

Agenda

2nd District Agricultural Association
Special Board Meeting - Minutes
September 8, 2014 – 8:00 a.m.
San Joaquin County Fairgrounds
Administration Building
1658 S. Airport Way, Stockton, Ca

NOTES:

- * 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; and 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 agendized at 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.
 - * Persons with disabilities who may require accommodations to attend the meeting are requested to contact the General Manager’s office at (209) 466-5041.
 - * 2nd DAA agendas and minutes can also be accessed on the web at: www.sanjoaquinfair.com
 - * Questions regarding items should be directed to the General Manager’s office at (209) 466-5041.
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The meeting was called to order at 8:10 a.m. by President Joe Valente presiding

Roll Call –

Directors Present: Joe Valente, David Cultrera, Sam Fant, Tori Verber-Salazar, Nikki Linnerman, Chris Flaherty, Gina Valadez

Directors Absent: Ger Vang (called in), Joe Bacchetti

Others in Attendance

Brian May, Larry Schwartzlander, Krista McCoon, Kelly Olds

New Business –

- A. Promissory Note for CARF
 - a. A letter of understanding was signed April 1
 - b. Chris Korby, Executive Director of CARF, requested a promissory note.
 - c. Kelly olds at the fair’s direction requested a review of the CARF draft

d. Olds responded to Chris Korby

“As we discussed earlier, I did at the Board’s request, ask Jerry Blair at the AG’s office to review the draft promissory note. He had several observations and recommendations as follows:

- In the opening paragraph the Fair should be identified by its proper legal name – “2nd District Agricultural Association”
- In the body of the document language relating to the principal amount of \$160,000 should reflect an auditable number which could be less than or greater than \$160,000. For example, if we lost a day to rain the payroll would necessarily reflect the fact that fewer hours were worked and the amount would be less. The current language obligates the 2nd DAA to the full amount. Similarly, if for some reason the payroll were to be greater than \$160,000 the 2nd DAA obligation to repay would be limited to \$160,000
- Finally, since the 2nd DAA is an agency of the State of California we are obligated to follow certain protocols when entering into a contract or, in this case, a promissory note. Mr. Blair’s recommendation is that an additional paragraph be added stating that even though executed by an authorized representative of the 2nd DAA the document would not take effect nor could it be enforced until approved by the California Department of Food and Agriculture Division of Fairs and Exhibitions and the California Department of General Services.”

e. Korby responded by agreeing to the first two and rejected the third

- “Changing the name to 2nd District Agricultural Association is not a problem.
- While we understand the point about the amount, we're trying to avoid a situation in which there is disagreement about the amount after the money has been extended. A set upon figure will avoid this. If it would be helpful, we can provide a written estimate showing our projection of the San Joaquin County Fair's racing employee payroll.
- CARF has been negotiating with the 2nd DAA, a CARF member. If the 2nd DAA has other obligations and protocols to follow, it should do so, but CARF will not agree to condition its loan on the approval of a third party who has not been a party to any of the discussions to date.

f. Schwartzlander discussed some of the options and procedures in the past

g. The Attorney General’s office advises that we can’t sign it without a paragraph regarding Fair and Exhibitions and Department of General Service approval, especially since we have the CDFA loan

h. Director Cultrera moved the Board direct CEO Kelly Olds to sign the promissory note subject to revision by and approval from of the Attorney General. Director Linnerman seconded the motion. Seeing no further discussion, the motion was voted on and passed with a 4-2 vote, Director Verber-Salazar and Director Fant were in opposition.

Seeing no further business, Director Cultrera, moved to adjourn the meeting at 8:31 a.m., it was seconded by Director Linnerman.

Respectfully submitted

Kelly Olds, Fair CEO

Joe Valente, Board President