



14th District Agricultural Association  
SANTA CRUZ COUNTY FAIR  
Established 1885

**BOARD MEETING MINUTES**

Board of Directors' Meeting  
Fine Arts Hall and via Zoom  
2601 East Lake Avenue  
Watsonville, CA 95076  
Tuesday, April 26, 2022

**CALL TO ORDER:** 1:30 p.m. by President Don Dietrich

**ROLL CALL, PLEDGE OF ALLEGIANCE, DECLARATION OF QUORUM, APPROVAL/DISAPPROVAL OF ABSENCES.** A quorum was declared.

**DIRECTORS PRESENT: In-Person:** Don Dietrich – President, Jody Belgard - Vice President, Tony Campos, Loretta Estrada, Lupe Flores, Stephanie Fontana, Dana McRae.

**JR FAIRBOARD MEMBER:** N/A

**DIRECTORS ABSENT:** Mike Pruger

**DIRECTORS EXCUSED:** Bill Barton

Approved by: DP

Date: 6-29-22

**CHIEF EXECUTIVE OFFICER (CEO):** David Kegebein

**RECORDING SECRETARY:** Kathryn Hill (substitute) for Mary Bannister

**PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA**

Eric Zamost commented on meeting minutes content and thanked Ron Haedicke for the improved audio/visual setup. Jessica Ayala on contracts and minutes content. Becky Steinbruner commented on election charges to County and commended President Dietrich on his forward thinking and positive attitude toward the board and the public. She commented on board packets and questioned board meeting schedules, afternoon vs. evenings. Anonymous stated that it is the fiduciary responsibility of directors to represent the public and engage with transparency, questioned committee definitions and SCC Fair Foundation operations.

**DIRECTOR COMMENTS:** None.

**CEO COMMENTS:** CEO noted a flyer for an upcoming concert was placed on the table along with the packet materials. CEO stated this concert is not on the fairgrounds; but on the property behind the fairgrounds. He talked to the Sheriff's Office to discuss potential traffic and other issues.

**CORRESPONDENCE** – F2022-04 PHI Monies Available letter from CDFA states that Poultry Health Inspector fees/mileage may be reimbursed by the state. The fair has always submitted the reimbursement request. CEO said that the avian disease that is rampant in areas of the US and could have an impact on our Poultry show.

## **CONSENT CALENDAR**

President Dietrich acknowledged that minutes are not supposed to be a transcription, but we should capture the essence of what goes on. Asked the other board members for their perspective: Director Campos agrees that we should include comments. Director McRae likes action minutes to reduce disputable areas. CEO said anyone who asks may record the meeting.

Public Comment - Jessica Ayala commented on level of detail in minutes. Eric Zamost said that verbatim minutes are not needed, could make recorded minutes available on line. Becky Steinbruner further commented on detailed minutes and availability of recorded meetings online. Anonymous read a statement from CDFA Legal that says minutes should allow anyone reading the minutes to understand what happened at the meeting.

### **1. Board Meeting Minutes from February 22, 2022**

*Director McRae moved, Director Fontana seconded approval of the February 22, 2022, minutes (with date corrected). Motion carried: 5-2. Ayes: Directors Belgard, Estrada, Flores, Fontana, McRae. Noes: Directors Dietrich, Campos.*

### **2. Board Meeting Minutes from April 5, 2022**

Public - Becky Steinbruner commented she is glad that today's meeting is being recorded. Jessica Ayala commented on CDFA Legal's recommendations and the April minutes

*Director Estrada moved, Director McRae seconded approval of the April 5, 2022, minutes. Motion failed: 3-4. Ayes: Estrada, Fontana, McRae. Noes: Dietrich, Belgard, Flores, Campos.*

With the failed motion, President Dietrich asked that additional information be included & minutes brought back for review at a future board meeting.

Public Comment - Eric Zamost offered his recording of the April 5 meeting.

### **3. Contracts on Consent Agenda**

The CEO has included prior month's contracts on the consent agenda.

Public Comments - Anonymous suggests that all areas of the fairgrounds be looked at and a fee schedule be locked in. Becky Steinbruner noted inconsistencies with contracts rates and the needs for consistency for the public and staff. Jessica Ayala commented on the PV Chamber and the Project Purr contracts and encouraged setting up a fair schedule of fees for all facilities.

*Director Belgard moved, Director Estrada seconded approval of Contracts on the Consent Agenda. Motion carried: 4-3. Ayes: Belgard, Estrada, Fontana, McRae. Noes: Dietrich, Campos, Flores.*

## **FINANCIALS**

### **1. Cash Balance / Audit Progress**

CEO reported the cash balance remains similar to last month, \$1.2M cash balance with \$259K in reserve. There are two outstanding project reimbursements. \$38K for the SB-5 Electrical Upgrade; \$28K for public safety power shutoff. Work continuing with our local auditing firm on financial audits

### **2. GASB 68 & OPEB Liabilities**

No significant changes. Evaluated annually. OPEB is way behind.

### **3. Review & Accept March 2022 Financials**

CFSA accounting staff was not able to get the March financials out until April 26. Board directors did not receive email with the additional documents attached. Will be reviewed next month.

### **4. Update list of Authorized Bank Account Signatories**

We have 2 signatures required on checks over \$500. Would like to match all accounts with the same signatures.

LAIF (State of California savings account). Currently have a reserve account at Santa Cruz County Bank with \$250K. CEO noted we would like to put more funds in reserve utilizing the LAIF account.

Nic Keiderling said that if the Finance Committee is required to sign checks, they would quite likely have to be available every other day in order to conduct business.

*Director Campos moved, Director Fontana seconded motion to proceed with removing Nic Keiderling as signatory on bank account and ensure that the same people are signatories on all of the bank accounts. Motion carried: 7-0. Ayes: Dietrich, Belgard, Campos, Estrada, Flores, Fontana, McRae.*

## **OLD BUSINESS**

### **1. Review & Approve Public Records Policy**

Documents in the packet are directly out of the CDFRA manual.

Public Comment - Becky Steinbruner commented that she has filed PRA requests that have not been met and understands that PRA's require a lot of time.

*Director Fontana moved, Director McRae seconded approval of the Public Records Policy as provided in the packet. Motion carried: 7-0. Ayes: Dietrich, Belgard, Campos, Estrada, Flores, Fontana, McRae.*

14<sup>th</sup> DAA

Board of Directors Meeting Minutes

April 26, 2022

## **2. Livestock Barn Repairs**

The CEO reported that restrictions for use of the Sheep and Hog barns are still in place until all repairs are made. We received conditional approval to use the barns for last year's fair. The braces for top of the posts are ready – just need to be picked up. Foundation repair plans are expected soon. Should there be some emergency during the summer that requires the penning of livestock we have lots of portable pens that can be set up in other barns or outside.

CEO reported that the work in the hog barn started 12 years ago. Barns were built to code in 1955 – we are bringing them up to the 2019 building code standards. President Dietrich noted that work was done, and then additional bracing was required to meet current codes. The old wooden pens were pulled out because they and the posts they were attached to were rotted.

Public Comment - Jessica Ayala said the DAA minutes show that alterations started in 2014. Becky Steinbruner suggested that the rotten wooden pens could have provided lateral structural support to the building, and that signage identifying restrictions is needed.

CEO wants to obtain clear board approval of the work done so far.

*Director McRae moved, Director Campos seconded to acknowledge, accept and approve the repairs made to date to the Livestock Barns. Motion carried: 7-0. Ayes: Dietrich, Belgard, Campos, Estrada, Flores, Fontana, McRae.*

President Dietrich directed the CEO to cordon off the barns and post keep out signs.

### **b. Review & Approve Repairs Still to be Completed**

*Director Estrada moved, Director McRae seconded approval of the Repairs still to be completed to the Livestock Barns. After discussion motion as stated was withdrawn by Directors Estrada and McRae.*

President Dietrich said that the board should authorize the CEO, by motion, to move forward with the repairs and bring it back to the board for approval once the plans have been approved by CCA. Director McRae stated that we are authorizing the CEO to proceed with the necessary steps to make the remaining repairs to the livestock barns and bring back the repairs approved by CCA before work begins.

*Director Estrada moved, Director McRae seconded motion to authorize the CEO to Continue moving forward on engineering, design and approval for the work required to bring the livestock barns up to 2019 building code. Motion carried: 7-0. Ayes: Dietrich, Belgard, Campos, Estrada, Flores, Fontana, McRae.*

## **3. Review & Approve Updated SCC Fair Foundation Funding Budget**

The CEO reported that this is a mid-year update. We use Kubota utility vehicles all over the fairgrounds and one needs to be replaced. The foundation is on the dealer list to get 2 new

RTV's when they become available. Fire protection diesel engine equipment delivery is 30 weeks out. There are remaining funds available in livestock pen account. The Foundation has received a \$110K grant for livestock barn Foundations.

*Director McRae moved, Director Flores seconded approval of the SCC Fair Foundation Funding Budget. Motion carried: 7-0. Ayes: Dietrich, Belgard, Campos, Estrada, Flores, Fontana, McRae.*

## **NEW BUSINESS**

### **1. Appoint Ad Hoc Committee to work with the Fairgrounds Foundation on MOU (Memorandum of Understanding) Development**

President Dietrich would like to appoint himself to the committee. Haig Bagnasarian, CDFA Legal, was asked if an ad hoc committee would be appropriate if you have 2 members. Mr. Bagnasarian said that the meetings do not need to be public, but whatever is done must be reported back to the full board. President Dietrich asked Director McRae to be part of the ad hoc committee.

Haig Bagnasarian explained the distinction between Standing vs. Ad Hoc committees. Standing Committees are established by the bylaws and meet regularly. Ad Hoc Committees should be formed for a particular purpose and should not be on-going. If it's a committee that would need to reconvene and review work on an on-going basis, consider an Advisory committee or amend your bylaws to make it a Standing committee. If the purpose of the committee is to establish the MOU, but not continue to work on the MOU, an Ad Hoc committee would be appropriate.

Public Comment - Jessica Ayala understands that an MOU is updated and approved by the board every year. Thinks advisory or standing committee would be appropriate. Eric Zamost asked if the committee would include members of the SCC Fair Foundation.

President Dietrich said the ad hoc committee is the proper way to develop the MOU, the full board will review and approve each year.

*Director Fontana moved and Director Flores seconded the motion to appoint President Dietrich and Director McRae to an ad hoc committee to develop an MOU between the SCC Fair Foundation and the Fairgrounds. Motion carried 7-0. Ayes: Dietrich, Belgard, Campos, Estrada, Flores, Fontana, McRae.*

### **2. Discussion Regarding Governor Newsom Resending Bagley Keene Covid related Meeting Attendance Rules & Requirements**

The CEO said he receives a great deal of feedback about the Zoom meetings. It is much smoother when all public comments are from people in attendance. While it is convenient to run a Zoom meeting, it is difficult to chair hybrid meetings. He suggests that we continue to broadcast the meeting on Zoom, but we don't allow the two-way feedback. Director Campos doesn't like Zoom meetings and would like to discontinue them. Legal Counsel Bagnasarian said that is pending State – there is pending legislation AB Bills 1795 and 1733 that will make

in-person meetings with a remote option mandatory. As of January 2023, remote access could be required. For the time being, we could have in-person meetings with viewable only (no two-way feedback) broadcasts/Zooms.

President Dietrich finds it difficult to conduct the meetings via Zoom when remote attendees talk over each other. He doesn't feel he can pay the proper attention to the public using Zoom.

Director Belgard would rather do the one-way remote meetings. Director Estrada doesn't like Zoom meetings at all. Director Fontana doesn't mind Zoom meetings, but thinks it might be easier to moderate by using a laptop. Director Flores enjoys the in-person meetings.

[Ten-minute recess at 3:45 pm]

### **3. Review Updates to Alcohol Policy**

The CEO reported that the current policy, with some recommended adjustments, is in the packet.

After board discussion & public comments:

*Director McRae moved and Director Fontana seconded a motion to table this item until further review. Motion carried: 7-0. Ayes: Dietrich, Belgard, Campos, Estrada, Flores, Fontana, McRae.*

## **REPORTS**

### **1. SCC Fairgrounds Foundation Update**

Jeannie Kegebein reported that the Fairgrounds Foundation is celebrating its 20<sup>th</sup> anniversary this year. There will be a party on July 9<sup>th</sup> to which the board will be invited. Current donations for the Heritage Hall (silent period) are \$100,000.

### **2. Agricultural History Project Update**

John Kegebein reported that they had a very nice Easter on the Farm. 580 children attended. Santa Clara Model A club visited the site. Working on Day on the Farm first Saturday in May. Antique engines will be operated this year along with a miniature steam engine.

**3. Junior Fair Board** – no representative present.

### **4. Livestock Committee – Director Fontana and Director Estrada**

Future Meeting Dates – May 4<sup>th</sup> (cancelled), June 1, July 6, August 3

Director Fontana reported that the committee hasn't met since the April 5 board meeting.

Since the entry guide is approved, there are no pressing matters for the May meeting. Will reconvene in June.

## **5. Buildings & Grounds Committee – Director Pruger and Director Campos**

President Dietrich wants to suspend any work on the committee until he has talked with legal.

### **BOARD MEETING DATES - 2022**

1. May 24, June 28, July 26, Aug 23, Oct 25, Dec 6
2. Fair – September 14 – 18, 2022
3. Volunteer Dinner – Wednesday, October 12, 2022
4. Holiday Lights opens November 25, 2022

### **CEO REPORT**

#### **1. SB-5 Project – Electrical Upgrade Progress Report**

Materials have been received; final inspection on Wednesday. Moving toward completion.

Fair season is coming upon us. We have Western Fairs credentials in the office for board members who would like to attend other fairs.

PRA list has been worked on. 8 new requests have come in since last meeting; 4 have been closed. 56 PRA's have been closed, still some outstanding.

**CLOSED SESSION** *The Board is authorized to enter closed session with CDFA Legal Office to discuss:*

- a. Pending Litigation (Gov. Code § 11126(e)(1))

Public asked to leave room at 4:34 p.m.

### **RECONVENE INTO OPEN SESSION**

Reconvened at 5:45 pm.

1. President Dietrich reported that no reportable action was taken in closed session

**ADJOURNMENT** Adjourned at 5:46 pm

Respectfully submitted Kathryn Hill