

CALIFORNIA EXPOSITION & STATE FAIR

Minutes of the Board of Directors Regular Meeting

Held Pursuant to Due Notice
May 31, 2019

California Exposition & State Fair
Administration Building Boardroom
1600 Exposition Boulevard
Sacramento, CA 95815

Directors Present

Director Rina DiMare, Chair
Director Jess Durfee, Vice Chair
Director Rima Barkett
Director Sonney Chong
Director Rex Hime
Director David Mallel

Directors Absent

Director Tony Ortiz

Staff Present

Rick Pickering, Chief Executive Officer (CEO)
Tom Martinez, Chief Deputy General Manager (CDGM)
Margaret Mohr, Deputy General Manager, Business Development & Marketing (DGM)
Marcia Shell, Assistant General Manager, Expo Events (AGM)
Rachelle Weir, Programs Manager
Jay, Carlson, AG Programs Manager
Robert W. Murray Stroud, Chief of Plant
Sue O'Brien, Recording Secretary
Jen Koga, Finance
Heidi Turpin, Contracts

Others Present

Brian Honebein, Event Partnership
Amber Williams, un/common
Corney Gallagher
Carol Gallagher
Jaycob Bytel, Mayor's office-City of Sacramento
Bunty Khetan, Supervisor – MGO
Kevin Starkey, Partner – MGO
Carl Burton
Robert Evans
Jim Perham, 52nd DAA
Jerry Gibbons
Rachelle Bland, Catcorps Sacramento
Valli Hiblebrand, Catcorps Sacramento
Denise Bell, Catcorps Sacramento
John Hoffman, CCAN & GACOC
John Scherer
Michael Day
Karen Klinger, Klinger Realty

*May not include all others present in the room or arriving late.

1. CALL TO ORDER

Chair DiMare called the meeting to order at 12:32 p.m. Chair DiMare dispensed with the reading of the Mission Statement and the Policy Statement and read the Public Comment Statement into the record.

2. ROLL CALL

Roll call was taken and a quorum was present. Director Ortiz was not present and asked to be excused.

MOTION:

It was moved by Director Hime to excuse the absence of Director Ortiz and seconded by Vice Chair Durfee. **All in favor, motion carried unanimously.**

3. PLEDGE OF ALLEGIANCE

Chair DiMare asked Director Chong to lead the Board and Staff in the Pledge of Allegiance.

4. INTRODUCTION OF GUEST & STAFF

5. PRESENTATIONS

- a. Presentation by the Board to outgoing Chair, Rima Barkett
 - b. Presentation by the Board to Corny Gallagher for his service on the Cal Expo & State Fair Board of Directors 2007-2019
 - c. Presentation by the Board to K. Mark Nelson for his service on the Cal Expo & State Fair Board of Directors 2012-2019
- CEO Pickering made presentations to all of the above. Each Board Member shared comments.

Chair DiMare suggested taking item 11, New Business out of order. There were no objections.

Chair DiMare suggested taking item 12a Public Comment out of order. There were no objections.

Chair DiMare suggested that due to another Board Members time constraints they move into Closed Session. There were no objections.

6. MINUTES OF MEETINGS

- a. Accept Cultural Advisory Council Meeting Minutes of April 11, 2019, as presented.

MOTION:

Director Hime moved to accept item 6 a as presented. Vice Chair Durfee seconded the motion. **All in favor, motion passed unanimously.**

- b. Approve Board Committee Minutes for April 26, 2019 as presented.
- c. Approve Board Meeting Minutes for April 26, 2019, as presented.

MOTION:

Director Hime moved to approve items 6 b & c as presented. Vice Chair Durfee seconded the motion. **All in favor, motion passed unanimously.**

7. COMMITTEE AND STAFF REPORTS

- a. Annual State Fair – Vice Chair Durfee
- b. Finance Committee

8. FINANCIAL REPORTS

- a. Service Contracts/Purchase Orders Requiring Notification/Approval
- b. Profit/Loss Statement
- c. Balance Sheet
- d. Cash Flow Statement
- e. AR Report

MOTION:

Director Hime moved approval of item 8 a. Vice Chair Durfee seconded.

All in favor, motion passed unanimously.

MOTION:

Director Hime moved acceptance of items 8 b-d. Director Chong seconded. **All in favor, motion passes unanimously.**

- f. Resolution Authorizing Participation in the CFSA Group Purchase Property Insurance Program

MOTION:

- g. Director Hime moved acceptance of the Resolution Authorizing Participation in the CFSA Group Purchase Property Insurance Program. Director Chong seconded the motion. **All in favor, motion passed unanimously.**

- h. Resolution Authorizing Support of Cal OES Grant Programs

MOTION:

- i. Director Hime moved to approve the Resolution Authorizing Support of Cal OES Grant Programs. Director Chong seconded. **All in favor, motion passed unanimously.**

9. CORRESPONDENCE

None

10. UNFINISHED BUSINESS

None

11. NEW BUSINESS

- a. Review of Annual Financial Report for Year Ending 2018, as presented by Macias, Gini & O'Connell LLP (MGO)

Kevin Starkey, Quality Review Partner of MGO thanked the Board of Directors for allowing them to present today and for being able to serve Cal Expo. Mr. Starkey went on to explain the scope of work that allowed them to issue an unmodified opinion, which is the highest level of assurance for the year 2018. During the audit process, they review and evaluate internal controls over financial reporting and did not have any reportable instances or findings related to internal controls over financial reporting.

Bunty Khetan, Supervisor of the Audit reviewed the Report to Audit Committee with the Board and there were no questions.

- b. Recommend to the Board Acceptance of 2018 Audit Report
The Chair asked for a recommendation of acceptance by the Board of the 2018 Audit.

MOTION:

Director Hime moved 11 b and seconded by Director Chong. **All in favor, motion passed unanimously.**

12. MATTERS OF INFORMATION

- a. Public Comment on Matters not on the Agenda

Carl Burton-Former Director of Friends of CA State Fair and resident of Arden Arcade voiced his concerns regarding the proposed homeless shelter and the safety issues that will cause.

Michael Day-resident of the area voiced his concern with the homeless and mental health/substance abuse issues and the safety and violence issues that would come with having the proposed homeless shelter at Ethan Way.

John Hoffman-Resident Arden Arcade stated he has talked with many residence and Business owners and the #1 concern is homelessness. He continued to say that by adding an additional location for the homeless on the boarder of the City and the edge of Arden Arcade will improve the situation for the Home and Business owner of Arden Arcade.

Robert Evans-resident of Willhaggin voiced his concern about keeping the homeless separated from various events that happen at Cal Expo. He suggested that money should be given to a place where services are already being provided.

John Scherer resident of Arden Arcade and is opposed to the proposed homeless shelter at Cal Expo. There is need for a homeless shelter but the City is moving the problem to this area.

Jerry Gibbins-Longtime resident in this area and is opposed to the proposed homeless shelter at Cal Expo. An alternate location could be Loaves and Fishes with a solution like the model in Road Island.

Karen Klinger-longtime resident stated that Cal Expo is an entertainment center for children and adults. She went on to say that she likes to come to Cal Expo along with hundreds of others but that will stop if the homeless are here. She agreed with other speakers suggesting that the Board watches Seattle is Dying. Road Island and Texas have found ways to fix this problem.

Jaycob Bytel-Deputy Chief Staff for Mayor Steinberg' Office. Mr. Bytel stated that on behalf of the Mayor, he would like to thank Cal Expo for considering and working with staff on Lot P. Homelessness is a major priority of Mayor Steinberg. Large cities have had success running this proposed model.

There was a 51% reduction of tents on the streets in San Diego. This is not

a walk up shelter and there will be 24-hour security. Intake would be from homeless in this area. Mr. Bytel offered to answer any questions.

Denise Bell-catscorp Sacramento – There are a number of free roaming cats at Cal Expo. Due to a recent Administration directive cats are being targeted for removal and individuals feeding, caring and fixing the cats are being threaten with loss of livelihood. Ms. Bell went on to explain free roaming cats and how they arrived at Cal Expo. She also stated that Sacramento County and City along with the SPCA all support tramping and return. Cal Expo should support this also.

Valli Hildebrand-catscorp Sacramento – Continued from the previous speaker-explaining trap, neuter and return of feral/community cats. She explained why relocation of feral/community cats is not supported by their group.

Rochelle Bland-catscorp Sacramento-Continued from the previous speaker with reading the Mission Statement of Cal Expo's Animal Welfare Practices section 13.3, which does not exclude cats. The current approach of suppressing t.n.c, removing/relocating cats or threatening caretakers is not profession or responsible. She stated that Disneyland has a large feral cat colony and that Cal Expo could look at them as a professional and reasonable model. They are not asking Cal Expo to financially support the cats but do not stop those that are supporting the cats. Asking that this matter be looked into and resolved in a professional, responsible and humane manner.

Jim Perham-Chairman of the Board of Sacramento County Fair/52nd DAA and founding member and past President of the Sacramento County Fair Foundation. Mr. Perham explained that he has been here since 1975 and that he and his children have been exhibitors and his Father was a Director. He went on to state that Sacramento County Fair had a fantastic Fair all due to their CEO and Fair Manager Pam Fyock and her staff. In spite of bad weather, Mr. Perham went on to share the Fair attendance, food, carnival and livestock auction numbers, all which were up. He also mentioned how Cal Expo benefits by getting all of the parking money and commission on beer sales from Spectra. In addition to the regular awards, Sacramento County Fair gave the Sacramento County Fair Blue Ribbon award to Nick Nicora for their long-standing partnership with Spectra. Also, thanked Cal Expo Police Department, Parking, I.T., Ticket Sellers and Spectra for the outstanding job they did. Mr. Perham stated that they do want the relationship with Operations and Maintenance to return to what it was in the past. They had some communication problems with this issue. He closed by stating he wanted to make the Board aware of this and that we need to be better partners moving forward.

b. CEO Comments

CEO Pickering announced that Carrie Wright has accepted the position of Economic Director for the City of Stockton and we wish her well.

- The Friends of the California State Fair Gala is June 27, 2019.
- c. Directors Comments/Agenda Items for Future Meetings
 - d. Next Board Meeting – Friday, September 27, 2019**
 - e. Other, if any

13. CLOSED SESSION

The Board will convene in closed session as authorized by Government Code Section 11126(c)(7) to confer with and advise its negotiators regarding a potential real estate lease related to the Southwest end of Ethan Way, (known as Parking Lot P) as proposed by the City of Sacramento.

The Board of Directors adjourned into Closed Session at 1:47 p.m.

14. PUBLIC BOARD MEETING

- a. Report out of Closed Session if needed.

The Board reconvened at 2:41p.m. and reported that no action was taken in Closed Session. The Board received advice from legal counsel, including potential impacts related to Save Tara.

The Board asked that the organization focus all efforts on producing the best possible 2019 California State Fair and that this matter be placed on the Board's agenda under open session for the September Board Meeting.

15. ADJOURNMENT

The Board of Directors meeting was adjourned at 2:46 p.m.