so number one would be a band that gets to perform many times every year, revolution. Band number two, I would hope, in five years, to be riding the Titan with my son, Cannon and my advice to the community in 2029 is, I just thought of it and I forgot it would be, Yeah, circle back to me.

Doug La Belle

How about you? ZZ Top's. Oh, nice. You hear them over and over again. And, matter of fact, you hear them in a lot of you know shows you know you ZZ Top, music in the background. Anyway, in five years, be a part of my community. And in terms of the five year round, let's continue to support the OC fair and Event Center and other programs that benefit our youth and those in the community.

Nick Kovacevich

Yes, along the lines of that, I was going to say, to make sure that you find at least one non fair reason to come to the ground.

Michele Richards

Tanya?

Tanya Bilezikjian

Sure, I have two. Sorry, but grand saw them here a while ago, and they were amazing, but also the dirty heads, they were so much fun. They were so good. In five years, I want to be sitting right here, but with five years of experience.

Michele Richards

Dimetria?

Dimetria Jackson

Okay, first one. I have two as well. I know it's not coming because most of you, but I would love to see Bruno mark, but there was giving concert. The other one would be an old school concert, like the Gap Band. Other people come together. I think I really like and in my five,

five years, I hope to be on the board, sitting here with you guys working together. And my advice to the beauty in 2029 is to Tina, have fun and more concerts, and we have more media options.

Nick Kovacevich One thing I just say to to you and Tanya, I mean, five years, we're still sitting here. I mean, I mean, Ken said were like, two weeks behind schedule. It's not gonna take that long be back in our administration building.

Dimetria Jackson I mean with you guys on the board.

Michele Richards Okay, so now we're focused on the future. Let's do a gap analysis. So I'm not sure how many of you have ever done a gap analysis, maybe in your you know, your other lives, your work lives, but it's a pretty simple exercise that forces you to look at what is the current state of the business relative to each of the pillars that we mentioned, and then look forward five years from now, where do we want to be with regard to each of those pillars? So there's definitely a gap in between where we are and where we want to be, and it's in that gap that we're going to work today. What do we need to get us to where we want to be, and that's what the strategic direction that that the board will offer. So just to give a little background, I've been saying where we are now and where we want to be. What is causing the gap between the current state and the desired state, and how do we build a bridge between the two? Let the gap help formulate the strategic direction. Keep strategic direction high level and focused on the foundation and the organizational pillar. So there's a real there's a sort of a tendency with this exercise to go deep into the needs, right? We want to try to keep it high level, and then the staff can come back with measurable goals that will will help achieve the the board's direction. We'll develop those smart goals that will close the gap with specific actions, timelines, anticipated challenges and resources needed, and we'll bring all of that back to the board for analysis and review. So if we're ready, we're going to start working on that purple layer, that strategic direction. So that's going to become the basis for action plans that that will develop and bring back to the board it should address each of those pillars, innovation, stewardship, operational excellence and visitor experience over the next five years. Let me give you some examples that we brainstormed. So after the first strategic planning session, we took the board's work back to our senior team, and said, you know, help get us started here.

Michele Richards So these are some statements and ideas that staff developed, and they might be helpful to the board. Under innovation, prioritize and invest in technology infrastructure to support the growth of the organization. See how it's it's more broad and overarching. Understand community and

guest preferences in order to offer new and innovative programming. Those might be ideas under innovation, under stewardship, promote responsible stewardship of the state's assets for future generations, including agriculture, property, financials. You know, there's a whole list of things continue to increase transparency to the public through easy access to information that might be an idea under stewardship, under operational excellence, support operational excellence by developing a well trained staff achieve operational excellence through a commitment to internal process improvement, and then under visitor experience, create additional self produced events in order to achieve greater control over the visitor experience. Streamline customer facing processes from contracting to online ticketing, making it easier to do business at least VC. So hopefully this will give you an idea of some of the, you know, the broad themes that that are out there. So what I'd like to do right now, and I think summer now, both Natalie and Newton had to the final pride Okay, so I'm going to, let's work in pairs. How about Nick and Doug, Barbara and Tanya and Dimetria and Robert. You're going to rotate to the different posters, but this one over here, so it's easier and see if you can come up with where, what sense do you have or where we are now with regard to innovation and where we want to be, because that's going to really help develop some some statements, directional statements for the staff to develop an action plan. Okay, keep it keep it high level. Keep it directional for us. So if you were to give the staff direction on Innovation, on stewardship, operational excellence and visitor experience.

Michele Richards Okay, we've got a lot of great ideas here. So you guys are added to each of the charts so we can, and I saw comments about keep the staff recommendation. So, I'm going to assume that you liked what the staff came up with. So the look for themes to build on that. In terms of innovation, to have a complete year round calendar of events that are innovative and desirable, so much that other fairgrounds emulate, Oh, I love that. Yeah, more education, community staff board to create public private partnerships that combined with at revenue growth, additional revenue growth will allow us to complete all of our desired plans. Long term partnerships, implement all available new technology to maximize efficiency, and that was the baseline technology. AI to our benefit. Yeah, you're kind of liking that, aren't you? Yeah, sustainability and social responsibility exhibits features and education. Um, assess cannabis education opportunities accelerate the ranch, build out so that's under innovation, under stewardship. Um facility, conduct a midpoint check in on the Master Site Plan, evaluate facility layouts specific to parking and storage needs, keep staff recommendations, resource for Orange County history. So I'm assuming, become a resource for our city history. AI DEI sustainability, social responsibility, look for more public programming opportunities, so you can see some themes, many channels to allow

quick, efficient access to at lowest cost, this is on the visitor experience.

Michele Richards New Improved state of the art facility, cost value will best in the area. Enhance local vendor options, better, faster, cheaper staff recommendations, enhance disabled access, more classes at Centennial farm. Invest in marketing and growth of the ranch. More vegan, gluten free food options. Best use of AI to our benefit, more and better use of technology streamlined processes, contracting, parking, concert ticketing, vendors, exhibitors, more efficient to do business with using available technology or becoming more efficient, more training of staff, more development of staff. We added the safety piece that you know it's going to be really keep staff recommendations outreach, to bring in more trainers and equine therapy programs. So very good. So at this point, it's a lot of common themes and ideas. Are you comfortable as a board with us taking this back and sort of adding it to some of the statements that that staff came up with and expanded? And then we'll, I'll bring it back in January, and we'll, we'll revisit it. Sounds good. All right, good. So here are the next steps then that will formalize the board's planning work from today, the board will review the draft strategic plan at the December Board meeting. Nope, that was when we were going to finish last month, so we'll bring it back in January. And just a reminder, our meeting in January is not until the end, very end of the month, so that'll give us time. Staff will distribute the draft plan to various stakeholder groups for feedback. We did that with the last strategic plan to we put it out to the community, to our event promoters, concessionaires, neighbors, etc, business partners, stakeholder recommendations will be incorporated into the plan. We'll develop formal, SMART goals to achieve the board's strategic direction and incorporate them into the plan, and then the final plan will be brought back to the board either in January or February for review and approval. Okay, sound good?

Doug La Belle Michelle, did I just have one comment. Nick and I think put it on the chart there. Back to Reggie's comment. The current master plan is only about 1/3 funded. In other words, we got to the bottom line, and we're We're just a couple million short of being able to complete everything we want. And well, we don't want to do anything, from my perspective, that ties our property up, as Reggie spoke to that inhibits us from doing what we want to do. As a board, I think it's important that we explore every public, private partnership we can that could bring enhanced revenue and resources into the OC fair and vet center that helps us get to the end of the day in terms of our master plan. So I think it's up there. And I just wanted to kind of re emphasize that.

Barbara Bagneris And that kind of goes on with we put out a word ,stewardship is the midpoint check in. We really kind of look at it in the midstream, what we want to change and do, but maybe there's a midpoint check in with...

Michele Richards Funding under that Yeah. Good point.

Tanya Bilezikjian Yeah, we were thinking funding for sure and how that might change over time. But also, like, do we want to fully order anything that's come up on this change? The priority? Do we need to look at funding? Like, do we maybe have more funding available in yeah...

Michele Richards Okay, well, we, with staff, has a lot of work to do between now and January or February, but we'll consolidate all the ideas and they're back for you all to evaluate and tweak and make changes, and then we'll get it out to the community to evaluate.

Nick Kovacevich Great. Thank you.

Barbara Bagneris I just think we should never pay an outside firm to do this for us.

Doug La Belle I agree with Barbara. He was ultimately, it's us as a group that you know, besides where we ultimately get so and Michelle, you've done a very good job keeping us on track.

Nick Kovacevich Okay, moving on to the committee reports, and let's see the today. I think we only have two committee reports. So first is the leadership committee report, which I can go ahead and read because it's very appreciative. The Committee met on the fifth of December to plan the agenda for the December board of directors meeting that we're here today, and of course, we will meet again in early January on the eighth to plan. For the late January meeting that we have nothing else from the leadership committee. So moving on, we have the financial monitoring audit committee. If Director Bilezikjian, can you like to give us the report there?

Tanya Bilezikjian Yeah. So we didn't actually me. We just coordinated via email this month and reviewed what was sent to us. So just very briefly, I'll just read the first sentence. But revenue in 24 came in just shine a million dollars and favorable the budget factors in there and then here today, revenue is favorable, budget by \$6.8 million which is fantastic. Just in November, 2.4 million, and favorable budget by 77,000 which means it's basically right on track year to date, census, 53.4 million, and favorable budget three, and then year to date, through November, net proceeds favorable by five and a half million dollar cash, cash investments, 54, and a half million dollars. And we are currently coordinating our meeting schedule to give the groups more time to close out in months. So we'll have a report on schedule come down.

Nick Kovacevich Great. Anything else from the board on this report? Okay, we have a public comment on this report. We have Macki Hamlin.

- Macki Hamblin** I'm Macki Hamlin. I'm one of the trainers illegal moved off the property. I would all encourage all of you to read the current op-ed that has been released on the voice of OC. Some of the highlights on there would be quote, financial records obtained through public records request revealed that in just 16 months, the DAA wasted over half a million dollars through overpayments and unnecessary expenses and paying for work that wasn't done. Indeed, the California State Auditor's Office is investigating multiple complaints regarding misspent funds and improper contract. Secondly, the vendor that was awarded the new contract, which is LWI or Lopez Works for the last RFP, you guys put out that even though individuals have provided letters of recommendation for LWI, participated in the review process. So this violates state contracting principles to require avoidance of real, apparent or potential conflicts of interest. So I would just encourage you to read the article and probably take a little insight and look into yourselves and ask your questions why this is happening and why you are in so many lawsuits.
- Nick Kovacevich** Thank you. Moving on, we have concluded the committee reports, and so we will jump into the upcoming events.
- Michele Richards** I'm going to go to Michele Capps for that.
- Michele Capps** Alright, so wrapping up December, moving on into January. We have winter fest that will continue through January 5, couple more weeks and get on out there. The brick convention, a LEGO fan event, is coming up on January 11 and 12th, and it's both a building and activities for the family, for the young and the young at heart, all kinds of different displays will be there. And then we have the guitar show coming up on the 25th and that's kind of a swap meet. You can buy, sell, swap or get any useful instrument appraised. So come on out. What was not posted up there, I wanted to point out there's one more event, and it is the cruise into freedom car cruise, Car Show and dinner. It is promoted by In-N-Out Burger and slave to nothing. It's a fundraiser for organizations that fight human trafficking, and that will be on January 18. It's a car cruise that starts in Huntington Beach. It will end up here. And that goes from four to 10 here on the property. And then we have the centennial farm workshops. We have so many workshops lined up, finishing up December. This Saturday, we have truffle making, so all those chocolates. And then next month, we get a little bit healthier with Greek yogurt, and then a fruit tree grafting class called branching out. And another discovery Day coming up, January, 10, and. And we just had our last discovery Day this past week, and there were over 800 kids in attendance. So and then, of course, the farmers market every Thursday. That reason we put on our chart about having one of these classes, because they sell out so fast, yeah, so maybe we should have more of them. So another round, just exactly, so they have multiple sessions on these and then another round just showed up yesterday in my inbox that we'll be seeing for February.

Nick Kovacevich All right, thanks...

Doug La Belle That's when the depression starts.

Nick Kovacevich Now we have, we have the Board of Directors matters of information. So director LaBelle, you would like, you'd like to take this off here. Go ahead.

Doug La Belle First of all, I want to wish everybody a very happy holiday season for all of the holidays that everyone celebrates. I want to thank staff for continued high level of support to the board, and we appreciate all of the programs that you put together and administer and take forward. On a personal note, last month, matter of fact, it was the board meeting on the 21st that I attended by zoom was my 61st wedding anniversary., not be trained. So it's as much as I can be drained, I guess, anyway, and my thanks to all of my fellow board members for all of their support and efforts on behalf of OC Fair and Event Center.

Barbara Bagneris 61, Almost as many years as I am old.

Doug La Belle We got married young, very young.

Nick Kovacevich Director Bilezikjian?

Tanya Bilezikjian I'll echo that. Hope everybody has a wonderful next couple of weeks. Good to take some time off and just decompress a little bit, because I know we're all running real fast at all times. I'm so thrilled to be part of this board and part of the organization. It was an honor to be appointed, and it's been a great learning experience and a wonderful team to work with. You run a tight ship. You guys do such good work. Congratulations on your appointment. I appreciate the leadership that this fair. I mean, we just we can hold our heads so high based on the reputation of accomplished over the years. So happy birthday.

Nick Kovacevich Robert?

Robert Ruiz Yeah, just wanted to thank Michelle and staff for another great year, another great year, and looking forward to the next year that's coming up, and just wishing everyone happy holidays, happy Christmas, Hanukah, Kwanza or whatever it is you celebrate and see you all next year.

Nick Kovacevich Thank you, Director Jackson.

Dimetria Jackson I echo Director Bilezikjian said. It is an honor to work with fellow board members, also with the staff, whether it's the CEO management team and everyone at the table and beyond. And when I come across and count it along the way, it's just phenomenal. So I appreciate that.

Appreciate you all in a year, a little over a year now, and right, I love to continue in five years. So sitting here and see around the table with you guys, wherever we I find themselves. I wish you all a very happy holiday, Happy Belated Birthday, Happy anniversary. Congratulations, baby grandchild, and she want to go visit soon, which is exciting, and on your appointments amazing. She's putting us up wonderful lights that everyone sees us Orange County, and we're held to a very high standard. And I think people see that kind of respect that, and I think we're doing a lot here. I saw the fair from a different perspective being on the board, and it was a lot of fun, and I things I didn't see, I know about before, all good that I was able to take advantage of this time. And just even the exhibits, I think those were really fascinating and great, and I'd like to know more about those, and maybe I'll have my children enter something next year. So just wanted to say, you know, thank you, and I wish you all a really happy, healthy and safe holiday seasons. Thank you.

Barbara Bagneris

Same thing they've already said, ditto to all of that, and that fudge is incredible. So thank you for all of the treats. And Doug, I really appreciate you. You were here when I came to the board, and I've been here a long time. So I appreciate your wisdom, your knowledge, your input that you provide to the board, and also our chair, who has been incredible himself and appreciate his leadership and support he's going to do in the future for us this next year, and I'm looking forward to next year. I'm saying Happy New Year. Now. I'm looking forward to what we're going to do as a board in 2025 the ranch expansion and all of that. I'm excited about all of that. So thank the staff for all you do, because you guys bring us great programming, and we appreciate what what you guys do.

Nick Kovacevich

Thank you, by the way. And I was, you know, I was going to go ahead and turn it the other way and say, I appreciate your leadership, and as well as you, Director La Belle and I feel like I was with Michelle and Summer and Ken and the whole staff yesterday at the holiday breakfast. And it was great to see the creativity on some gingerbread houses. And really enjoyed. I brought my son, and it was, it was a good morning before school, so good that he didn't want to go to school that day, he wanted to go home play with so, you know, one of the things that we talked about, it's funny, we were talking just about the San Diego fair, and remembering that when I joined the board was COVID, and the first thing I was tasked with was being on the committee to evaluate the proposal that they were asking for from us. And I was just thinking about how little I knew about anything. And, you know, here I am as the chairman, you know, we're, we're post COVID, right? We are thriving. But I couldn't have got up to speed without the guidance from you, and also Director Ruiz, and Director Rubalcava-Garcia. So it's really great. It goes fast, and it's my advice for you guys. You guys are gonna you have to speed much quicker than you think. And one of the nice things

about being in the chairman position is be able to spend more time, you know, with folks and being involved in more things.

Nick Kovacevich And I'm looking forward to going to the Reno convention coming up in January, to kind of continue to to experience new parts of the organization that I have in the past. So very excited about next year as well. It's been great year. Always a great time at the fair, we know that, but here at the organization, new administration building getting complete, if we don't keep falling behind, then it's going to be great. So I'm very, very excited. And again, congrats to Ken on the appointment. And really, thank you to the staff for everything you guys do and how you help us, but more importantly, how you manage our grounds and the stewardship that you guys approach everything with. It's it's very commendable. And look at all that we've done, even this last year. I mean, the ranch is a great I mean, we this was a vision. We were talking about a year ago, December Board meeting we're actually seeing now, you know, a graduating class from this school and so much more to come. Right? All the things we talk about, and people get impatient, and they say, you know, where are the riding lessons and where they... we know they're going to get there, because that's what we do here. We execute on the vision that we set forth. Yeah, it takes a little more time than anyone like, I like everything tomorrow, but that's not reality, and I think it happens efficiently, and, more importantly, it happens effectively, and that's been very consistent what I've seen on my tenure here at the board, and I don't expect that to change. I expect it only to improve next year and for years to come. So happy holidays to everybody...

Barbara Bagneris I wanted you to be the last comment, but there's two people that I wanted to recognize that I always forget before I leave the meeting, that's Josh. Josh is always there helping us. He answers our questions. I'm glad you're in the room today. Appreciate what you do. And the other person is RJ, yeah, that man sits over there. He touches it all and he gets the pronunciation of the names of the spelling correct. So I appreciate you, RJ, because you feel like I feel like you're part of the team when you sit around the table. So I just wanted to say that, because I always forget to say it.

Nick Kovacevich I'm glad you did. I was going to actually comment on Josh and I forgot. So I'm glad you brought it up, because, you know, we do do things by the point here, and a lot of it is the guidance. You that we have on an ongoing basis, ends all the meetings. It's just great to have that resource. So thank you. Anything else from anybody?

Michele Richards Yes, No one leaves until all that is....

Nick Kovacevich Next board meeting is January 30 again, because we're going to Reno that is going to be a later meeting in the month, but look forward to seeing everybody in person as soon as possible. Meeting adjourned.