

14th District Agricultural Association

SANTA CRUZ COUNTY FAIR

Established 1885



BOARD MEETING MINUTES

Board of Directors' Meeting
2601 East Lake Avenue, Watsonville, CA
Tuesday, February 23, 2021
The Board Room

Approved by: 

Date: 3/26/21

CALL TO ORDER: 1:31 p.m. by President Stephanie Fontana

DIRECTORS PRESENT IN PERSON: None

Due to the Covid 19 Pandemic special arrangements were made to participate remotely VIA Zoom

DIRECTORS PARTICIPATING REMOTELY: Stephanie Fontana - President; Jody Belgard- Vice-President, Loretta Estrada, Bill Barton, Michael Pruger, Don Dietrich Lupe Flores, and Maria Elena de la Garza (left at 3:02), Director Campos (arrived at 3:05).

JR FAIRBOARD MEMBER: Morgan Cole

DIRECTORS ABSENT:

DIRECTORS EXCUSED:

CHIEF EXECUTIVE OFFICER (CEO): Dave Kegebein

RECORDING SECRETARY: Mary Bannister

PUBLIC COMMENTS: Jessica Ayala Commented that at the last meeting the Bagley Keene Act was violated. She made several requests for the next meeting. Becky Steinbruner asked why the fairgrounds was not opened to the CZU evacuees at the end of January. Likewise, the equine evacuees were not accommodated, she stated. She also stated that her comments from the last Board meeting were not incorporated in the minutes. Phillip Carranco thanked Director Dietrich and Campos for their work last year as President and Vice-President. He asked that action items be agendized and policies be posted. Jody Kolbach asked to see the contract fee schedule.

DIRECTOR COMMENTS: Director Dietrich asked that contracts be pulled off Consent Calendar. Director Barton expressed gratitude that the facility is helping with vaccinations and with fire relief. Director Pruger apologized for missing the last meeting and thanked the group for condolences for the loss of his father. President Fontana was pleased at the efforts related to COVID-19 vaccines, the flea market and other activities at the fairgrounds.

CONSENT CALENDAR. Minutes of November 17, 2020 – Jessica Ayala made a request for true copy signed contracts and receipts from November. CEO recommended that both November and December minutes be pulled, corrected and brought back for approval.

Contracts – Director Dietrich stated that PV Little League contract is \$10 and the Board should not lease facilities at discount rates. He stated that Drive-Through Fair Food contracts from April until June 2020 were not approved by the Board. CEO noted that the Little League pays \$3,000 for rent including utilities normally. This year's rate reflects a credit back from last year when the fees were paid but the fields weren't used due to COVID. Kalia Mitchell recommended that the Little League be refunded \$3,000 and then re-contract for this year. Eric Zamost recommended that Little League be allowed to decide how they accept refund.

After discussion, Director Pruger moved; Director Dietrich seconded pulling the Little League contract from the Consent Calendar and approval of refunding Little League for last year and entering into a new contract for 2021. Motion carried 7 - 1. Ayes - Directors Fontana, Belgard, Estrada, Barton, Flores, Pruger and de la Garza. Noes – Director Dietrich.

Remainder of consent agenda (contracts, not including Little League) – Becky Steinbruner commented that the drive-through food event is new to the Board and should be considered for approval by the Board. She also asked for clarification about the Santa Cruz County Fairgrounds having alcohol sales year-round by multiple parties. CEO explained that the Fair Foundation holds the ABC license and they are the sole alcohol vendor at the fairgrounds.

CEO noted that the Drive thru Fair Food contracts on the consent calendar have a typo. These sales will be conducted the last weekend of April and first weekend of May (not June). CEO explained that there won't likely be a normal fair this year and a drive through fair food event offers a very enjoyable alternative for the vendors and the public. Last September the fairgrounds share of drive thru food sales was about \$25,000. Director Barton was supportive of the idea. Director de la Garza was also supportive. Jeanette Crosetti expressed appreciation to the Board for their hard work.

After discussion, Director Belgard moved; Director Flores seconded approval of the Consent Agenda, with the minutes and Little League contract pulled. Motion carried 7 - 1. Ayes - Directors Fontana, Belgard, Estrada, Barton, Flores, Pruger and de la Garza. Noes – Director Dietrich.

FINANCIALS. CEO reported \$210,000 cash on hand with \$69,000 coming in from the State under AB 1499. CEO directed attention to end of year preliminary financials for most up to date financial picture. Phillip Carranco asked where alcohol concession proceeds are shown. Kalia Mitchell asked about accounts receivable in Statement of Net Position. Becky Steinbruner asked about horseshow revenue in 2020 – no proceeds or expenses are shown. She also asked about alcohol concession revenues- where are they shown? CEO explained that other than the Fair horseshow, all others are shown under Interim Revenues as they are not events put on by the Fair. Jessica Ayala asked about discharged debt. Becky Steinbruner recommended alcohol be separated from food concession.

Director de la Garza was excused at 3:02.

After discussion, Director Barton moved; Director Flores seconded acceptance of November and December 2020 Preliminary Financials. Director Dietrich asked questions which were addressed by CEO. Motion carried 5 - 2. Ayes - Directors Belgard, Estrada, Fontana, Barton, and Flores. Noes – Directors Dietrich and Pruger.

January Financials not available.

Director Campos arrived at 3:05.

2021 Budget – CEO explained the proposed 2021 budget, noting that if a Fair does not happen in 2021, we will revert back to the 2020 Budget numbers. Two Drive Through Fair Food events are planned, along with a modified auto racing schedule and other events.

After discussion, Director Belgard moved; Director Estrada seconded approval of the 2021 Budget. Motion carried 7 - 1. Ayes - Directors Fontana, Belgard, Estrada, Barton, Flores, Pruger and Campos. Noes – Director Dietrich.

Becky Steinbruner asked why non-fair programs line item does not include horse shows. CEO explained that the Fair does not sponsor horse shows – other entities do so the revenue is shown under Interim Revenue.

CDFA Annual Support Agreement - In December Director Dietrich requested a copy of corrected signed agreement be provided in next agenda packet and it is. *After discussion, Director Barton moved; Director de la Garza seconded approval of CDFA Annual Support Agreement. Motion carried 8 - 0. Ayes - Directors Fontana, Belgard, Estrada, Barton, Dietrich, Flores, Pruger and Campos.*

CEO REPORT

Holiday Lights - CEO reported that 40,000 people attended the very successful Holiday Lights event which compared to our Fair in attendance. The overall event netted about \$200,000. Director Belgard said it was the most spectacular event ever and expressed gratitude to the Santa Cruz County Fairgrounds Foundation and Ag History Project, along with staff. Director Dietrich echoed Director Belgard's comments as did President Fontana. John Kegebein said that everyone was so committed to working together which contributed to a very memorable and successful event. Director Estrada acknowledged John Eiskamp who chaired the event, and John Kegebein who was there every night, as was Jeannie. Jeannie Kegebein reported that over 5,000 volunteer hours were spent by more than 80 volunteers.

Santa Cruz County Animal Control Ordinance – is being worked on with input from various ag organizations. It's much better than what was initially presented, and exempts the fair and livestock auctions, etc.

Vaccination Site - County set up the site and has had challenges. Dominican Hospital along with Kaiser and Sutter Health are in discussions with staff about expanding opportunities.

Farmers Market – a record breaking day was had last weekend – 2,160 parking tickets were sold which is an all-time record. People are honoring the COVID health protocols.

Fair Reorganization – several Fairs are considering options to reorganize and their efforts will be tracked. The next Governors budget has \$50 million identified to be shared across the industry with the largest fairs allocated the lions share. CEO noted that it is still going to be very challenging getting sufficient funding for infrastructure maintenance.

Fair Livestock Issues - independent review being conducted – a report will be prepared and presented.

Director Dietrich asked that the Santa Cruz County Animal Control Ordinance be presented to the Board for consideration when available. Director Dietrich asked if a vehicle had been stolen, if a police report had been filed, and what is being done to prevent that in the future. CEO responded that that was the case, a dump truck, a report was filed and that steps were taken to prevent future loss.

Becky Steinbruner commended the Holiday Lights event and looks forward to helping again next year. She asked if fees are paid to the Fair for the drive-through vaccination clinics. CEO explained that county use of the parking lot for clinics falls under the County Emergency Agreement with the fairgrounds.

Eric Zamost asked what the value of the stolen dump truck was – CEO responded about \$17,000 original cost, which had been donated 8 years ago.

OLD BUSINESS-

Electrical Project Update SB-5 grant - Livestock and Horse Show electrical upgrades were planned with about \$440,000 in grant funds. PG&E contract to install 2 new transformers and primary wire in the preexisting conduits has been signed by CCA and the \$100,000 fee has been paid by 14th DAA. Expecting CDFA to process grant reimbursement in a few weeks. We will need to reinvest those funds for next phase of work on this project. Project completion deadline was extended by the granting agency to June 2023.

NEW BUSINESS-

Request Allocation from CDFA – grant amount of \$66,410 is being requested – contract was corrected from version last month.

After discussion, Director Dietrich moved; Director Belgard seconded approval of CDFA Allocation Request. Motion carried 8 - 0. Ayes - Directors Fontana, Belgard, Estrada, Fontana, Barton, Flores, Campos and Dietrich.

Committees

President Fontana made the following appointments:

- Finance Committee – Directors Belgard and Barton
- Policy Committee – Directors Fontana and Barton
- Livestock Committee - Directors Estrada and Fontana

Public Comments - Phillip Carranco said there needs to be a Building and Grounds Committee and that the Committee meetings should be open to the public. Jessica Ayala said that there should be a Horse Show Committee and that the President sit in on committee meetings. Becky Steinbruner suggested that meeting times be posted on the website. She also attempted to nominate Director Dietrich to the Finance Committee. Jeanette Crosetti expressed concern with the tone of the comments presented by members of the public.

CORRESPONDENCE-

CDFA Letter – First letter of 2021 State Rules for Fairs

Ayala Letter – included. Director Dietrich asked that the PRA requests be addressed by the Executive Committee.

Steinbruner - Email was sent to Board

REPORTS –

Santa Cruz County Fairgrounds Foundation – Jeannie Kegebein reported a \$167,000 grant to the Fairgrounds in 2020. We have been chosen as the Organization of the Year by the Santa Cruz County Chamber of Commerce. The *I Love My Fairgrounds* challenge met the \$20,000 match donated by the Don & Diane Cooley, Rosario & Patricia Rodriguez, Santa Cruz Sunrise Rotary and Keller Williams - Renee Mello, Chuck & Ramona Allen. The Crab Feed is March 6 and includes a to-go dinner, and an on-line auction which opens on February 25.

Rodgers House Update- Director Estrada reported they had a meeting last Wednesday. Paul has done a fantastic job helping the ladies with gardening. Stonework being done around gazebo. The Garden Committee is up and running full speed.

Agricultural History Project – John Kegebein said the Holiday Lights event was a fantastic experience for all involved. Several tours have been held for private groups. Their Board is considering options for the upcoming year.

Junior Fair Board – none

CLOSED SESSION - cancelled

NEXT MEETING

Next Regular Board Meeting is March 23, 2021 at 1:30 p.m. Via Zoom as necessary.

ADJOURNMENT: The meeting adjourned at 4:13 p.m.