

2nd District Agricultural Association

San Joaquin County Fairgrounds
1658 S. Airport Way, Stockton, Ca

Board Meeting Minutes

November 28, 2018 – 8:00 a.m.
San Joaquin County Fairgrounds
1658 S. Airport Way, Stockton, Ca
Board of Directors Room

Board of Directors

Joe Bacchetti (President), Brie Witt (Vice President),
Joe Amen, Sam Fant, Nikki Linnerman, Junette Lopez, Judy
Rodriguez, Emma Fete, Jeff Wagner

Public Participation

Persons wishing to participate during the public meeting may participate either during the Public Comment portion or during any other item on the agenda. Public Comment is reserved for items that are not listed on the agenda. Please be informed that public participation under Public Comment will be limited to five minutes per speaker. In accordance with state law, the Board will not comment or otherwise consider such Public Comment item for business until and unless such item is properly noticed for a future meeting. Please also be informed that in addition to Public Comment, the public is invited to participate and comment on each item on the agenda at the time the particular item is considered by the Board.

2nd DAA agendas and minutes can also be accessed on the web at: www.sanjoaquinfair.com. Questions regarding items on the agenda should be directed to Steve Colangelo, Chief Executive Officer at (209) 466-5041.

Americans With Disabilities Act

All Board meetings must be accessible to the physically disabled. Any person needing a disability-related accommodation or modification in order to attend or participate in any Board or Committee meeting or other San Joaquin County Fairgrounds activities may request assistance by contacting Steve Colangelo, Chief Executive Officer, 1658 S. Airport Way, Stockton or by calling (209) 466-5041.

Board Meeting Agenda

All matters on this agenda may be considered for action. Items listed on the agenda may be considered for action. Items listed on the agenda may be considered in any order at the discretion of the Board President. Any item not noticed on this agenda will not be considered or discussed.

Roll Call

Directors Present

Joe Bacchetti, Brienne Witt, Nikki Linnerman, Judy Rodriguez, Sam Fant, Joe Amen, Jeff Wagner, Emma Fete

Others in Attendance

Steve Colangelo, Frank Lopez, Debra Lopez, Padrino Lopez, Diana Muller, Jeff Cesca, John Quiroz, Jazmine Hernandez, Alejandra Reynaga, Tony Noceti, Chris Gatchet, Bob Gutierrez, Carlos Delatorre, Lina Delatorre, Noe Perez, Debra Lopez

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Consent Calendar:

- A. Minutes October 24, 2018
 - Director Fant approved consent calendar, 2nd by Director Linnerman
- B. Interim Agreements
- C. Bills Paid: October 13, 2018 to November 16, 2018

Old Business: *(Discussion/Action by Board)*

- A. Flea Market contract
 - Bob Gutierrez, discussing letter handed out Dec. 5th
 - no hot water and Delatorre's have been fined.
 - communication has been lacking
 - Safety concern with security driving through flea market
 - Director Wagner- what are the requirements for hot water? Are the food vendors not self-contained?
 - Carlos Delatorre, they are self-contained.
 - Bob Gutierrez, we still have questions on the contract do they have an exclusivity?
 - President Bacchetti, define exclusivity
 - Bob Gutierrez, Mr. Olds put it in the contract
 - Director Fant, we hired the CEO to do this job to look at these contracts
 - Director Fant, have the Delatorre's reached out to have a better communication
 - Bob Gutierrez, yes many times and he even cancelled a meeting
 - CEO Colangelo, I have not received a written response to the letter we sent out
 - President Bacchetti, lets discuss on setting up a meeting
- B. Progress on electrical repairs and upgrades
 - No update
 - President Bacchetti, 3rd base near the end of it. Some work by the livestock
 - PG&E hook-up South West side by building. 2
- C. Update on insurance claim – claims; gathering of info related to claim
 - No Update
- D. Discussion of California Department of Transportation (CalTrans) land purchase proposal
 - CEO Colangelo, offer was for \$298,000 east of maintenance barn and hog barn.
 - there is no access to any entry point except for the Cal-Trans side
 - desire to not sell real property assets, long term lease is in discussion
 - Jeff Cesca, CDFA- DGS will take a look at it.
 - Director Rodriguez, get someone who knows the area.
 - Director Wagner, how is that property zoned?
 - Director Linnerman, can we lease it?
 - Director Wagner, they came with a reasonable offer.
 - President Bacchetti, we have to look at how much we owe towards the CDFA loan
 - let's write a letter to see if they will go for a 99 year lease

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E. Update on Stockton Bingo contract renewal

- Padrino Lopez, we raised the rent, and are working on an agreement regarding the AC unit
- Padrino Lopez- Everything is good, the AC unit was the only issue
- Steve- Micheal Sullens with CDFA, his supervisor is asking when this agreement will be signed.
- Padrino Lopez- bid for the unit was discussed by the former CEO
- Director Wagner, do we have a signed contract with McLaughlin?
- Joe B. Frank asked should we buy the unit? The board said no.
- Frank- Kelly called us and said yes buy it!
- Jeff Cesca, CDFA, Was it a gift? Who owns it who will maintain it?
-everything should be in 1 contract
- CEO Colangelo, this is a good tenant, their check is right on time. Time is of the essence, he orders supplies with our address and they stopped their order because they do not know if they will be here.
-we need to sign this contract now, and then do a separate agreement with them for the AC unit.
- Director Wagner- send that quote over to Steve. \$45,000 seems a little high.
- Jeff Cesca, CDFA- engage CDFA if fairgrounds will be getting other estimates.
- Director Fete- my concern is for the Lopez family, were here and were trying hard because we want you to stay and be here. I am concerned with this 5 year contract. Is there any way that we can come with this interim agreement.
- Director Fant- we are not going to entertain any other renter
- Director Linnerman, what is your recommendation with this contract Jeff?
- Jeff Cesca, CDFA- we need that final document.
- Director Linnerman, can you expedite this?
- Director Wagner, if Mr. Lopez can forward us the document from McLaughlin and hopefully lower the numbers

F. 2015-2016 Discussion of accounting firm to conduct annual reviews

- Alejandra has contacted 5 CPA's but got ahold of 4. I sent them the financials and the last audit

G. Energy Efficiency Analysis

- CEO Colangelo, everything will be LED, my understanding is that there will be no money out of the DAA pocket.
- No reduction on the bill until the bill is paid off.
- Net project is \$171,000 a little over 2.5 years for the DAA to finish paying it off
- Sign an agreement to move forward with this
- Director Wagner, I think it's a win win!
- Director Fete, let's do it.

-move to motion Director Wagner 2nd, all in favor

H. NGI (Noceti) Agreement

- President Bacchetti, Tony's concern is that he will be in violation of the terms of the agreement.
- Jeff Cesca, CDFA- Board will have to say the changes and notate as a board.
- Director Fant, motion to agree from the motion to move from 11 to midnight as previously described in the last minute. 2nd by Director Linnerman

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- I. Electric/Billboard sign
 - CEO Colangelo, hook up is a little over \$9,000
 - I negotiated with PG&E to go down \$8,000
 - up and running in the next few days
- J. Accounting services for the DAA
 - CEO Colangelo, we do have to stand at CFSA Board meeting

New Business: *(Discussion/Action by Board)*

- A. Election of Officers
 - Director Rodriguez nominated Director Nikki Linnerman for Vice President
 - Director Fant 2nd
 - President Bacchetti, Director Linnerman do you accept?
 - Director Linnerman, yes
 - All in Favor- motion passed unanimously
 - Director Linnerman nominates Joe Bacchetti for President, 2nd by Sam Fant
 - All in favor
- B. Consideration of Reducing the CEO's Delegation of Authority
 - President Bacchetti, what do we need Steve?
 - Director Fant, original bylaws were never changed by the previous administration
 - Jeff Cesca, CDFA-CDFA recommendation is \$5,000
 - Director Fant, recommends to \$10,000 and two signatures required
- C. 2019 Budget draft discussion
 - CEO Colangelo, we are making sure that the AP matches up with invoices and vendors
 - Alejandra is available at any time to answer any AP question
 - We created an Excel document in a digital format to present to board members on a monthly basis
 - CEO Colangelo, We have found several invoices that have not been presented to the Board.
 - it is my job for me to give you real information
 - Jeff Cesca, CDFA, what is the expected date?
 - CEO Colangelo, we don't have a date, but hopefully by mid-January
 - staff intentions are to produce a fair
- D. Strategic Plan Update from November 14 meeting
 - Director Fete, not quite sure how we want to move forward, but we need to do it as soon as we can
 - Director Fant, we should have a Strategic Plan on a yearly basis
 - we have to solidify a direction.

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Committee Reports:

- A. Finance/Executive- CANCELLED
- B. Fair/Marketing- CANCELLED
- C. Policy and By Laws
 - Director Fant, By laws 6.4.7
 - motion to approve by the executive committee, Director Linnerman 2nd
 - all in favor

President's Report

CEO's Report

Correspondence

Public Comment:

Noe Perez-

Matters of Information *(No Discussion/Action by Board)*

- A. Director Comments
- B. Next Board Meeting Information
 - a. Date: January 23, 2019
 - b. Future Agenda Items: Items for discussion and/or action to be listed on the next regularly scheduled board meeting agenda.

Adjournment