

14th District Agricultural Association

SANTA CRUZ COUNTY FAIR

Established 1885



BOARD MEETING MINUTES

Board of Directors' Meeting
2601 East Lake Avenue, Watsonville, CA
Tuesday, January 3, 2012
The Board Room

CALL TO ORDER: 1:32 PM

DIRECTORS PRESENT: Jody Belgard-Akimoto, President; Patrice Edwards, Vice President; Bruce Oneto, Director; Loretta Estrada, Director; Stuart Yamamoto, Director; Christopher Smith, Director; Bob Thomas, Director.

DIRECTORS ABSENT/EXCUSED: Rob Marani, absent.

OTHERS PRESENT: Emily Grunewald, Staff; Blanca Boyd, Staff and Horse Show; David Kegebein; Richard Travis, Heritage Foundation; Sue King, Heritage Foundation; Lynne Grossi, AHP; Read Zaro, Entertainment; Steve Stagnaro, Publicity

Max Kelley, neighbor and Community Alliance for Fairgrounds Accountability (CAFA) member; Bob Costere, Stars of Justice, Eric Zamost, Stop the Rodeo & CAFA; John Kegebein; MaryLou Goeke, United Way of Santa Cruz, Barbara Anders, neighbor.

John Prentice, Ocean Speedway, via teleconference.

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL: President Belgard-Akimoto suggested that the Old Business items and many of the New Business items be moved to the regularly scheduled January 24, 2012 meeting, except for New Business items #4, 5, 8 and 9 and possibly Old Business Item #1. [Note: In the interest of the logical order of things and how they actually occurred at the meeting, New Business items #8 and 9 are reversed in the Minutes since item #9 as presented on the Agenda needed to be addressed before item #8 could be voted on.] *Director Smith moved and Director Thomas seconded the motion that the Agenda be amended as suggested by President Belgard-Akimoto. The motion was carried.*

Max Kelley. Mr. Kelley noted that if all of the Old Business items, including item #1, are deferred that this will likely result in a delay in the RFP process.

Director Smith moved and Director Edwards seconded the motion to put New Business items #6 and 7 back on the Agenda for approval. The motion was carried.

PUBLIC COMMENT:

Max Kelley: Mr. Kelley read a quote from an editorial in the *Aptos Times* stating, "The Fair has been under attack by its neighbors who object to any activity other than and until now the once a year Fair itself that creates noise, dirt or manure. This includes the racetrack, flea markets, rodeo, etc, and events to raise money to keep the Fairgrounds open." Mr. Kelley stated that this article grossly mischaracterizes CAFA's position in that they have been supportive of the Fairgrounds and its activities but are concerned about proposed expansion without the required input from the community. He noted that CAFA members have been sponsors of activities on the Fairgrounds, have stayed their lawsuit in order to work in a collaborative manner towards a noise policy with the ad hoc Board committee, and have offered avenues to proceed with RFPs so as to not hinder the success of the Fairgrounds. However, he noted that CAFA has felt they have been getting mixed messages from the Board and is concerned that a member of the Board has used her publication to vilify their group in this manner when they have been attempting to come to consensus. He inquired whether the Board condones this action and whether they are truly interested in continuing to negotiate.

Bob Costere: Mr. Costere thanked Staff for posting agenda information on the internet which will then likely save Staff time and money down the road.

FINANCIALS: Since this is a special meeting there were no financial statements to review as of yet. The December financials will be reviewed at the meeting to be held on January 24, 2012.

MINUTES:

1. **October 2011 Minutes.** Changes were made to the draft minutes to reflect the Closed Session items that occurred during that meeting. *Director Estrada moved and Director Smith seconded the motion to approve the October 2011 Board Meeting Minutes as revised. The motion was carried.*
2. **November 2011 Minutes.** These had not been made available for all of the Board members, so approval of these Minutes will be postponed until the January 24, 2012 meeting.

Eric Zamost: Mr. Zamost inquired whether Director Oneto had also "...expressed concern about the deep pockets of the animal rights activists..." as stated on page 5. He also questioned the attendance figure given for the rodeo and thought that Sgt. MacDonald had stated that they were not certain about the exact attendance figure. He further noted that under Correspondence on page 9 for Max Kelley, it should read "some of his items have of correspondence have not been listed."

Max Kelley: Mr. Kelley noted that on page 7, Old Business Item #1, his intent was "...amplified music sound provision..."

CONSENT AGENDA: Attached. (Deferred to the January 24, 2012 meeting.)

OLD BUSINESS:

1. **Review Watsonville Certified Farmers Market Revised Initial Study/Negative Declaration.** Moved to later in the meeting. (See page 5.)

2. **Information and suggestions for the Revised Master Plan.** (Deferred to the January 24, 2012 meeting.)
3. **Approval of 2012 Proposed Budget.** (Deferred to the January 24, 2012 meeting.)

NEW BUSINESS

1. **2012 Concession Rates – Emily Grunewald.** (Deferred to the January 24, 2012 meeting.)
2. **2012 Commercial Exhibitor Rates (Including non-profit rates) – Emily Grunewald.** (Deferred to the January 24, 2012 meeting.)
3. **Parking Policy – Patrice Edwards.** (Deferred to the January 24, 2012 meeting.)
4. **Extension for Kelly Thorp – Emily Grunewald.** Ms. Grunewald noted that Ms. Thorp, at age 19, is over-age to show, but she has Down's syndrome; therefore, a request has been made to extend her ability to show. This request will apparently be made on a yearly basis until it is denied by the State.

Director Oneto noted that the Board has very little information other than the letter of request upon which to make this decision and that precedent needs to be considered. Mr. Oneto also noted that he and likely all of the Board members would never even consider turning this request down but would like to know what the rules and regulations are in this matter.

Unknown Individual: Individual also inquired about what the historical precedent has been and suggested that more information from Staff be provided.

Gary Stubblefield: Mr. Stubblefield clarified that F&E rules and regulations for 4-H state that a person with Down's syndrome can show until they are 21 years of age and inquired why this was even an issue, although it is a policy that the Board should be made aware of. He also stated that this young lady is an excellent showman, and it would be a shame to not allow her to continue to show.

President Belgard-Akimoto inquired whether the State rules also state that a formal request needs to be made after the age of 18 for people with Down's and asked that Staff research this and bring it back for clarification at the January 24, 2012 meeting.

5. **Lending of Display Cabinets – United Way of Santa Cruz.** Ms. Goeke noted that with the support of about \$1 million per year from a number of local businesses and individuals, this organization over the last 70 years has been able to invest in programs in our community that encourage youth to be successful, for people to be healthy, and for families to be financially stable. One of their donors has recently offered to have a viewing of their collection of Marilyn Monroe memorabilia to be set up as a fundraising event at Chaminade in March to benefit the United Way of Santa Cruz, and they are looking to borrow our display cases for this event since they have been having a difficult time locating these needed items. They have promised to take the utmost care with them and would repair/replace them if anything untoward happened to them. The Fairgrounds would also be listed as a sponsor in all of the media promotion for this event as well. *Director Estrada moved and Director Edwards seconded the motion to loan our display cases for use by the United Way's fundraising event as outlined. The motion was carried.*

6. **2012 Publicity Contract Renewal – Emily Grunewald.** Director Estrada moved and Director Edwards seconded the motion to renew the publicity contract with Steve Stagnaro for 2012. The motion was carried.

7. **2012 Entertainment Contract Renewal – Emily Grunewald.** Director Estrada moved and Director Edwards seconded the motion to renew the entertainment contract with Read Zaro for 2012. The motion was carried. Ms. Grunewald clarified that the two above contract amounts are set amounts throughout the term of the RFP as long as they are approved yearly by the Board.

8. **Volunteer Management Proposal – Dave Kegebein. [Previously #9 on the Agenda]** Mr. Kegebein shared a proposed organizational chart with the Board and provided a highlighted history of his long association with the Fairgrounds, starting when he was five years old, noting that he has helped out with virtually every aspect of the Fair operations over his lifetime including serving on the Board starting at age 19. Most recently he worked to coordinate the volunteers that built the AHP buildings, noting that his philosophy when working with volunteers is to make the experience rewarding and fun, which is the philosophy he intends to carry forward in leading a group of volunteers to run the Fairgrounds. He has also recently worked with the Pajaro Valley Water Management Agency and learned more valuable skills regarding working together in a group dynamic and restructuring the agency in the process to be much better organized and well-run. In addition, he noted that he has successfully restructured his own business recently to be run more efficiently and in a better organized way. He also noted that he has seen the cycle of crisis repeated many times on the Fairgrounds over the years but that recently the length of the cycle seems to be shrinking, with the crisis piece surfacing more frequently. His goal then is to restructure the organization of the Fairgrounds so that it is more fun and rewarding for all involved. He intends to accomplish this through a series of public meetings and will develop an all-volunteer team willing to help restructure the organization and lead it into the future. Lynne Grossi has agreed to lead the administrative piece; Don Allen has agreed to lead the facilities operations; and Mr. Kegebein would serve as the team leader. He has also designated Chuck Allen and John Kegebein as the Strategic Plan leaders. The other positions and roles were also itemized in the organizational chart, and the volunteers have been willing to make a commitment for a year to see how this plays out. The development of a strong five-year Business Plan as well as a Master Plan would also be undertaken with a volunteer, community-supported effort. He also plans to restructure the operating platform and will be gathering information about how to accomplish this by soliciting legal, financial, and political input.

Director Smith inquired about what would have to happen to our By-Laws if we were to implement these suggested changes, and Mr. Kegebein responded that this will have to be investigated; however, he sees this organizational change as simply filling the current management role according to the current structure.

Director Edwards inquired about what title Mr. Kegebein would be comfortable with, and Director Estrada noted that since the titles "CEO" and "Fair Manager" have had a less than ideal effect on past leadership, she is looking forward to trying out "Team Leader." She further noted that she is encouraged by the number of people that are willing to volunteer their time for the Fairgrounds as part of this proposed organization, from the top leadership on down, since a love for the Fair and the Fairgrounds has also been what has motivated her to continue to volunteer her time for so many years.

She is looking forward to working with people who love the Fairgrounds as much as she does and wants to see it move forward into the future.

Director Oneto echoed Director Estrada's comments.

Director Edwards noted that the next step would be to take a written proposal with terms of the agreement to Sacramento for their review and approval, although Sacramento has already seen a preliminary version of Mr. Kegebein's proposal. Sacramento does, however, require that a single person be designated as being in charge, regardless of title. She also noted that there are other fairs in the state operating with volunteer staffs, so this will not be a novel proposal in Sacramento.

Director Smith moved and Director Edwards seconded the motion to appoint David Kegebein as Interim Fair Manager on a volunteer basis for a one-year term, to serve at the pleasure of the Board, pending approval by Sacramento. The motion was carried.

Barbara Anders: Ms. Anders inquired whether it would make sense to pay Mr. Kegebein \$1 and circumvent the special approval process, but President Belgard-Akimoto noted that this would create all kinds of other insurance and paperwork issues that can be avoided if he is working on a volunteer basis.

Director Oneto inquired whether a copy of the previous agreement with John Kegebein could be attached and sent to Sacramento with a notation to simply change the first name to his son's name and particularly note that this kind of arrangement has been done successfully in the past on our Fairgrounds.

President Belgard-Akimoto noted that it will indeed be a simple process and that F&E will likely not oppose our proposal anyway but that the process needs to be formally completed.

The motion was carried.

- 9. Delegation of Authority – Emily Grunewald. [Previously #8 on the Agenda]** Ms. Grunewald clarified that the delegation of authority needs to be updated not only when Board leadership changes, as it was done in November, but also when Fair management changes, as it did in December. This authority is to sign for rental agreements and standard agreements up to \$5,000, and as the Board directed in November, these agreements require two signatures.

Director Yamamoto moved and Director Smith seconded the motion to amend the delegation of authority from Michael Bethke to David Kegebein.

Director Thomas questioned whether we should give Mr. Kegebein signing authority before he has a signed contract, and President Belgard-Akimoto clarified that if the State should decline Mr. Kegebein's proposal, the delegation of authority could be amended again.

David Kegebein noted that there should not be an issue with the signing authority, but he stated that he would like to see three Board members' names on the bank account since he will not be signing checks and he will need to be able to find two Board members at any given time to do this. President Belgard-Akimoto clarified that this has already been done.

The motion was carried.

10. Agenda Formation/Process – Bruce Oneto. (Deferred to the January 24, 2012 meeting.)
11. Crosetti Roof – Bruce Oneto. (Deferred to the January 24, 2012 meeting.)
12. Executive Committee Authority – Bruce Oneto. (Deferred to the January 24, 2012 meeting.)
13. 2012 Fair Planning – Bruce Oneto. (Deferred to the January 24, 2012 meeting.)

- i. **Publicity.** Mr. Stagnaro noted that in past years artwork has been submitted by local students for an original fine art poster contest, but, given that the theme this year is "Come See the Berry Best," he has been approached to possibly use some old Driscoll Berry artwork as a poster backdrop and solicit graphic artists to use this as a basis to flesh out the poster art, with specific guidelines for text. This would likely result in significant cost savings since the artwork typically has to be modified anyway to incorporate it effectively into the poster and media outreach and it would also involve a completely different group of artists. He noted that it would take about four hours of the web designer's time at \$50 per hour, to launch the artwork contest and to be able to take submissions. There will still be a \$100 prize and four tickets to the Fair for the winning artist.

Director Edwards moved and Director Estrada seconded the motion to proceed with targeting the graphic artist community to produce the 2012 poster art. The motion was carried.

Mr. Stagnaro also requested that before and during Fair time that he be the designated point person for website content for the webmaster since it got a bit out of hand last year with too many people giving direction to the webmaster.

Director Oneto also noted that in past years Mr. Stagnaro was given the responsibility to be the point person to the media for emergencies and then later for any public announcement, and he would like to see this practice continue. Mr. Stagnaro noted that in these situations, he typically acts as an immediate buffer between the media and the Fair leadership to allow the Fair Manager time to gather data and craft a proper answer to the media at the appropriate time. Mr. Stagnaro also clarified that there is no extra cost to the Fairgrounds for him to run interference with the media and do press releases since he has a fixed contract.

Eric Zamost: Mr. Zamost inquired whether this is the same tactic used when Mr. Marani handled the fraudulent press release" and noted that information released to the press is not always true.

Director Smith noted that it might be a wise idea to give the responsibilities to our Interim Fair Manager and let him divide these up as he sees fit.

Director Oneto cautioned the Board about the importance of truthful information coming out of the Fairgrounds office.

Ms. Grunewald noted that her experience has been that all press releases Mr. Stagnaro has ever sent out have received the stamp of approval from the Fair Manager first.

ii. **Entertainment.** Mr. Zaro noted that he does a lot of the negotiation for entertainment at the International Fairs Convention and at WFA but that there has been additional pressure this year to lock in some of the entertainment earlier than normal. Therefore, what has been locked in is the roving Mariachi California that will be on site for six days; Atlas Robotic will be back as a non-budgeted issue since they are sponsored by Driscoll Berries; Wild West Express will be on site as meet and greet; Circus Imagination will also be back for a second year; Baloonacy will return as a walk-around and stage show for the kids; All Alaskan Racing Pigs as well as Michael Mezmer will both return at the same contract; and Sea Lion Encounters will return at a very special contracted rate, extended only to our Fair. The only offers out for approval are for the Trailer Park Troubadours and the Sunday night wrestling group who will both get a \$500 raise this year since it has been overdue. For the above entertainment, the Fairgrounds will be spending approximately \$41,000. Headline acts still need to be booked, and these will likely be negotiated during the WFA Convention; therefore, Mr. Zaro noted that he will need a fairly solid budget figure to work with before Convention, and he was assured that this would be provided to him. Director Edwards inquired about getting James Durbin as a headline act, and Mr. Zaro noted that he is in the area during that time but that he has been difficult to nail down and may be more expensive than we can afford. However, he will continue to investigate this option. Ms. Boyd inquired about the Charro event since it came out of the entertainment budget last year, and President Belgard-Akimoto noted that this will be under discussion with Mr. Kegebein when the budget is reviewed.

OLD BUSINESS:

1. **Review Watsonville Certified Farmers Market Revised Initial Study/Negative Declaration.** (As deferred) Mr. Kegebein noted that he does not see any problem with moving forward on approving the Negative Declaration.

Director Oneto noted that he received the Salsipuedes ordinance today where it is noted that chemical toilets are acceptable for public schools for recreational events with various provisions. He further noted the similarity between our Farmer's Market and recreational events at public schools given that many public school recreational events charge admission, sell food and other items, provide some entertainment, and do not have chemical toilets as a permanent fixture but rather remove them after the event. Therefore, Director Oneto expressed concern about conceding on the chemical toilet issue in our Negative Declaration since he believed the operator generally removed the toilets after the event each weekend as well; however, Ms. Grunewald noted that sometimes they were left longer than that.

Director Smith cited section 303(4) regarding temporary, recreational, after-hours use of chemical toilets on public school property, and noted that provided we state in the promotor's contract that the toilets are brought in only for the event and removed immediately afterwards, then this use should fall within the Salsipuedes parameters.

Director Oneto also noted that the rental value for the Crosetti Building on Sundays is diminished if the restroom facilities have to be shared with the Flea Market. He also inquired about the statement in the Negative Declaration claiming that we have two wells with potable water, and Mr. Travis clarified that

we do indeed have two wells with potable water but that the one at the horse show arena is not currently connected.

Max Kelley: Mr. Kelley noted that there had been some discussion about retracting the Negative Declaration altogether, provided that the project description stipulates no amplified sound and includes the special requirements for the portable toilets as well as the stipulation that the winning bid has to do the environmental review. He stated that the currently revised Negative Declaration states "no amplified music" instead of "no amplified sound" and is essentially a mitigated Negative Declaration and not a worthwhile document. He also noted that if this revised Negative Declaration is approved, it will affect the stay put in place regarding their lawsuit.

Director Oneto suggested that legal counsel be consulted about how to proceed in this regard and that it would be helpful if Sacramento could provide the Board with the form that should be used for a Negative Declaration or how to proceed if it is to be abandoned along with the dismissal of the lawsuit.

Max Kelley: Mr. Kelley suggested that Stephanie Streetflow might be another route regarding consultation in this matter since she is the environmental consultant that wrote the Negative Declaration.

In order to get legal clarification on this issue and to give Mr. Kegebein more time to review the documentation, the vote was deferred to the January 24, 2012 meeting.

CORRESPONDENCE: None.

CLOSED SESSION: (Deferred to the January 24, 2012 meeting since the Attorney General's office could not meet today.)

ADJOURNMENT: The meeting was adjourned at 2:54 PM.

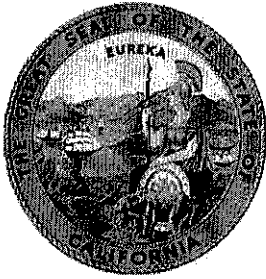
Next Finance Committee Meeting: Tuesday, January 24, 2012 @ 12:45 PM in Board Room.

Next Board Meeting: Tuesday, January 24, 2012 @ 1:30 PM in Board Room.

14th District Agricultural Association

SANTA CRUZ COUNTY FAIR

Established 1885



BOARD MEETING MINUTES

Board of Directors' Meeting
2601 East Lake Avenue, Watsonville, CA
Tuesday, January 24, 2012
The Board Room

Approved by: _____

Date: _____

CALL TO ORDER: 1:35 PM

DIRECTORS PRESENT: Patrice Edwards, Vice President; Bruce Oneto, Director; Loretta Estrada, Director; Stuart Yamamoto, Director; Christopher Smith, Director; Bob Thomas, Director.

DIRECTORS ABSENT: Rob Marani

DIRECTORS EXCUSED: Jody Belgard-Akimoto.

TEAM LEADER: Dave Kegebein – Interim General Manager (IGM)

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL: *Director Smith moved and Director Thomas seconded approval of the agenda. The motion was carried.*

FINANCIALS: Director Edwards reported that the Finance Committee reviewed the November and December financial and recommended approval. IGM Kegebein introduced the Fair Management Team (FMT) and presented an overview of the current finances of the fairgrounds. The bottom line is that in the last 2 years, \$820,190 more has been spent than has been taken in as revenue. There was a discussion as to whether or not the \$85,000 in funds that had been restricted for a Master Plan had been previously released by the board. It was agreed that it had not been, but that it needed to be released now in order to continue operations.

Director Smith moved, and Director Thomas seconded, that the restricted funds be released.

Discussion: Director Oneto asked if the board had not previously discussed having these funds restricted again, once sufficient funds were available. IGM Kegebein explained that the FMT proposes another approach, with the work being accomplished by a volunteer team. He also suggested that it would be some time before any funds were available for anything other than essential activities. Director Estrada clarified changes in the finances in the past six months that required the release of the funds.

Motion carried.

BUDGET: IGM Kegebein and Nic Keiderling reviewed the budget worksheets with the board. IGM Kegebein indicated that the Heritage foundation will be relied on heavily to address long-term capital needs.

Director Smith moved, Director Edwards seconded that the 2012 Budget be approved.

Discussion: Pat Davidson noted that expense categories 46109 (expense) and 66109 (revenue) showed zero activity (these are car race categories). It was explained that these activities are operated by a contractor – not the fairgrounds.

John Kegebein asked IGM Kegebein to comment on the loss of State subsidies for capital improvements to fairs. IGM Dave noted that there are 80+ fairs in California and that there was \$11 million/year in subsidies to the fairs from the State. Santa Cruz received about \$140,000/year. This is all gone now – the State has some remaining revenues being paid from a legal settlement but is virtually without funds. The State will no longer perform audits for us either.

Director Oneto asked what will become of the Workers Compensation Pool. IGM Dave said CFSA administers Workers Comp, which has nothing to do with the Department of Food and Agriculture, so they will still provide some services. Director Oneto said that he had not seen a budget provided with such clarity in 10 years and thanked IGM Dave (Director Smith seconded this sentiment).

Motion carried.

NOVEMBER AND DECEMBER FINANCIALS: Chair Edwards stated that the Finance Committee had reviewed and recommended approval of the November and December financials.

Director Estrada moved, and Director Smith seconded that November and December financials be approved.

Motion carried.

MINUTES OF NOVEMBER 22, 2011, DECEMBER 13, 2011 AND JANUARY 3, 2012 BOARD MEETINGS Introduced by Chair Edwards.

Discussion: Eric Zamost with Stop the Rodeo noted that in the November minutes on page 5 it was stated that 12,000 attended the rodeo – he said there were not 12,000 in attendance – that it was not known how many attended. IGM Dave recommended that Mr. Zamost submit amendments to minutes in writing. The approval of the minutes was postponed.

CONSENT AGENDA: Introduced by Chair Edwards.

Director Smith moved and Director Yamamoto seconded approval of the consent agenda.

Motion carried.

FAIR MANAGEMENT TEAM (FMT) REPORT: IGM Dave reported that a number of the FMT and board went to Western Fairs Convention (at their own expense). The team is excited to assist with the success of the fairgrounds and is here to support the board.

ACTION ITEMS

- 1. Extension for Kelly Thorp – Lynne Grossi reported that a request from the Board to Fairs and Expositions is required prior to Kelly Thorp being allowed to exhibit.**

Director Yamamoto moved, and Director Smith seconded that the request to allow Kelly Thorp to exhibit be sent to Fairs and Expositions.

Motion Carried.

- 2. 2012 Agreement with Davey Tree.** Lynne Grossi said that this item had been pulled from an earlier agenda to allow time to respond to questions. Davey Tree agreed to remove their cap. Lynne noted that the hot water heater and damaged floor repairs will be covered by Community Bridges. Lynne recommended approval of the Davey Tree contract. Director Oneto recommended that details of the amount of land being used and the value of that land (5% of land value typical as rental rate). Davey Tree should also be given adequate notice of work requested for them to complete onsite (1 week). Chair Edwards concurred and noted that Davey Tree had been very generous in the assistance they'd provided. Pat Davidson recommended that the light replacement be completed as part of this contract.

Director Yamamoto moved, and Director Smith seconded that the two contracts be approved.

Motion carried.

- 3. Approval of 2012 Alcohol Policy** IGM Dave said that staff is not prepared to present the proposed policy – it will be brought back.

- 4. 2012 Concession Rates – Emily Grunewald.** Comparison of Monterey and San Benito County and Salinas Valley concession rates was presented. Staff recommended that the rates stay the same as 2011 for 2012.

Director Smith moved, Director Yamamoto seconded adopting concession rates recommended by staff.

Director Oneto would like to see data on utility usage – sub-metering of concession would allow pricing in accordance with utility usage. Don Allen noted that he is analyzing our electric utility use.

Motion carried.

- 5. 2012 Commercial Exhibitor Rates (Including non-profit rates) – Emily Grunewald.** Comparison of Monterey and San Benito Counties and Salinas Valley was presented. Staff recommendation is to continue with the current rate structures. The commercial exhibit area will be back on the grass in 2012. Director Oneto asked if the big tent would be up again. Ms. Grunewald responded that the 10x10 canopies will be used again. These are preferred by the vendors.

Director Smith moved, Director Yamamoto seconded approval of 2012 Exhibitor Rates.

Motion carried.

- 6. Review and approve 2012 Fair ticket prices – Lynne Grossi.** Local fair ticket prices were surveyed by staff and were comparable. Lynne and Emily recommended same presale rates but with fewer categories. Director Smith questioned the rationale behind selling earlier sale tickets cheaper. IGM Dave agreed that further study is needed, but at this point best done before 2013 season, as time is short for this season. Director Estrada questioned whether parents will complain about parent exhibitor passes costing \$20. Chair Edwards noted that San Benito does a "Run of the Fair" ticket that could be a really good idea for here. Director Oneto asked how everyone could be a ticket seller to maximize public exposure. Dawn White expressed concern over increase of exhibitor passes for livestock in light of the fees they already have to pay.

Director Smith moved, Director Yamamoto seconded approval of 2012 Fair ticket prices as presented.

Motion carried.

- 7. Workers Compensation Exemption- Lynne Grossi.** Workers Compensation hours are based on calculation of volunteer hours. Director Smith asked if there is workers compensation for the employees. IGM Dave said yes – Fairs have set this up because the Fairs are so reliant on volunteers. Director Thomas asked if workers comp is required for ALL volunteers. IGM Dave said yes, and Don Allen noted that it limits the liability to the fairgrounds. John Kegebein recalled a worker breaking a leg a number of years back, and how important it was that the workers comp covered his accident.

Director Yamamoto moved, Director Smith seconded approval of workers compensation policy.

Director Oneto noted that losses under this program are LESS than average workers pool – safety training has been critical in keeping very low losses which result in very low rates.

Motion carried.

- 8. Board Committee Recommendation- IGM Kegebein.** Director Belgard-Akimoto and IGM Dave met and have recommended slate of committee members.

Proposed 2012 Board Assignments are as follows:

Ad Hoc Management Committee -	Directors Belgard-Akimoto and Edwards
Ad Hoc Neighbor Relations Committee-	Directors Belgard-Akimoto and Marani
Buildings & Grounds Committee -	Directors Estrada and Yamamoto
Financial Committee -	Directors Edwards, Belgard-Akimoto and Oneto
Rodgers House Committee -	Directors Estrada and Belgard-Akimoto

Director Smith moved, Director Thomas seconded appointment of the recommended slate.

Motion carried.

INFORMATIONAL ITEMS

1. **MILK CAN CONCESSION:** Director Thomas said he has contacted the architect and sheet metal contractor who are working on design and construction concepts. Goal is to get this 90% completed – wondered if there were some protection available for the concept. Director Thomas indicated that he would be able to look at copyright protection. Jr. Fair Board could be considered as concessionaires. Director Oneto is concerned about conflict with the Clover Deli and he also noted that the Clover Deli was promised a new floor last year and that he'd like to see that promise honored. IGM Dave said that more analysis was needed on this issue.
2. **MANAGEMENT CONTRACT – Dave Kegebein.** IGM Dave worked with legal counsel on a contract which will be sent to Sacramento for review. Once returned, the contract will need to be approved by resolution in February.
3. **AUDIT REPORT – IGM Dave** recommended that the Board review the audit report. Director Edwards noted that she'd brought up many times the issue noted in the October Finance Committee meeting. Director Estrada noted that many of those same concerns were now being addressed by IGM Dave.
4. **ROGERS HOUSE UPDATE – Director Estrada** said that tomorrow is a workday at the Rogers House. They received a \$200 bonus for a dinner held in December. These funds will be used for landscaping.
5. **HERITAGE FOUNDATION – Chuck Allen.** Chuck announced the March 3, 2012 Crab Feed – targeting \$15,000 for auction proceeds this year. There is still a need for silent auction items. Chuck noted the Western Fair Conference was very informative for those in attendance. Also Chuck noted that the Heritage Hall will be finished this spring.
6. **Jr. Fair Board – Russell Sanderson.** Russell said the group is very active and has a membership of 18 now.
7. **AG HISTORY – John Kegebein.** Ag History is actively planning new events and engaged in creating a new marketing plan. The Day on The Farm is being planned for June 2, 2012.
8. **HORSE SHOW – Blanca.** No report available as Blanca is out sick- we wish her a speedy recovery.
9. **LIVESTOCK – Dawn White.** Dawn indicated that a lot of work is underway. The team meets the 4th Wednesday of the month and everyone is invited to attend and contribute.

CORRESPONDENCE: Letter of insurance for Ocean Speedway was received.

CLOSED SESSION: No action taken or reported.

ADJOURNMENT: The open session meeting was adjourned at 3:25 PM.

Next Finance Committee Meeting: Tuesday, February 28, 2012 @ 12:45 in Board Room
Next Board Meeting: January 24, 2012 @ 1:30 PM in Board Room

