

CALIFORNIA EXPOSITION & STATE FAIR

Minutes of the Board of Directors Special Meeting

Held Pursuant to Due Notice
May 15, 2020

The meeting was conducted by teleconference originating at
California Exposition & State Fair
1600 Exposition Boulevard
Sacramento, CA 95815

Directors Present

Director Jess Durfee Chair
Director Rex Hime, Vice Chair
Director Rima Barkett
Director Sonney Chong
Director Rina DiMare
Director David Mallel
Director Brian May
Director Elect Erin Choi

Staff Present

Rick Pickering, Chief Executive Officer (CEO)
Tom Martinez, Chief Deputy General Manager (CDGM)
Samantha Brown, Deputy General Manager, Administration
Marcia Shell, Assistant General Manger Expo Events
Rachelle Weir, Programs Manager
Jay Carlson, AG Programs Manager
Sue O'Brien, Recording Secretary

Others Present 7 Identified by Zoom

1. CALL TO ORDER

Chair Durfee called the meeting to order at 1:35 p.m. Chair Durfee dispensed with the reading of the Mission Statement, Policy Statement and the Public Comment Statement. Chair Durfee explain that this was a Zoom Special Board Meeting and if the public wished to comment on an item on the agenda they could put their name in the “Chat Box” to be call on by the Chair.

2. ROLL CALL

Roll call was taken and a quorum was present. Chair Durfee welcomed Director Elect Erin Choi to Cal Expo. Director Elect Choi was asked to introduce herself and she stated that she was originally from the Bay area. She is an attorney in Sacramento and is excited to have been appointed to this Board.

3. INTRODUCTION OF STAFF

Chair Durfee read the list of staff present on the Zoom call.

4. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

In accordance with state law, the Board will not comment or otherwise consider Public Comment matters unit and unless such item has been property noticed for a future meeting.

5. REVIEW FINANCIAL IMPACTS OF COVID-19 AND AUTHORIZE MANAGEMENT TO:

- a. Take all prudent and lawful steps to address the loss revenues caused by cancellation of the 2020 State Fair, and anticipated ongoing restrictions of mass gatherings pursuant to the Governor’s Stay-At-Home Executive Order N-33-20.

CEO Pickering reported that it has been a challenge for Cal Expo, the surrounding Community, the State and World during this COVID-19 time. He reported that working with the State Department OES and County of Sacramento, Cal Expo is serving as a regional COVID-19 drive-through Testing Facility and also is serving as Sacramento’s COVID-19 Isolation Trailer Facility. The drive-through Testing Facility is one of 50 sites in the State of California and has the largest cumulative number of drive-through tests in California.

The 63 COVID-19 isolation emergency trailer facility is a collaboration with the State, FEMA, and the County and City of Sacramento. The City of Sacramento and the County are managing and running this facility. He also mentioned that the Lt. Governor recently toured the facilities.

CEO Picking went on to explain additional actives that are going on at Cal Expo; CHP is sponsoring today a graduation swag bag drive through for approximately 1,000 graduating seniors; at the same time we are continuing with our deferred maintenance plan having finished painting the water tower to protect it from damage. Our RV Park still has visitors

that had to stay when the shelter in place order was given. This is in addition to our RV guest that are having or are support for someone that is having medical treatments at our hospitals.

Pickering went further and reviewed the staff report regarding the financial impact due to COVID-19. As Cal Expo is an unfunded State Agency and all operating revenues are from event activities held at Cal Expo the loss of operating revenues is \$22.2 million. \$5.7 million from events that cancelled mid-March through June and \$16.5 million from the cancellation of the Annual State Fair. Cal Expo's ongoing monthly operational expenses are \$1.3 million. This is for payroll, employee medical benefits and PERS retirement contributions, utilities, paying all insurances to protect the State's assets at Cal Expo, repayment of a small loan and limited repairs and operating supplies.

Cal Expo has already reduced its monthly operating costs by negotiated reductions in service contracts, cancelling the annual State Fair Gala, cancelling the annual 4th of July fireworks show and negotiating with vendors and supplier's deferrals or forbearance. Cal Expo has instituted a spending and hiring freeze and let go more than 120 part-time employees. Cal Expo through fiscal controls was able to have \$6.8 million in cash on hand at the beginning of March 2020. With no event activities or the annual State Fair and monthly operating expenses, Cal Expo will have exhausted its cash on hand by September, 2020.

MOTION:

A motion was made by Vice Chair Hime to Direct Management to take all prudent and lawful steps to address the loss of revenues caused by the cancellation of the 2020 State Fair, and anticipated ongoing restrictions of mass gatherings pursuant to the Governor's Stay-At-Home Executive Order N-33-20. Motion was moved by Director Mallel and seconded by Director Barkett. There was no discussion and a roll call vote was taken. Director Barkett, yes, Director Chong, yes, Director DiMare, yes, Director Mallel, yes, Director May, yes, Vice Chair Hime, yes and Chair Durfee, yes.

Motion passed unanimously.

- b. Coordinate with the California Department of Human Resources for consultations with the various unions representing Cal Expo employees.

MOTION:

A motion was made by Vice Chair Hime to direct Management to coordinate with the California Department of Human Resources for consultations with the various unions representing Cal Expo employees. Motion was moved by Director May and seconded by Director Chong. There was no discussion and a roll call vote was taken. Director Barkett, yes, Director Chong, yes, Director DiMare, yes, Director Mallel, yes, Director May, yes, Vice Chair Hime, yes and Chair Durfee, yes.

Motion passed unanimously.

6. MATTERS OF INFORMATION

- a. CEO Comments: CEO Pickering report that Sacramento County Fair was having a Virtual Livestock Auction May 22.& 23, 2020.
- b. Directors Comments/Agenda Items for Future Meetings
Director Barkett – very stressful times, but hanging in there.
Vice Chair Hime – great staff.
Chair Durfee: Thank you to Rick and staff.
- c. Next Board Meeting – **Friday, May 29, 2020** (Subject to change due to COVID-19 emergency)

7. ADJOURNMENT

MOTION:

Vice Chair Hime moved to adjourn this meeting. Director Mallel seconded the motion. **All in favor, motion passed unanimously.**

This meeting was adjourned at 2:23 p.m.