



## 23<sup>RD</sup> DISTRICT AGRICULTURAL ASSOCIATION

### BOARD OF DIRECTORS

### MEETING MINUTES

**TIME & PLACE:** A regular meeting of the Board of Directors of the 23<sup>RD</sup> District Agricultural Association was held at the Contra Costa County Fairgrounds, 1201 West 10<sup>th</sup> Street, California, on Wednesday, Oct 12, 2022.

23<sup>RD</sup> DISTRICT AGRICULTURAL ASSOCIATION BOARD OF DIRECTORS  
**PRESENT:**

Bob Sherwood, President  
Craig Cannon, Vice President  
Kerry Dolphin  
Bob Hoffner  
John Pence  
Joe Brengle, CEO/Fair Manager

**ALSO  
PRESENT:**

Sarah Pelle, CDFA  
Charles Southwick, CDFA  
Susan Cannon  
Todd Heller, ACAII  
Elisa McCutcheon, ACAII  
Scott Sherwood

**1. CALL TO ORDER**

President Sherwood called a meeting of the Board of Directors of the 23<sup>rd</sup> District Agricultural Association at 7:00pm.

**2. FLAG SALUTE**

President Sherwood led the Flag Salute

**3. ROLL CALL/DIRECTORS ABSENT**

President Sherwood read Roll Call; all directors were present.

**4. PUBLIC COMMENTS**

No Public Comment

## 5. ACTION ITEMS

### A. CONSENT CALENDAR

President Sherwood asked for a motion to approve the September 14, 2022, Minutes as presented. After some review it was moved by Director Hoffner, seconded by Director Dolphin to approve the September 14, 2022, Minutes as presented. Motion unanimously approved.

President Sherwood asked for a motion to approve the Interim Event Contracts as presented. After some discussion it was moved by Director Cannon, seconded by Director Pence, and unanimously approved the Interim Contracts as presented.

### B. COMMITTEE REPORTS

1. The Executive Committee had nothing to report.
2. Budget and Finance Committee
  - a. August 2022 Financials - The Budget and Finance Committee reported on the Financials. CEO Brengle went over the financials and additional reports. President Sherwood asked for a motion to approve the financials. Director Dolphin made a motion to approve the August Financials as presented. Director Hoffner seconded the motion. Motion unanimously approved.
  - b. 2023 Budget – The Budget and Finance Committee reported on the 2023 Budget, CEO Brengle stated that the Budget included an estimated increase from the ACAII School Contract, as the contract is not finalized. After some discussion, it was moved by Director Cannon, seconded by Director Hoffner, and unanimously approved the 2023 Budget as Presented.
  - c. Yearly Allocation Approval – CEO Brengle stated that as part of the requirements to receive the Fairs Yearly Allocation from CDFA, that the Board needed to vote on it. Motion was made by Director Hoffner, seconded by Director Pence to approve the Fairs Yearly Allocation from CDFA. Motion unanimously approved.
3. Livestock Committee – CEO Brengle stated that he was waiting on information from CDFA regarding Prop 12, to finish the Livestock Handbook, and it would be on the next Board Meeting Agenda for approval.
4. Building and Grounds Committee
  - a. Review of New ACAII Rent & Utilities Proposal – CEO Brengle stated the Building Grounds Committee, had meet with ACAII, and that there was a revised counteroffer in the Board Packet, and that any item that had been changed or revised from the original contract has been highlighted. Director Hoffner stated that the Board had approved a contract previously and wanted to note that changes in the proposal would need to be approved by the Board, the Committee has not approved any of these changes, the Committee only made clarification regarding electrical upgrades, as there

was some confusion as to how it was stated in the original contract. President Sherwood reminded the Board that we all need to conduct ourselves accordingly and follow Roberts Rules of Order. President Sherwood at this time turned it over to Elisa McCutcheon from ACAII to present the Counteroffer. Elisa started off by saying that ACAII understands the Fairgrounds needs be profitable and have tenants that can assist with that and ACAII wants to continue to be one of those tenants. ACAII feels that for them to remain tenants, there are a few things in the contract they are requesting be changed. First off if the Board agrees to all the changes as presented in the Counteroffer, that ACAII agrees to make rent and utility payments per the proposal retroactive to July 1, 2022, with no late fees charged on retroactive payments. ACAII is asking that the yearly rent increase started gradually at 1.5% and by the 5<sup>th</sup> year reach 3%, and then for the five-year option stay at 3%, instead of going to the 3% immediately. Next was the clarification on electrical upgrades when and if ACAII was to add additional portable units, as well as if portable units were added and a new meter was added that the Electrical Fee structure would change to reflect actual electrical used by ACAII. The current Electrical Fee structure is based on Electrical usage at ACAI, plus 20% for infrastructure and maintenance, ACAII is asking for the percentage to be lowered to 12%. Regarding Water and Sewage ACAII is asking that instead of a flat fee that, Water and Sewage Fee structure be that similar to Electrical and be based on ACAI actual usage bills for comparison. Elisa thanked the Board for allowing ACAII to present their counteroffer, and hope that the Board and ACAII could come to an agreement. Director Hoffner stated that these would be an amendment to the contract, as the Board had already approved the contract. Director Hoffner recommended that yearly increase in rent remain at 3%, and there be no gradual increase. Hoffer was also recommending to the Board that regarding Common Space it be as stated in the original contract of \$1,083 per month. Elisa McCutcheon for ACAII stated that they were willing to take over the maintenance of Poppy Hall, if the Board agreed to lower Common Space fee to \$200 per month with a \$50 per year increase per month, with a cap of \$450 per month. President Sherwood stated that since they had exclusive use of Poppy Hall that they should be taking care of the maintenance of Poppy Hall anyways. There was discussion regarding current maintenance that needs to be done to Poppy Hall. Director Dolphin asked if all the highlighted items on the Counteroffer were discussed with the Building and Grounds Committee. It was stated that yes, the Building and Grounds Committee had reviewed these items, but except for the clarification on the electrical upgrades had not approved any of these items.

President Sherwood stated that we currently have an approved contract, and if the Board wanted to accept any of these items in the Counteroffer that the Board would need to approve an amendment to the contract, and at this time the Board need to identify what amendments they want to approve. Director Hoffner stated as a Committee Member of the Building and

Grounds Committee, he had voiced his recommendations. President Sherwood stated that they would take each item of the Scope of Work Counteroffer one at a time.

- Rental Rate of Land – President Sherwood stated the Original Contract had stated 3% increase per year of contract, ACAII Counteroffer was asking for a gradual increase starting at 1.5 %, reaching 3% at year five. President Sherwood stated that based on current inflation, that it needs to stay at a flat 3%. Director Hoffner stated that was the recommendation from the Building & Grounds Committee.
- ACAII may add up to three (3) portable classrooms within their current footprint of 58,600 square feet. President Sherwood stated that he had no changes to this item.
- No new structures shall be installed on the property until all new electrical upgrades have been completed. President Sherwood explained that when the Committee met with ACAII, that this was clarified, and that the Committee was willing to work with ACAII. Sherwood stated that upgrades of electrical would be made to existing portable classroom, if they were in the pathway to any new portable classrooms being installed, but that if other portable classrooms were not in the pathway those classrooms would not get upgraded underground electrical. It was also clarified that the Board was not asking ACAII to have a separate PG&E meter installed, but to have customer owned meter installed that could be billed based on actual use per PG&E current KW rates.
- Rental Rate Poppy Hall – President Sherwood stated that ACAII was willing to take over maintenance of Poppy Hall if Common Space amount was to start at \$200 per month and go up each year by \$50 per month and to cap out at \$450 per month. President Sherwood stated that since ACAII had exclusive use of Poppy Hall that they should be responsible for its maintenance, and that it would have no effect on Common Space Fee.
- Common Space Fee – President Sherwood stated that the Committee recommended this remain as in the original contract at \$1,083 per month.
- Electrical Fees – President Sherwood stated that he was willing to lower the percentage to 10%, upon Board approval.
- Water and Sewage Fee - President Sherwood asked if the Board was good with ACAII counteroffer, the Board had no issues.
- If ACAII leased square footage is to change the footprint – President Sherwood stated that he did not see it changing but if it did, it would be reviewed by the Building and Grounds Committee, not the CEO.

Based on these recommendations, the monthly rent the first year would be \$7,271 + Electrical and Water Fees billed monthly.

President Sherwood stated that the only item that he felt that could be further negotiated was Common Space. Director Hoffner stated that he felt the common space fee was accurate and that it was probable undervalued. CEO Brengle asked if the Board was willing to meet somewhere in the middle for the first year, and gradually increase to the \$1,083. Director Heffner's recommendation was no that it need to be the \$1,083 per month.

President Sherwood asked for a motion to approve the amendments to the contract. Director Dolphin asked that the amendments be stated. After some discussion President Sherwood read each item as to what the Board would be voting on.

- Rental Rate for Land: First Year of contract \$0.08 per square foot based on 58,600 square feet per month. Rate to increase 3% Per Year of Contract. Total Rental fee per month for first year of agreement \$4,688.00.
- ACAII may add up to three (3) portable classrooms within the footprint of 58,600 square feet currently used at no additional rental fee, and no additional utilities fee, and with no further permission required from the Association or State. ACAII would be responsible for all utility (Power, Water, Sewage) installation for new portable classrooms.
- No new structures shall be installed on the property until after all new electrical upgrades have been completed. Electrical to include installation of new separate pole mounted transformer, new switch board with metering and new underground electrical feed to all new portable classrooms and where cost effective to include existing portable classrooms. Engineering plans for new electrical to be approved by State. Once new electrical is in place, Monthly Electrical Fees to be re reviewed and billing based on metered usage, per current PG&E KW Rate. ALL costs for Electrical upgrades for the purpose of additional buildings shall be at ACAII expense. ACAII shall be entitled to remove the portable classrooms from the site at the expiration or earlier termination of this agreement. All improvements made to the permanent infrastructure of the property shall become property of the 23<sup>RD</sup> DAA.

- Rental Rate Poppy Hall: First Year of contract \$1,500 per month (Poppy Hall approximately 2,200 square foot building). Rate to increase 3% per year of the Agreement. Renter to take responsibility for all repairs and maintenance of Poppy Hall Building during terms of contract.
- Common Space: ACA II would pay \$1,083 per month for use of Common Space for term of contract.
- Electrical Fees: ACA II to submit copy of monthly PG&E statement from ACA I facility, to Contra Costa Event Park. Event Park to use ACA I Statement as monthly electrical fee, plus additional 10% for infrastructure and maintenance of electrical service to ACA II School Area. Electrical Fee to be reviewed annually and adjusted if needed, based on current electrical charges and infrastructure and maintenance needs.
- Water and Sewage Fee: ACAII to submit copy of monthly Antioch Water and annual sewage statement from ACAI facility to Contra Costa Event Park, Event Park to use ACAI Statement as monthly water fee and annual sewage fee.
- If ACAII leased square footage area is to change the footprint then it must be reviewed and defined by 23<sup>rd</sup> District Agricultural Association Building & Grounds Committee.

Total Cost per month for first year of agreement: \$7,271 + Electrical and Water Fees billed monthly.

President Sherwood asked for a motion to approve the amendments to the Contract as he had just read. A motion was made by Director Pence, seconded by Director Hoffner to approve the amendment to the ACAII Contract as read by President Sherwood. Director Hoffner asked to confirm that the meeting was being recorded. CEO Brengle asked Sarah Pelle to confirm the Board Meeting was being recorded. Sarah stated yes, the meeting was being recorded. President Sherwood asked for a vote, the motion unanimously passed.

CEO Brengle was given the direction to prepare an amended contract and submit it to ACAII for signature. ACAII stated that they would need to take the amended contract to their Board at their November meeting for approval. Director Dolphin asked if we were still asking ACAII for back rent from July

1<sup>st</sup>, 2022. President Sherwood stated that it was not brought up, and he was not asking for it. Director Hoffner stated that it needed to be a Board decision. President Sherwood stated that ACAII had offered it as part of ACAII's counteroffer, but it was not approved as part of the amendment to the contract.

b. Little League Fields Update – Director Hoffner stated that he had meet with a few different people and gotten different answers. Hoffner stated that he would get with CEO Brengle to set up meeting with potential renters of the fields and the Building & Grounds Committee to see what the potential interest is, what would need to be done to the existing fields, and what potential revenue would be. The Committee would then bring this information back to the Board for final decision on how to move forward.

c. Antioch Paintball Contract Review – President Sherwood stated that the Building & Grounds Committee had met with and toured the Paintball Park, Sherwood stated that the Committee instructed Paintball take care of pruning of dead trees, weed eating of weeds, removal of trash, and general clean up, of the Paintball area. After much discussion, and the potential of Yahualica International Benefit Org. signing a contract and taking over the area that Paintball is located, President Sherwood stated that we would entertain a motion to terminated Paintball's contract. After additional discussion a motion was made by Director Hoffner to terminate Paintball contract and give them a 45-day notice to vacate the facility, the motion was seconded by Director Pence, and the motion unanimously passed. CEO Brengle stated that he would notify Paintball the next day and send out a termination letter.

c. Facility Project List – CEO Brengle stated that an updated Project list was in the Board Packet and reviewed the list with the Board.

d. Yahualica International Benefit Org. – Rodeo Proposal – Director Hoffner stated that he had reviewed the proposal, and he had some questions. After some discussion, CEO Brengle was directed to set up a meeting with the promotor and the Building & Grounds Committee.

f. Strategic Planning Goals:

1. Homeless Issues

2. Parameter Fencing for Fairgrounds

CEO Brengle stated that there was no update, and that these goals would remain on the agenda, as the committee and board will continue to address them.

5. PR/Media, Sponsorship/Marketing/Community Outreach

CEO Brengle stated that the Committee did meet and that there was a Media Plan for the 2023 Fair in the Board Packet.

a. Strategic Plan Goals

1. Advertise to the entire county to increase attendance and facility use

2. Enhance Relationship between Event Park and City & County

CEO Brengle stated that there was no update, and that these goals would remain on the agenda, as the committee and board will continue to address

them.

6. Fair Attractions Committee

CEO Brengle stated that Fair Attractions Committee did meet and reviewed the Entertainment Budget, and there was no real change with the exception, that we would be looking at local entertainment for the small stage next to Building 1, and that Director Pence would be assisting with that.

**6. HERITAGE FOUNDATION REPORT**

Heritage Foundation President Scott Sherwood talked about the Heritage Foundation Fundraiser Dinner that is this coming Saturday October 15, and that ticket are still available through the Heritage Website.

**7. CEO REPORT**

CEO Brengle provided the Board with updates on meetings he had attended, and upcoming events, as well as 2021 Audit Report, copy in Board Packet, letters for CDFA, as well as CEO Brengle will be attending a CDFA Collaborative Meeting on Oct 20<sup>th</sup>, as well as the WFA Managers Conference on Nov 1 – 3. CEO Brengle also announced the 2023 Fair Theme “Once Upon A Fair”.

**8. CLOSED SESSION**

President Sherwood adjourned the Open Meeting at 9:01p.m. and opened the Closed Meeting at 9:02pm.

The Closed Meeting was adjourned, at 9:10p.m., nothing to report as the meeting was informational only.

President Sherwood reopened the Open Meeting at 9:11p.m.

**9. PRESIDENTS COMMENT**

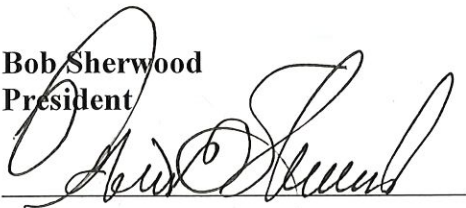
No Comment

**10. BOARD COMMENT**

No Board Comment

There being no further business to come before the 23<sup>rd</sup> District Agricultural Association the meeting was adjourned at 9:12 p.m.

Bob Sherwood  
President



DATE 12-14-2022

Joe Brengle  
CEO/Fair Manager



DATE 12-14-2022