

CALIFORNIA EXPOSITION & STATE FAIR

Minutes of the Board of Directors Regular Meeting

Held Pursuant to Due Notice
September 25, 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 Erin Choi
Director Sonney Chong
Director Rina DiMare
Director David Mallel
Director Brian May

Staff Present

Rick Pickering, Chief Executive Officer
Tom Martinez, Chief Deputy General Manager
Samantha Brown, Deputy General Manager, Administration
Marcia Shell, Assistant General Manger Expo Events
Jay Carlson, AG Programs Manager
Sue O'Brien, Recording Secretary
Mitch Pryor, Chief of Plant

Others Present 9 as identified by Zoom

1. CLOSED SESSION

The Board will convene in closed session as authorized by Government Code Section 11126(e), (2), and (B), to confer with and receive advice from legal counsel regarding potential litigation involving the California Exposition and State Fair. Based on existing facts and circumstances, there is significant exposure to litigation against California Exposition & State Fair.

The Board Meeting was called to order at 12:30 p.m. and the Board immediately convened into closed session.

2. CALL TO ORDER – Public Meeting

Chair Durfee called the public meeting to order at 1:06 p.m. Chair Durfee dispensed with the reading of the Mission Statement, Policy Statement and the Public Comment Statement.

3. ROLL CALL

Roll call was taken and a quorum was present.

4. INTRODUCTION OF STAFF

Chair Durfee reported out that the Board met in closed session to discuss legal issues that might involve potential litigation. No action was taken.

5. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

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

6. CONSENT AGENDA

All items on the consent agenda are to be approved in one motion unless a Board Member request a separate action on a specific item.

- a. Accept Cultural Advisory Council Meeting Minutes for May 14, 2020, as presented.
- b. Accept Cultural Advisory Council Meeting Minutes for July 23, 2020, as presented.
- c. Approval of Board Committee Meeting Minutes for August 28, 2020.
- d. Approval of Board Meeting Minutes for August 28, 2020.

MOTION:

Chair Durfee called for a motion to approve the consent agenda. The motion was moved by Vice Chair Hime and seconded by Director Chong. **All in favor, motion carries unanimously.**

7. COMMITTEE AND STAFF REPORTS

Legislative Committee

Committee Chair DiMare reported out that the Legislative Committee met earlier in the day and Chief Deputy General Manager Martinez made comments and gave his staff overview of some of the items taken up during the legislative session.

a. Review of 2019-2020 Legislative Session

Chief Deputy General Manager Martinez gave a brief summary of his staff report. He mentioned that in January, 2020 the Governor's budget had a \$2.5 million appropriation for Cal Expo. The May revise took those monies out of the budget however, staff was able to work with the Legislatures and Administration and Cal Expo received a \$6 million appropriation via CDFA.

b. Update of outlook for 2020-2021 Legislative Session

Chief Deputy General Manager Martinez continued that future ideas to bring to the Board Retreat would be, Sports Wagering, 20 year leasing and an alternate ways of funding.

Committee Chair DiMare commented that she want to thank Rick, Tom and Sam for the work they did for Department of Finance during the stressful time of laying out the layoff plan. She also mentioned that in the Committee meeting Vice Chair Hime asked that thank you letters go out to the Governor, and Senator Pan and others that help with SB 115.

Financial Report

a. Review and Update of Cash Flow

Deputy General Manager Brown reviewed with the Board the working draft cash flow sheet. No significant changes were made this week. The AB 1499 amount was changed based on a new split that CDFA has proposed. Also, adjusted salary amounts based on the effected lay off date. This draft cash flow sheet is submitted monthly to Department of Finance along with documentation. This does not allow for any unexpected cost or expenses moving forward even with the layoffs and staff reduction.

Director DiMare asked for an update on Rock & Brews (R&B). CEO Pickering reported that R&B are planning on opening this fall. He and other executive staff members have tour the building several times lately. Currently R&B is working with Superior Sign Company who is submitting plans to the State Fair Marshall for plan review.

8. MATTERS OF INFORMATION:

a. Update on COVID-19 Emergency Support Provided by Cal Expo

b. CEO Comments

CEO Pickering started his comments with mentioning a positive article that ran in the Sacramento Business Journal about the state of finances at local fairs. They specifically mentioned Cal Expo, Placer County Fair and

the El Dorado County Fair. The last two are on County Property and with County involvement and not State owned assets. There were several wonderful comments from Senator Pan regarding Cal Expo's importance in the region and community. There has been a change in our Ex Officio Members. The chair of the Assembly Agriculture Standing Committee is Assemblymember Robert Rivas and he will become our newest Ex Officio Member. Another change has been on the CHRB Board. Governor Newsom appointed Brenda Davis, who is a past State Fair Board Member and a member of our Agricultural Advisory Council. Watch & Wager Harness Racing presented their racing license application to the California Horse Racing Board and was approved unanimously subject to final signoff from Cal Fire regarding their annual fire inspection. Watch & Wager has gotten approval from County Health to hold live meets with no public. One of the last projects that Margaret Mohr completed before leaving was the customer satisfaction survey and we are still gathering that data and will send out to the board once completed. The Cultural Advisory Council has embarked on an internal strategic planning. Looking at their mission statement and trying to come up with some mile stones to measure their success. It was suggested that they bring their written findings to a board meeting. Sacramento County Health Department was not ready to issue a permit for the 911 Memorial event that we host. A few of Cal Expo's staff that had help build the memorial came out and raised the flags and play the bells. We continue to work with Sacramento County Health Department on behalf of our vendors. Sac County Health has allowed Harness Racing and Sac Republic home games with no fans attending. All events from now until the end of the year have cancelled as they couldn't get a permit from Sac County Health. At this point in time the Board has discussed an October Board Retreat. They have suggested a Zoom Board Retreat. A morning session discussing Cal Expo Finances, moving forward with Legislation and Administration and having a frank conversation about the 2021 State Fair. Then an afternoon Board Meeting. Cal Expo continues to support a very active COVID drive through program along with the 63 COVID Isolation trailers. CEO Picking reported that Governor Newsom came out to Cal Expo for a media event where he signed an executive order dealing with fossil fuel and electric vehicles and the future of California.

c. Directors Comments/Agenda Items for Future Meeting

Director Barkett-How many trailers are occupied? CEO Pickering reported that it fluctuates between 2 trailers to 48 trailers. County can't share daily information due to HIPPA. Also, thank you to staff for the hard work with the Legislators.

Director Chong – We need to keep thinking about money making ideas.

Vice Chair Hime – Thank you. We have a great team.

Director May – Thank you to the staff and Board members.

Chair Durfee – Looking forward to the retreat in October. If you have any ideas or input for the retreat please let CEO Pickering or I know.

- d. Next Board Meeting – **Friday, October 30, 2020** (Subject to change due to COVID-19 emergency)

9. **ADJOURNMENT**

MOTION:

Chair Durfee called for a motion to adjourn. The motion was moved by Vice Chair Hime and seconded by Director Choi. **All in favor, motion carries unanimously.**

The Board of Directors meeting was adjourned at 1:54 p.m.