

CALIFORNIA EXPOSITION & STATE FAIR

Cal Expo Renewal Committee Meeting Minutes
Monday, September 15, 2014
9:00 a.m.

MINUTES

Committee Members Present:

Rex Hime, Chair
Director David Mallel
Director Mark Nelson
Director Patrick O'Brien

Staff Present:

Chief Executive Officer (CEO)
External Affairs Director
Marketing and Public Relations Director
Programs Director
Assistant General Manager, Operations (AGM)
Recording Secretary

Rick Pickering
Sonya Logman
Jennifer Castleberry
Carrie Wright
Marcia Shell
Linda Contreras

Chair Hime called the meeting to order at 9:05 a.m. and dispensed with reading the Mission Statement.

Roll call was taken by Chair Hime and a full quorum was present.

UNFINISHED BUSINESS

1. **General Update on Status of Community Multi-use Sports Field Facility**

CEO Pickering reported the Sacramento Republic Football Club won their first playoff game last Saturday night with a score of 4 to 1. The first place team lost their match last Saturday, so the Sacramento Republic Football Club now has the home field advantage for their playoff matches should they continue to win.

Because of these playoff games which have been added to the schedule, this has impacted our large RV Show, causes us to move fence lines. Also, Ovations is in the process of negotiating with local high schools to see if we could host soccer playoffs.

CEO Pickering reported a Draft Profit & Loss Statement from Ovations was received for their first quarter of operations, which took them through June. However, it included the games that were played at Hughes Stadium. Staff is working with Ovations to break out what took place at Cal Expo versus what took place at Hughes Stadium.

CEO Pickering reported that Ovation is almost current on all of their outstanding billing reimbursement invoices.

Chair Hime noted that the Board should consider making the field available to high schools for graduation ceremonies. Right now, a lot of high schools go to downtown Sacramento and use the Memorial Auditorium which is very difficult and very crowded.

CEO Pickering reported that Ovation is considering holding other events at the soccer field. Ovation hired Eric Blockie to be the Field Manager and he is responsible to find non-soccer events to be held at Bonney Field. Currently, they are in discussions with music festivals for the spring.

Perhaps, the largest event happening at Bonney Field is the Global Winter Wonderland. The event was formally held in Santa Clara for two years, and then moved to Atlanta. This year they want to come back to California. So we have been in negotiations since May and believe the event will be here as they have listed Cal Expo on their website. A joint announcement is in the works. pending the execution of a contract.

2. Consideration of request by Ovation Fanfare, LLP, to enter into a Letter of Understanding for the possible expansion of temporary seating at the Multi-use Sports Field Facility

CEO Pickering reviewed the Consideration of Request by Ovation Fanfare, LLP, to enter into a Letter of Understanding for the possible expansion of temporary seating at the Multi-use Sport Field Facility with the Committee.

Chair Hime noted that the Letter of Understanding required Ovation to reimburse Cal Expo for up to \$13,000 in costs related to CEQA and the development of the legal documents.

Chair Hime suggested the Committee to recommend adoption of the Letter of Understanding, while providing Staff the ability to adjust the reimbursement amount upwards to cover any additional costs, before the Board meeting.

Motion:

It was moved by Director O'Brien and seconded by Director Mallel to recommend to the Board for approval the Request by Ovation Fanfare, LLP, to enter into a Letter of Understanding for the possible expansion of temporary seating at the Multi-use Sports Field Facility, upon Staff adjusting the reimbursement amount upwards. **All in favor, motion carried.**

3. General update of Cal Expo Renewal efforts and Draft of Request for Qualifications (RFQ)

CEO Pickering distributed and reviewed with the Committee a February 2012 Facility Revitalization Report and a report titled, "Update on Cal Expo Renewal Efforts-Consideration of Next Steps in Possibly Leasing Out 120 Acres or More of Cal Expo, in Order to Generate Funds to Support Capital Infrastructure Needs at Cal Expo Report". Copies are on file for review.

Director Hime reviewed an outline of some of the key items that need to be further addressed by the Cal Expo Board of Directors as it moves forward with the next steps of the renewal efforts.

A draft of a Request for Qualifications dated December 7, 2012 was distributed to the Committee.

Chair Hime asked the Committee for comments on the draft of a Request for Qualifications dated December 7, 2012.

Director O'Brien commented it appears the December 2012 Request for Qualifications is a difficult document to work with. People from the private sector that could partner with us and creatively go forward will be boxed into plans that are now many years old. We need to free ourselves from what was written in 2012, because it has too much Request for Proposal language in it, and too many of these points and people will come to us in the proposal phase and not in the qualification phase. Right now our focus should be getting qualified potential private partners to go forward.

Director O'Brien commented that the referenced of the 120 acres should be eliminated, and that pages 5 and 6 of the document should also be eliminated.

Director Nelson commented the two key issues are qualifications financially and what's their track record, have they performed and what have they performed on.

Director O'Brien commented the language regarding the fair operations on page 10 seems awkward and should be eliminated.

Chair Hime commented we need to restructure the reference of relative project experience and on the statement of financial capability noted on page 12.

Director O'Brien commented if we only have the authority to enter into a 20 year lease, we really don't have anything commercially financeable. The reality of it is we need the resolution of the legislature, whether it's a ground lease or some potential sale.

Chair Hime commented the State and Governor will need to see a plan that they agree on and will make it a little easier for us to deal with the legislature. We need to find out what people want to do and how that fits in with our Mission and how we can market it to the legislature to get it done.

Director O'Brien commented any potential partner is going to have to accept that we don't know if we can do what we brainstormed to do. However, developers are use to that and use to contingency situations.

Chair Hime noted that the scoring of candidates section on pages 16 and 17, should be changed to assessing the candidates and how the Board follows through on the selection of candidates.

Director O'Brien commented the Exclusive Negotiation Agreement section noted on page 18 should be eliminated and does not need to be in the Request for Qualifications. He also noted that the Board should seek input from the Community regarding their ideas and desires for the future of Cal Expo.

4. **General Discussion of Cal Expo Renewal efforts, process and next steps**

Chair Hime asked Director O'Brien to work with Staff to prepare a major revision of the Draft Request for Qualifications.

Chair Hime commented since there will be significant revisions to the document the Committee should review the Request for Qualifications before recommending it to the Board of Directors for approval.

External Affairs Director, Sonya Logman, reported the Great American River Clean Up is scheduled for Saturday, September 20, 2014 from 9:00am-Noon.

It was the consensus of the Committee to recommend that the Board Meeting scheduled for Friday, September 26, 2014 be moved to Friday, October 17, 2014 to allow the Committee and Staff enough time to work on the document. A notification will be sent to all Board Members of the recommended date change.

ADJOURNMENT

Motion:

It was moved by Director Nelson and seconded by Director O'Brien to adjourn the Cal Expo Renewal Committee meeting. **All in favor, motion carried.**

The Cal Expo Renewal Committee meeting adjourned at 10:26 a.m.