

# 14<sup>th</sup> District Agricultural Association



SANTA CRUZ COUNTY FAIR  
Established 1885

## BOARD MEETING MINUTES

Board of Directors' Meeting  
Crosetti Hall and via Zoom  
2601 East Lake Avenue, Watsonville, CA  
Tuesday, April 5, 2022

Approved by: DF

Date: 6-29-22

**CALL TO ORDER:** 1:30 p.m. by President Don Dietrich

**ROLL CALL, PLEDGE OF ALLEGIANCE, DECLARATION OF QUORUM, APPROVAL/DISSAPPROVAL OF ABSENCES.** A quorum was declared.

**DIRECTORS PRESENT:** In-Person: Don Dietrich - President; Jody Belgard- Vice-President Loretta Estrada, Stephanie Fontana, Lupe Flores, Michael Pruger, Dana McRae; Remotely: Bill Barton.

**JR FAIRBOARD MEMBER:** none

**DIRECTORS ABSENT:**

**DIRECTORS EXCUSED:** Director Campos

**CHIEF EXECUTIVE OFFICER (CEO):** Dave Kegebein

**RECORDING SECRETARY:** Mary Bannister

### **PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA:**

Phillip Carranco commented on the agendas, financials and minutes. He asked about end of the year financials, and for more detail in the minutes. He asked for more transparency. Jessica Ayala asked about Bitcoin purchases. She asked about the charge for elections. And Department Head spending. Remotely Eric Zamost asked about the Consent Agenda. Remotely Becky Steinbruner asked about charges for hosting elections on-site, and the MOU with Santa Cruz County for emergency services.

**DIRECTOR COMMENTS:** Director Fontana noted that the fairgrounds look immaculate and well maintained. Director Dietrich commended CEO on the work he's done at the Fairgrounds since taking over in 2012 and with little support from the State. He would like us to work on complying with State guidelines and correct areas that need work. He expressed his hopes that

everyone, including our public, works together and not get personal. Directors Barton, Estrada and Fontana supported his suggestion. Director Fontana encouraged directors to get involved and come out to the grounds. Director Estrada reminded everyone that the betterment of the Fairgrounds Facility is our primary goal.

**CEO COMMENTS** – CEO Dave Kegebein noted that sadly we have recently lost Don Driscoll, Judy Doering-Nielsen and Diane Porter Cooley, all who contributed enormously to the Fairgrounds, Fair Foundation and Agricultural History Project (AHP).

CEO heard from a Red Cross volunteer that tremendous emergency support had been provided by the Fairgrounds in the past but there was a rumor that this support is being discontinued. CEO emphatically declared this to be an unfounded rumor and that the 14<sup>th</sup> DAA would continue to provide emergency support as it always has, and which is our highest priority.

**Change to Order of Business** – President Dietrich recommended moving New Business Item 5 up. Agreed by consensus by the Board.

**New Business Item 5 – Discussion with Sherriff’s Command Personnel Regarding Music & Alcohol Sales Events at Fairgrounds.** Sergeant Luna with the Santa Cruz County Sheriff’s office reviewed the problems that occurred related to a concert held at the Fairgrounds last fall. There was excessive drinking and fighting and attendees parked roadside outside of the property causing disruption and littering. Issues identified included inadequate security, drinking by minors, and staff shortages due to COVID/fire coverage. Director Pruger said careful vetting is needed for events. CEO said one security goal per 100 people and one Sheriff per 1,000 attendees is the goal. Director Fontana hopes we continue to plan for safety at events, but noted that it’s hard if not impossible to control a mob. Director Flores noted that the gates were opened several hours before the event started adding to the drinking, carousing problem.

Public Comments – John Kegebein said he’d seen similar problems in past years at large events and they are difficult to predict and manage. Jessica Ayala commented on alcohol sales on site. Becky Steinbruner, Phillip Carranco, Steve Taylor, and one other person commented on this matter. A phone caller asked about liability arising from issues like this. CEO clarified that the CFSA sells insurance or the event promoter must get their own insurance that meets CDFA criteria.

**CORRESPONDENCE** – YQCA Platform Transition – Director Fontana clarified the intent of the letter and how it pertains to training for Livestock Department youth. B. Steinbruner Park Space letter – after public comment, President Dietrich clarified that the Park Space property has been discussed at the Board level, and that agreements are more than one year out.

**CONSENT CALENDAR.**

Public requested that minutes be pulled from the Consent Agenda for discussion.

February 22, 2022 minutes – Director Pruger moved approval of February 22, 2022 minutes; Director Fontana seconded.

Public Comment - Eric Zamost, Jessica Ayala, and Becky Steinbruner commented on the brevity of the public comments recorded in the minutes. President Dietrich said legal will be consulted about required content and detail in minutes. CEO responded that minutes will reflect commenter and general subject matter. Becky Steinbruner said other public agencies use abbreviated action minutes but make video recordings of the meetings available. Directors Pruger and Fontana withdrew their motion and second until President Dietrich obtains further clarification from legal regarding this item.

#### Contracts

Public Comment -Phillip Carranco had questions about the contracts and apparent discounts to rental rates, and regarding horse shows. CEO responded with clarification on contract details, that some events require set-up times, some do require security – each situation requires specific services.

#### **FINANCIALS.**

CEO reported that we have \$1.2 million operating cash balance and \$250,000 in our reserve account. GASB 68 Liabilities continue to grow. CEO noted that CDFA is conducting an ongoing procedural audit but it doesn't include financial so moving ahead with financial audit through the audit firm on retainer. After public comments by Becky Steinbruner and Phillip Carranco, CEO clarified where alcohol sales by SCC Fair Foundation are reflected on the financials, and answered questions regarding capital improvements.

Public Comment – Becky Steinbruner asked about Fair Foundation funding. CEO responded as to how projects are capitalized.

*Director Fontana moved, Director Belgard seconded acceptance of the January 2022 Financials and motion carried 8-0. Ayes; Directors Dietrich, Fontana, Belgard, Barton, Estrada, Flores, Pruger and McRae.*

Director McRae asked about the end date to the SBL Investigation contract that had been mentioned by Director Campos at a prior board meeting. CEO responded; further clarification will be brought back to future meeting.

*Director McRae moved, Director Fontana seconded acceptance of the February 2022 Financials and motion carried 8-0. Ayes; Directors Dietrich, Fontana, Belgard, Barton, Estrada, Flores, Pruger and McRae.*

**OLD BUSINESS** - none

**NEW BUSINESS**

**Committee Appointments** - President Dietrich appointed Directors Barton and McRae to the Finance Committee. Directors Pruger and Campos were appointed to the Building and Grounds Committee. Rather than appointing a Policy Committee, President Dietrich said that policy's will be discussed at regular Board meetings. Directors Fontana and Estrada will continue on the Livestock Committee.

**Concession – Vendor – Camping Fees;** *Director Belgard moved, Director Estrada seconded approval of the Concession-Vendor-Camping Fees and motion carried 8-0. Ayes; Directors Dietrich, Fontana, Barton, Belgard, Estrada, Flores, Pruger, and McRae.*

**Horse Show Rental Rates – Remittance Form;** *Director Fontana moved, Director Belgard seconded approval of the Horse Show Rental Rates and motion carried 8-0. Ayes; Directors Dietrich, Fontana, Barton, Belgard, Estrada, Flores, Pruger, and McRae.*

**Records Act Policy** – Director McRae said the timeline in the draft Records Act Policy appears too strict. Discussion followed about the challenges of extensive records requests going back years, and about the feasibility of digitizing documents. Director McRae offered to work on the draft with staff and bring it back for consideration. The Board concurred.

**[3:45 Five -minute break]**

**Board Discussion Regarding Policy Review During Monthly Meetings.** Agreed by consensus that Board Policies will be reviewed during regular meetings of the Board of Directors.

**Repair Work to Hog and Sheep Barns** – CEO explained that the Hog and Sheep Barns were built in 1955. Recent and needed repairs include bracing at the top and bottoms of support posts. The top end post bracing will be completed in the next few weeks, requiring an additional \$15,000 in expenditures. The total budget for this work is now \$45,000. The bottom of the posts will be braced as well and design work is being completed. There will be additional costs for this bracing.

After public comment by Becky Steinbruner and Phillip Carranco, CEO clarified that the buildings are under "restricted use" until the work is completed. The restrictions are 1) no one allowed to spend the night in the buildings, 2) no people allowed in buildings during high wind events (>30mph) and, 3) no occupancy if there are forecasted earthquake activities. CEO explained that there are other areas available to house livestock and people in case of an emergency, and that there are portable pens available (recently purchased by SCC Fair Foundation). Public comments – Jessica Ayala commented on construction costs and Eric Zamost recommended signage for restricted use areas.

*Director Fontana moved, Director McRae seconded approval of the additional \$15,000 expenditure to complete the post-top support bracing, and motion carried 8-0. Ayes; Directors Dietrich, Fontana, Barton, Belgard, Estrada, Flores, Pruger, and McRae.*

**Public Safety Power Shut-off Grant** – After discussion, *Director Pruger moved, Director Estrada seconded approval of the California Construction Authority Agreement for the Public Safety Power Shut-off Grant in the amount of \$170,000. Motion carried 8-0. Ayes; Directors Dietrich, Fontana, Barton, Belgard, Estrada, Flores, Pruger, and McRae.*

**CFA Supplemental Dues Request** – CEO explained the important advocacy work the California Fairs Alliance (CFA – division of Western Fairs Association) does for California Fairgrounds. Due to COVID and State funding challenges, the CFA has requested a “Supplemental Dues” contribution for 2022. *Director Belgard moved, Director Fontana seconded approval of the CFA “Supplemental Dues” in the amount of \$5,000 and motion carried 8-0. Ayes; Directors Dietrich, Fontana, Barton, Belgard, Estrada, Flores, Pruger, and McRae.*

## **REPORTS**

**SCC Fairgrounds Foundation** - Jeannie Kegebein reported for Michelle Bassi this is our 20<sup>th</sup> year! The report included in the agenda packet details the 2021 completed projects and contributions as well as projects in process. \$12,000 has been received in memory of Diane Cooley and these funds will be used for Heritage Hall upgrades.

**Agricultural History Project**-John Kegebein reported that today is Day 1 of his 59<sup>th</sup> year at the Fairgrounds! This Saturday is Easter on the Farm and everyone is invited and volunteers are always welcome. Tuesday’s features great volunteers who are busy restoring pieces in the collection – today there were 10 volunteers all having a fine time.

**Junior Fair Board** – none

**Livestock Committee** - Committee Chair Stephanie Fontana presented the proposed 2022 Livestock Entry Guide and meeting schedule. **Livestock Entry Guide**; *Director Belgard moved, Director Fontana seconded approval of the Proposed 2022 Livestock Entry Guide and motion carried 8-0. Ayes; Directors Dietrich, Fontana, Barton, Belgard, Estrada, Flores, Pruger, and McRae.*

**Livestock Committee Meeting Dates** - *Director Fontana moved, Director Estrada seconded approval of the Livestock Committee meeting schedule and motion carried 8-0. Ayes; Directors Dietrich, Fontana, Barton, Belgard, Estrada, Flores, Pruger, and McRae.*

**Buildings and Grounds** – members will schedule their next meeting

**CEO REPORT** -CEO informed the Board that he will be out of town for the May Board meeting.

1. SB-5 Project is close to completion, waiting on supply-chain delayed parts.
2. CDFA Procedural Audit has identified some new procedures that will be implemented. Their work is nearly complete and they will produce a report for distribution.
3. MOU’s from other Fair Foundations have been solicited and will be used to create an MOU for SCC Fair Foundation and brought for consideration next month.

4. Congressman Panetta is working to get Federal Financial COVID aid (this effort was instigated by John Kegebein).
5. CEO reiterated that we have always hosted the County elections department here cost-free and that will continue. We have NEVER charged for use of the facility by the Elections Department.
6. Thursday is the Chamber of Commerce Business Fair – please attend.

Closed session was cancelled.

**NEXT MEETING**

Next Regular Board Meeting is April 26, 2022 at 1:30 p.m. in-person and via remote-cast as necessary.

**ADJOURNMENT:** The meeting adjourned at 5:00 p.m.