

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE NAPA COUNTY FAIR ASSOICATION
WEDNESDAY, JUNE 9, 2010
Melanie Watson, Ray Edds, Mike Winrod,
Rich Holston, Jim Keag, Mark Porter, Karan Schlegel**

DIRECTORS PRESENT: Directors Watson, Winrod, Holston, Keag, Porter and Schlegel

DIRECTORS ABSENT: Director Edds

OTHERS PRESENT: CEO Carlene Moore

VISITORS: Ron Schlegel, Pat Hampton, Frank Scafidi

1. CALL TO ORDER

A regular meeting of the Board of Directors of the Napa County Fair Association was held Wednesday, June 9, 2010 in the Main Office at the fairgrounds. The meeting was called to order at 5:30 PM by Vice President Mark Porter.

2. PUBLIC COMMENT

No public comment.

3. CONSENT CALENDAR

CEO Moore requested that Item 3-b Approval of Financial Statements for the Periods Ended January 31, February 28, March 31, April 30, and May 31, 2010 be removed from the Consent Calendar, as those reports were not available at the time of the meeting. CEO Moore explained that there have been several minor discrepancies to research and that the delay is due to time constraints on staff, not CFSA. CEO Moore also noted that Director Watson has volunteered to stay after the meeting and assist CEO Moore in researching the items. Director Holston moved, Director Keag seconded and motion carried to approve the Consent Calendar as amended, Items 3-a, 3-c, and 3-d.

4. COMMITTEE REPORTS

- a. EXECUTIVE: The Committee met on May 24, 2010 to discuss recurring issues involving the former Fairgrounds Maintenance Supervisor. The meeting was for informational purposes and no action is being recommended at this time.
- b. BUILDINGS & GROUNDS: No meeting to report.
- c. CAMPGROUND: No meeting to report.
- d. GOLF: No meeting to report.
- e. PARADE: The Committee met on May 13, 2010 to review the timeline, applications received to date, and list of judges. The judges for this year are: Emmett O'Neill (horse), Ron Schlegel, Dave Shaw, Dennis Watson, Larry Costello, Ron Mashburn, Rose Beck, Linda Voudy, and Jim Davis. CEO Moore reported that Jim Pence will once again coordinate the judges on Parade Day.
- f. POLICY: No meeting to report. CEO Moore did not that the Department of Alcohol Beverage Control required server training would be held on June 10 at 5 PM in the Cropp Building and following that training ABC will work with us on our signage needs.
- g. PUBLIC RELATIONS: The Committee met on May 7, 2010 to discuss the success of the insertion in the City of Calistoga water bills, as well as adding age limits and time limits for sign-

ups in order to be eligible as a voting member, concerns from non-members over the make-up of the Board, and a suggestion by staff to limit the sign-up date in order to receive a pass to the fair in advance of the fair dates. Director Schlegel moved, Director Watson seconded and motion carried to approve the Committee's recommendation to amend the By-Laws for Association Membership to include an age requirement of 18 years old in order to sign up as a voting member and that dues must be received by June 15 of each year in order to be eligible to vote at the annual meeting and to receive a pass to the Fair.

h. RACE: No meeting to report.

5. **CORRESPONDENCE**

- a. CFA: The Board acknowledged the letter from CFA regarding the Special Meeting on June 11 in Sacramento at which time F&E will introduce their 2010/2011 Expenditure Plan and California Fair Reclassification. CEO Moore reported that she will be in attendance at that meeting and invited any of the directors that were interested to join her.
- b. F&E: The Board acknowledged the letter from the Division regarding our annual receipt of funds for the years 2007 through 2009.
- c. CFSA: The Board acknowledged the General Liability Fee Calculation from CFSA. CEO Moore reported that our fee is calculated based on loss payouts for 2004-2008, during which time there were none, but that next year we will most likely see an increase as the trip and fall accident payout from 2009 will be included.
- d. CFSA: The Board acknowledged the Workers' Compensation Fee Calculation from CFSA. CEO Moore reported that our fee is calculated based on 2009's payroll and volunteer hours and that our payment is only increasing by less than \$100 for the year.
- e. F&E: The Board acknowledged the 2010/2011 Optional Fair Funding Program applications submitted by CEO Moore to F&E in order to activate our Infrastructure Matching Grant funds for the sewer and light pole painting projects.
- f. Creative Event Management: The Board acknowledged the demand letter received from Creative Event Management regarding the cancellation of her Standard Service Agreement #10-05 and the response signed by President Edds. CEO Moore reported that the response was reviewed by our attorney who recommended that we keep any supporting documentation for cancelling the agreement on file for four years. CEO Moore also explained the reasoning she and President Edds used to determine the payout of \$1,500.
- g. F&E: The Board acknowledged the letter from F&E congratulating us on our "A" performance rating. CEO Moore reported that the A rating guarantees us an additional \$10,000 of Flex Capital Allocation from F&E, bringing the total for 2010 to \$35,000.
- h. PG&E: The Board acknowledged the service interruption letter from PG&E, noting that June 21 is entry receiving day. Staff will be prepared with ample bottles of water to keep our staff and volunteers hydrated.

6. **UNFINISHED BUSINESS**

- a. Policy Manual: CEO Moore reported that Patrick Clark, of Patrick Clark Consulting, has reviewed the Employee Policy Manual and will have a draft for the Policy Committee's review prior to the July meeting.

- b. 2010 Speedway Insurance: CEO Moore reported that the speedway insurance was purchased through K&K Insurance for a total of \$8,
- c. Speedway Light Pole Painting: The Board acknowledged the letter delivered by CEO Moore to the Calistoga Wildcat Boosters requesting matching funds for the light pole painting project. CEO Moore reported that the Boosters have agreed to pay half of the project cost if we will enter into a multi-year agreement with them for the concession stand usage and reduce our commission from 25% to 20% for two years, beginning in 2010. Director Holston moved, Director Watson seconded and motion carried to enter into a multi-year agreement with the Calistoga Wildcat Boosters to run concurrently with our agreement with the County and to reduce the commission for 2010 and 2011 from 25% to 20%.
- d. Sewer Repair: CEO Moore reported on her meeting with the County analyst and Public Works regarding projects over \$4,000 (as per our agreement with the County which stipulates their approval). Per County Counsel, we must follow the County's public contract code competitive bidding requirements for all projects over \$6,500, CCA will draft the plans and bid documents for CEO Moore's submittal to County Counsel and Public Works for consent prior to formally bidding the projects, and there is no requirement to go before the Board of Supervisors for approval. CEO Moore noted that the approximate time from the formal bid start to actual work commencing is 60 days.

7. NEW BUSINESS

- a. VIP Reception: CEO Moore discussed options for hosting an opening night VIP in the Board Room from 6 to 7:30 PM. Formal invitations will be mailed.
- b. Director Reimbursement: CEO Moore presented Director Edds' cellular phone bill for the period March 11 through April 10 for reimbursement of calls made and received on behalf of the Association. Director Watson moved, Director Schlegel seconded and motion carried to reimburse Director Edds for \$62.10 for Association business-related calls.
- c. Grand Marshall: CEO Moore reported that she left a message for Gene Duffy, Jr. inviting him to be the Grand Marshall of the Silverado Parade this year.
- d. Pre-Fair Board Meeting: The next Board meeting will be held on Wednesday, June 23 at 5:30 PM.
- e. Memorial Day Weekend Races: CEO Moore reported on the Memorial Day Weekend Races. Grandstand attendance was down 9.3%, but Pit attendance was up 32.8%, resulting in only a 1.9% decrease in attendance from 2009 or 81 people. This was the first year using tickets for the parking lot, but based on money collected in 2009, 2010 parking was up 2.5% or 15 cars. Additionally, novelty sales appeared to be strong with the Boy Scouts selling nearly half the shirts ordered. CEO Moore also reported that there is a discrepancy between the ticket seller reports of the cash collected compared to the cash received at the bank. At CEO Moore's request, Director Schlegel will review the spreadsheets for any inaccuracies and CEO Moore will report back at the next meeting.
- f. Photovoltaic Financing: CEO Moore reported on her attendance at a meeting with F&E and the other 15 fairs whose photovoltaic (solar or PV) projects are financed as part of Phase II. When the projects were originally started, the payment schedule was an estimate based on the anticipated low interest public financing from the California Renewable Energy Bonds (CREB). However, changes in the financial markets resulted in the evaporation of the financing for these bonds. CCA has done everything they can over the past 18 months to secure more favorable

financing, but at this time there isn't any available. Currently, the financing in place was meant to be short-term construction financing that would be rolled into a permanent low interest loan. The 16 fairs financed under the CREB plan have been paying on the original estimates, not the fully-serviced loan amount. A large balloon payment on the loan comes due on July 1. While it is probable that within 3 or 4 years there will once again be government-sponsored low interest energy incentive financing available, the existing financing needs to be fully-serviced, resulting in a nearly 100% increase to most of the fair's current payments. F&E has proposed \$700,000 as part of their proposed 2010/2011 Expenditure Plan for the July 1 payment along with the 16 fairs increasing their payments by approximately 5%. Other options include the fairs increasing their payments anywhere from 10-100% to make up the difference. Director Holston moved, Director Watson seconded and motion carried to support F&E's 2010/2011 Expenditure Plan as it relates to the PV financing and to approve a 5% increase to our Photovoltaic loan payments.

8. MATTERS OF INFORMATION

- a. CEO Report: CEO Moore reported that special entry forms for the Amateur wine and olive oil competitions have been mailed and that she is meeting with the Napa Valley Vintners to discuss the plans for the Napa Valley commercial wine display at the Fair. So far 42 wineries have agreed to provide us with at least one bottle and marketing materials for the display.

CEO Moore also reported that plans for the Antique Tractor & Truck display and Kids Korner are underway and that a one-day carry-in poultry show has been added to Saturday, July 3 at 1 PM for junior exhibitors.

CEO Moore also reported that Sierra West completed their physical survey of the property and buildings and the preliminary report should be available to us by the end of the month.

CEO Moore reported on her meetings with Boy Scouts, CCA, F&E, CFA, as well as her presentations at the Calistoga Soroptimist and Rotary meetings and the St. Helena Kiwanis. CEO Moore also reported on the attendance of all of the staff at our first monthly safety meeting conducted by Charlie Wiglesworth from CFSA. Mr. Wiglesworth will be conducting the monthly safety meetings for the first year and continue to work with us on our compliance with safety training laws.

- b. Directors Reports: Director Porter reported on his attendance with CEO Moore at the New CEO Orientation in Sacramento where representatives from WFA, F&E, CFSA, and CCA presented the various programs and support available to fairs. Director Porter noted how impressive it was that so many government agencies could work so well together.

Director Watson requested volunteers to help with Fair entries, setup, and decorating.

9. ADJOURNMENT

Director Holston moved, Director Keag seconded and the motion carried to adjourn the meeting at 7:10 PM.

Certified to be a true and correct copy.

Carlene Moore

Date

Mark Porter

Date

Chief Executive Officer

Vice President