

**PLACER COUNTY FAIR ASSOCIATION  
800 ALL AMERICA CITY BOULEVARD  
ROSEVILLE, CA 95678**

**M I N U T E S**

**Board of Directors Meeting**

**April 20, 2004**

**7:00 p.m.**

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**Members Present:** Bickford, Cooper, Fancher, Lucich, Lunsford, Pierce, Vineyard

Others Present: Interim CEO Carlene Moore, AA Heather Belford

**I. CALL TO ORDER**

Interim CEO Moore verified the legal meeting notice requirements were met. Following the roll call, President Fancher determined that there was a quorum and the meeting was called to order at 7:05 p.m.

**II. INTRODUCTIONS**

No members of the public were present.

**III. ACTION ON BOARD MEMBERS ABSENT AT THE LAST MEETING**

All members were present.

**IV. CONSENT AGENDA**

Director Lucich moved, Director Lunsford seconded, and motion carried to approve the March minutes and April agenda as mailed.

**V. FINANCIAL REPORTS**

In Director Henry's absence, President Fancher and Interim CEO Moore reviewed the March Financial Reports. Following management's explanations of several payables including payments made to reimburse speedway memberships, vehicle registrations, and pit stall fees, ICI Dulux Paints for the Pepsi winner's circle paint, Sinclair, Wilson & Bedore for Texeira case attorney fees, Dillingham Tickets for 2003 fair tickets that had gone unpaid, Solon Fire Control for the annual fire extinguisher inspection and AFLAC for supplemental health insurance, President Fancher went on to review the March Budget Comparison and Balance Sheet. Interim CEO Moore explained the difference in both All American Speedway revenues and expenses compared to last year at the same time, noting that there was a race held in March of 2003 and races did not start until April this year and that the speedway insurance was paid in March of 2003 and it will be paid in April this year. President Fancher noted that our net worth this year is up compared to last year at the same time. Interim CEO Moore explained that we are seeing more positive cash flow earlier this year compared to last year and we have not tapped into our State Allocation as of yet. Interim CEO Moore also noted that the increased cash flow at the beginning of the year may skew the month-to-month comparisons until the entire year is reported. Director Lunsford moved, Director Bickford seconded, and motion carried to approve the March 2004 Bills Paid, Budget Comparison, Balance Sheet, and Summary Trial Balance as mailed.

**VI. COMMITTEE REPORTS**

Premium Book

Director Pierce announced that the sheep, goat, and swine weigh-in will be Saturday, April 24<sup>th</sup> from 8 a.m.-noon.

Policy & By-Laws

No meeting to report.

Entertainment

No meeting to report.

Buildings & Grounds

Director Cooper reported on the meeting that she, Director Lunsford, and Interim CEO Moore had earlier today to discuss the site for the new office and a "wish list" for the Mahan Lawn quadrant of the grounds so that California

Construction Authority (CCA) can develop the site plan. The committee recommends that the site plan consist of three phases: first the Administration Building and front gate, second restrooms, stage, and cooking facilities, and finally landscaping.

With regard to the entire site, one of the main concerns is the slope and the drainage on the fairgrounds. Currently, everything drains from Jones Hall toward the back of the current administration building site. The committee will review the recommendation from CCA to improve drainage by either building up the elevation for the new administration building or grading the entire fairgrounds. A new front gate will also be included in the site plan as the current one will be demolished with the office. The new gate will incorporate a cashier's office into it to minimize the number of locations where money is held during the fair. In the meantime, for the 2004 fair, we will utilize the speedway ticket booth and temporary gates.

The committee also discussed the Mahan Stage and suggests that the burms be removed to alleviate several of the drainage issues. As part of the three-phased development of the Mahan Lawn-Administration Building project, the committee will continue to review the various components of the area and make recommendations to develop the area into a "park-like" setting that can be incorporated into the fair events more readily and used as a medium-size corporate picnic area, outdoor venue for fundraisers, and other community events throughout the year. Suggestions include relocating the RV park, replacing the current stage with a portable stage that offers more layout options, new restroom facilities, outdoor cooking area, and a larger grass area with shade trees.

The committee also discussed the Jones Hall Kitchen Remodel project. The committee recommends purchasing quality appliances including a triple-wide refrigerator, a three-basin sink, a six-burner stove with griddle and two standard ovens, the required hood and ansel system, as well as new stainless steel counters. Interim CEO Moore reported that a representative with the Tommy Apostolos group has offered to split the cost for a double stacking convection oven as well. The total cost of the equipment is approximately \$20,000. In addition, the roof on the kitchen needs to be replaced and this cost has not been calculated into the project estimation. Interim CEO Moore will research the cost of the roof and report back to the Board.

### Race

Director Lunsford reported on the meeting that he, Director Gray, Bob Kennedy, Rick Poppert, Ken Brooks, and Interim CEO Moore had earlier today. The committee discussed the plans that have been submitted by CCA for the paving of the aprons on the track in order to improve drainage in the infield and eliminate mud on the racing surface when it rains. In 2003, three of the four races that were cancelled were due to the drainage problem that resulted in an unsafe track, and not due to a rainy day. To pave just the aprons is cost-prohibitive and, therefore, the proposed plan also calls for a 2" overlay on the track itself. So as not to disrupt the current schedule, the committee recommends commencing with the entire paving project at the end of the 2004 season.

The committee also discussed admission policies at the speedway, relating specifically to speedway staff and their guests. In the past, the speedway staff members have received complimentary passes for their spouses, family, and/or friends. In addition, staff members have become accustomed to adding guests to the "deadhead" list at their own discretion. While the quantity of courtesy admissions appears to be high, for the 2004 season the committee recommends continuing with each speedway staff member receiving two general admission credentials per race as well as one pit pass, and will review the policy again at the end of the season. The pit pass is not to be transferred between staff members. In addition, any additions to the deadhead list can only be made by the Director of Competition, Speedway Host, or Fair Management.

The committee also recapped the season to date. The first two races had good attendance with the third race taking a drop due to the weather. The car count is down this year compared to the beginning of last year. The Pro Stock Division, which now only runs six races during the season, has completed one race with a ten-car turnout. If, at the next race with Pro Stocks there is not a full car count, the committee recommends dropping the division for the remaining four races. The committee will continue to review the 2004 schedule and may report back with an alternative to the Pro Stock division, possibly mini-trucks.

### Hospitality

No meeting to report.

## Complaint

No meeting to report.

## **VII. CORRESPONDENCE**

The Board acknowledged the letter from Lyons' Investments regarding the privatization of fairgrounds and the update from WFA regarding Capitol Ag Day. President Fancher expressed his disagreement with the privatization of fairgrounds and urges the Board to express their sentiments to Congress. The Board authorized Interim CEO Moore to write a letter in response to the privatization issue stating that we are not interested and do not see it as a benefit to the fair industry.

## **VIII. MANAGEMENT REPORT**

Interim CEO Moore requested that the Board reconsider their decision to not host a sponsor/VIP area this year. Sponsorships for the fair, including media partnerships, are progressing well, and they need a cool place to rest and a light bite to eat. She recommends that the VIP area be relocated to the grass area outside the new modular office, enclosed by a canopy and nice fencing, such as lattice. Director Lunsford moved, Director Vineyard seconded and motion carried to approve a modified reception area with a tent for sponsors and VIP's.

Interim CEO Moore reported on her attendance at the Roseville Chamber new member reception and the Chamber networking lunch. As part of the overall marketing strategy and as a means to keep the Placer County Fair name out in the community she has donated family pass admissions to the fair and speedway as promotional giveaways. She is also working with our carnival, Desert Star Attractions, to offer a member-to-member discount tickets to chamber members.

Interim CEO Moore reported on her attendance at the Mother Lode Area meeting in conjunction with the Sacramento Area Fairs. She has been in contact with the Yolo County Fair regarding their offer to use their vinyl cutter, free of charge, to make signs for the fairgrounds. The only investment by us will be the materials at cost.

Interim CEO Moore reported on the meeting she had with Director Lunsford, Supervisor Weygandt, his assistant Jennifer, and Howard Dickstein, attorney for Thunder Valley Casino, regarding a possible partnership with the casino. Interim CEO Moore is preparing a proposal for the casino that includes them sponsoring the championship series at the speedway.

Interim CEO Moore reported that our Audit is in progress and will be completed on Friday, April 23<sup>rd</sup>. She also requested President Fancher's presence at the exit interview at 2:00 p.m.

Interim CEO Moore presented the Board with the CEO recruitment flyer developed by David Mackowiak. The flyer, as well as the application, is also available on the fair's website.

Interim CEO Moore reported on the meeting that was held with those involved in the Administration Building Project including Director Cooper, Director Gray, Tom Baker with CCA, Bruce McAllister of JMC Homes, Chief Building Inspector Bill Schulze, and County Facilities Deputy Director Albert Richie, at which the timeline for the project (included in everyone's board packet) was developed.

Interim CEO Moore reported on the marketing progress for the Fair. She has contracted with Becki Carlson, promoter of the Strawberry Festival, and Janel Marchi to coordinate our marketing and develop our media partnerships. In addition, Interim CEO Moore has contracted with Karen Spencer, another local agency, to assist with development of our community relations and promotions. At this time our media partners include The Sacramento Bee, Kool 101.9, The Flash 103.9, KCTC, Radio Disney, and KNCI. On average, our partnerships are providing us with a 3:1 return on our cash investment.

Interim CEO Moore also reported on the progress with sponsorships. Sponsorships for the speedway are up nearly \$6,000 over last year and we have many promising leads for Fair sponsorships.

Interim CEO Moore reported that demolition day is scheduled for May 3<sup>rd</sup> if anyone wants to see the administration building fall!

## **IX. PRESIDENT'S REPORT**

President Fancher suggested that a perpetual plaque be created to display past recipients of the Blue Ribbon Award. Interim CEO Moore will order one and check with WFA for an accurate history of recipients.

## **X. OLD BUSINESS**

### A. Administration Building project

Interim CEO Moore informed the Board that the timeline presented in the board packet for the project is on schedule. She also informed the Board that the Surewest engineers are developing a plan to get telephone access to the modular office in the most cost-effective manner, but the issue is that nearly all of the phone lines on the grounds come out of the current administration building.

## **XI. NEW BUSINESS**

### A. Approval of Interim, Commercial Exhibit, Concession, Standard Service, Entertainment, and Judging Agreements entered into in March 2004

Director Lunsford moved, Director Lucich seconded, and motion carried to approve the list of Agreements entered into in March 2004.

### B. Authorize Expenses over \$5,000

Interim CEO Moore presented the Board with a list of expenses over \$5,000 that will be coming due in April. She requested authorization to pay Valley Precision Grading \$6,900.00 for the modular office site prep, NARI \$36,092.00 for the 2004 speedway season insurance, and 98 ROCK \$10,300.00 for 22 weeks of speedway advertising. In addition, Interim CEO requested authorization to purchase two Kubota RTV 900 Utility Vehicles for use by the fire crew at the speedway as well as our maintenance department on the grounds, at approximately \$9,000 for the first one and \$4,500 for the second one, up to \$20,000 for the Saturday night of Fair headliner, and up to \$10,000 with The Sacramento Bee for print advertising for the Fair. Director Bickford moved, Director Pierce seconded, and motion carried to authorize the requested expenses noting that the Saturday night entertainment is not to exceed \$20,000.00.

### C. Directors Shirts for Fair

Interim CEO Moore presented the Board with several options for shirts. After some discussion, Director Lunsford moved, Director Bickford seconded, and motion carried to authorize staff to purchase gray polo shirts with black collars with white trim for the board and their spouses.

### D. Project Funds

Interim CEO Moore presented the Board with a current project fund account detail. She expressed concern that after taking out the proposed Administration Building Expense, which does not include the cost of site prep if we don't get a donation, Jones Hall Kitchen Remodel, and the expenses associated with the modular office, the Capital Improvement fund has a balance of \$0.46, not leaving much room for "incidentals" associated with either project. Director Bickford moved, Director Vineyard seconded, and motion carried to place the Lauppe Hall Kitchen construction and RV Park project on hold to review at a later time and apply Millennium funds towards the Administration Building project, if necessary.

### E. Relocation Discussion

Interim CEO Moore presented the Board with a letter from KT Development Corporation expressing interest in entering into an exclusive negotiating contract with the Placer County Fair to explore the possibility of relocating the fairgrounds. Several board members expressed concern over the statement in the letter that the All-America Development Partners would pay for costs outlined on page 2, paragraph 3, but did not state who would pay for additional costs. It was the consensus of the Board to table this discussion until the May Board meeting when Director Gray, who has spearheaded this endeavor, would be present to provide more detail and understanding.

### F. Hazardous Materials Inspection Report and Cleanup Proposal

Interim CEO Moore presented the Board with the annual inspection conducted by Roseville Fire Department regarding potentially hazardous waste on the fairgrounds. The report outlines the drums of waste that have been on the facility for over a year and need to be removed. In addition to the report is a letter from RAH Environmental, Inc. outlining the cost for removal of the drums estimated at \$4,697.00. Director Lunsford moved, Director Cooper seconded, and motion carried, with Director Lucich dissenting, to authorize Interim CEO Moore to contract RAH Environmental to remove the potentially hazardous material.

G. Security RFP

Interim CEO Moore reported that four companies have expressed interest in providing our fairtime security. Interim CEO Moore requested an ad hoc committee be formed to review the Security RFP. Directors Fancher, Lunsford, Lucich, and Bickford volunteered to meet on Wednesday, April 21, 2004 at 9:00 a.m. to review the document.

H. Fairtime Gate Personnel Raises

Interim CEO Moore reported that the fairtime head cashiers have requested a raise due to the increase in hours at the fair. President Fancher asked if their pay was decreased when we went from a five-day fair to a four day fair, and seeing that it was not, the Board concurred to not grant raises to the fairtime gate personnel.

**XII. DIRECTORS COMMENTS**

Director Lucich reported that there is a large dead tree near Mahan Stage that should be removed. Interim CEO Moore noted that it will be removed when the administration building is demolished.

Director Cooper inquired into the admission policy for the races because she noticed that we stop selling admission before the Main Events start. Interim CEO Moore explained that in the past ticket sales have ceased prior to the Main Events, somewhere between 9 and 9:30 p.m., depending on how many tickets have been sold within the half-hour. Director Cooper also expressed concern over the number of patrons that are parking inside the fairgrounds and creating a parking mayhem. Director Bickford suggested that a parking permit be issued to staff, directors, and VIP to display on their windshield and that the interior of the fairgrounds be designated "Parking by Permit Only." Director Bickford also suggested posting a guard at J Gate and sharing the cost with the Saturday night interim events. Interim CEO Moore suggested that the guard collect a parking fee of \$10 at J Gate to help cover the cost of the guard and to encourage people to park at the front lot for free. Staff will develop the permits and issue notice to the interim renters upon key checkout as to the parking policy.

Directors Vineyard and Bickford relayed their pleasure with the new modular office.

Director Fancher also agreed that the new building is nice, and conveyed his ongoing enthusiasm for the Friday updates.

**CLOSED SESSION**

The Board adjourned into Closed Session at 9:35 p.m. There was no business to discuss in closed session, but the item is to remain on the agenda for next month.

The meeting adjourned at 9:45 p.m.

CERTIFIED TO BE A TRUE AND CORRECT COPY.

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Carlene Moore  
Interim Chief Executive Officer

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Date