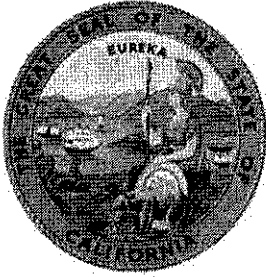


14th District Agricultural Association

SANTA CRUZ COUNTY FAIR

Established 1885



BOARD MEETING MINUTES

Board of Directors' Meeting
2601 East Lake Avenue, Watsonville, CA
Tuesday, November 27, 2012
The Board Room

Approved by: _____

Date: _____

CALL TO ORDER: 1:30 PM

DIRECTORS PRESENT: Jody Belgard, President; Bruce Oneto, Director; Loretta Estrada, Director; Stuart Yamamoto, Director; Don Dietrich, Director; Stephanie Fontana, Director; Diana Moreno-Inman, Director.

DIRECTORS ABSENT: none

DIRECTORS EXCUSED: none

GENERAL MANAGER (GM): Dave Kegebein

DIRECTOR COMMENTS: Director Dietrich expressed enthusiasm after the success of the 2012 Fair and is hopeful for more success moving forward. Director Fontana thanked the staff and volunteers for their hard work and the success of the year. GM introduced new director Diana Moreno-Inman; a Bay Federal Credit Union employee who lives nearby and is encouraged and eager to help achieve more of the recent successes. Director Estrada noted that she has been busy with various meetings and activities at the grounds. Director Yamamoto welcomed Director Moreno-Inman. Director Oneto said that he spoke with Les Gardner who said that due to personal matters, he will need to resign.

PUBLIC COMMENTS: Eric Zamost asked what meetings Director Estrada was referencing in her comments. She responded that she had a Rodgers House meeting on Monday. Lynn Schmidt with Monterey Bay Dog Training spoke in support of the Fair and grounds, and said that the Club was available to help as the facility is critical to their ongoing success.

MINUTES OF October 23, 2012 BOARD MEETING: Director Dietrich moved, Director Yamamoto seconded approval of the minutes. Motion carried.

CONSENT AGENDA:

Director Dietrich moved, Director Estrada seconded approval of the consent agenda. Motion carried.

FINANCIALS: GM Kegebein went over financial reports and noted that the Fair bills were paid and there is a cash balance of about \$277,000. About \$150,000 of unrestricted cash is anticipated to be available at years end. A \$150,000 line of credit is still available if needed.

Director Estrada moved, Director Yamamoto seconded approval of the September and October 2012 financials. Motion carried.

DIRECTOR SWEARING IN – Al Smith conducted the swearing in of new director Diana Moreno-Inman.

MANAGEMENT TEAM REPORT: GM Kegebein reported that the Pajaro Valley Chamber of Commerce and Agriculture has selected the Santa Cruz County Fair as the Event of the Year at their Annual Awards Dinner Gala January 26, 2013. GM attended the Western Fairs Association Manager's Conference in October. Having learned of other operations across the state, he realized what a great organization we have here and how great the Heritage Foundation has been in supporting the facility. At the conference, the lead message was that there will be NO state financing at all in the future. In 2013 there will be legislation to update very antiquated rules and regulations controlling fairs. The state facilities need relief in the vehicle insurance pool program which creates a huge liability to all the facilities. Karen Ross with the Department of Food & Agriculture has indicated that the \$8 million they have in reserve now will be kept to cover the liability of closing the facilities that are floundering. "We are an industry in transition."

The GM referred to the significant need for infrastructure maintenance totaling about \$1.8 million. There will be a board meeting later this winter to address in more detail. The Fair office will be closed for 2 weeks starting December 20, 2012 for the Holiday break.

INFORMATIONAL ITEMS:

X1. Farmers Market Study: The Negative Declaration (Neg-Dec) has been issued. There is a 30 day comment period which ends December 18, 2012. In public comment, Max Kelly commended the staff and volunteers for their work on the Neg-Dec. He was hopeful that the contract with the Farmers Market will be consistent with the Neg-Dec and Initial Study.

X2. Strategic Planning update: the Strategic plan Committee is working on the Strategic plan and will report back to the board for discussion on their progress.

X3. Updated Fair Reporting Requirements: A budget will be developed in January; however, it no longer needs to be reviewed by the state.

X4. Review CDFA Contracting Policy: Director Oneto had requested that this item be agendaized – he was not aware that the board had adopted a contracting policy. GM noted that CDFA organizations are required to operate under an adopted contracting policy. Director Oneto said he was satisfied that the requirements are being met.

ACTION ITEMS:

X.1.1. Approval of Resolution 2012-02 thanking the Heritage Foundation for their support, with corrections. President Belgard read the Resolution. *Director Estrada moved, Director Fontana seconded approval of Resolution 2012-02. Motion carried.*

X.1.2. Approve 2013 Fair Dates, September 10-15, 2013. GM noted that there had been a discussion at the last meeting about reducing the Fair by one day. Since that time, he has received a lot of feedback recognizing that significant changes must be considered to achieve the financial cost reductions needed. Director Oneto was unable to discern from the available data, if reduction in number of days had saved

other fairs money. *Director Estrada moved, Director Dietrich seconded approval of 2013 Fair Dates. Motion carried.*

X.1.3. Review and Approve contract with Choura Events – providers of canopies to the Fair. *Director Dietrich moved, Director Estrada seconded approval of contract with Choura Events. Motion carried.*

X.1.4. Approve SCCF – Agricultural History Project – Community Garden Partnership. John Kegebein, as representative of the Ag History Project, introduced the concept of a partnership with Community Gardens to provide plots for community members to grow fresh food for their families. Ana Rasmussen provided an overview of the program and described how it allows low-income families to share the experience of growing their own foods. About 25 12x 16' plots will be made available. These have been very successful at 3 other locations in the community. After discussion very much in support of this program, *Director Dietrich moved, Director Fontana seconded approval of the SCCF - Agricultural History Project – Community Gardens Partnership. Motion carried.*

X.1.5. Review7 Approve Agricultural history project Long Term Lease Draft. *Item pulled.*

X.1.6. Approve Delegation of Authority for Signing Contracts. GM summarized the recommended authority delegation for him to sign contracts up to \$10,000 for terms not to exceed 1 year. *Director Dietrich moved, Director Estrada seconded approval of the Delegation of Authority. Motion carried.*

X.1.7. Western Fair Association. Western Fair Association meets early in 2013 in Reno for their annual Conference. GM recommended that the Board approve payment of the registration fees (\$225) for Directors and members of the Fair Management Team who would like to attend. After discussion, generally very much in favor of the proposal, *Director Dietrich moved, Director Oneto seconded the proposal that registrations be covered for Directors and Fair Management Team members who would like to attend the WFA Annual Convention. Motion carried.*

XII. MANAGEMENT TEAM REVIEW

President Belgard said that the Fair Management Team (FMT) has done a fabulous job and that the whole operation would not have been done if not for their work. Director Oneto applauded the work of the team and made a few comments about needed improvements. Director Yamamoto commended the FMT for keeping the Board well informed. Director Estrada said that if the FMT had not stepped in the Fair wouldn't be open right now and 2 employees would be without jobs. She commended the GM on clear and understandable financials. Director Fontana is so thankful that the FMT has kept the ship from sinking – she is thankful as is the 4-H organization. Director Dietrich hopes the team will stay another year. He would like to see a strategy developed to transition to a single GM, rather than a team, who could carry the mission forward.

The GM discussed the need for a whole new platform in order for the facility to succeed. It will be a long process, and there will need to be a financial overhaul. He stressed that progress towards this goal will have to be made in the next year – we must make great strides forward. The sponsorship program must be finalized and implemented. He will bring quarterly reports next year and would like a 6 month progress review.

XIII. NOMINATIONS AND ELECTION OF 2013 OFFICERS

President Belgard nominated Director Estrada for President seconded by Director Dietrich, motion carried. Director Yamamoto nominated Director Dietrich as Vice President seconded by Director Estrada, motion carried.

XIV. REPORTS

Rodgers House Update. Director Estrada reported that their report was distributed in the packet and they are getting a labor bid for exterior painting.

HERITAGE FOUNDATION

Sue King reported that the Heritage Foundation Christmas Craft Fair is scheduled for November 30 and December 1 and 2. The Crab Feed is scheduled for March 2, 2013.

JUNIOR FAIR BOARD – Lynne noted that their Christmas party is December 12, a potluck and the board and FMT are invited.

AG HISTORY PROJECT – John Kegebein reported that they had fun driving tractors in Hollister and Salinas parades last weekend. Their Christmas party is Tuesday night (12/4/12) and everyone is invited.

XV. CORRESPONDENCE: A thank you letter was received from the Cabrillo Host Lions Club.

XVI. FINAL COMMENTS: it was agreed that a calendar on the website showing upcoming events would be helpful. Director Moreno-Inman asked if all board meetings are at 1:30. GM noted that the May and October meetings will be held in the evenings. President Belgard again thanked the GM and FMT for their outstanding work this year, and especially did a shout-out to Lynne Grossi for all she's done for the Fair. Directors Estrada, Yamamoto and Oneto all expressed appreciation to the GM for his dedication.

CLOSED SESSION: none

XVII. Next Meetings

1. Special Board Meeting: January 8, 2012 @ 1:30 PM in Board Room
2. WFA Convention January 20-23, 2013
3. Regular January Board Meeting Tuesday, January 29, 2013, 1:30 in the Board Room

XVIII. ADJOURNMENT: The open session meeting was adjourned at 5:02 PM.